

HB 572-FN - AS INTRODUCED

2025 SESSION

25-0095

05/09

HOUSE BILL **572-FN**

AN ACT establishing the "partners in housing" program, a low-interest loan and grant program under the housing champions fund to assist municipalities, counties, and developers in building workforce housing.

SPONSORS: Rep. Stavis, Graf. 13; Rep. Booras, Hills. 8; Rep. Maggiore, Rock. 23; Rep. Howland, Straf. 20; Rep. Fracht, Graf. 16; Rep. Cloutier, Sull. 6; Rep. Hicks, Merr. 24

COMMITTEE: Housing

ANALYSIS

This bill creates the "partners in housing" program, a low-interest loan and grant program under the housing champions fund to assist municipalities, counties, and developers in building modestly priced housing, and provides an additional \$10 million in funding for the housing champions fund.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struck through.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Five

AN ACT establishing the "partners in housing" program, a low-interest loan and grant program under the housing champions fund to assist municipalities, counties, and developers in building workforce housing.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Legislative Intent.

2 This act creates a low-interest loan and grant program under the housing champions fund to
3 assist municipalities and developers in building workforce housing, specifically single-family starter
4 homes, duplexes, small apartment buildings, and other missing middle housing on municipally-
5 owned land that is suitable for residential development and provides an additional \$10 million in
6 funding for the housing champions fund.

7 2 Town Property; Authority of Select Board. Amend RSA 41:11-a to read as follows:

8 41:11-a Town Property.

9 I. The ~~[selectmen]~~ **select board** shall have authority to manage all real property owned by
10 the town and to regulate its use, unless such management and regulation is delegated to other public
11 officers by vote of the town, or is governed by other statutes, including but not limited to RSA 31:112,
12 RSA 35-B, RSA 36-A:4, and RSA 202-A:6.

13 II. The authority under paragraph I shall include the power to rent or lease such property
14 during periods not needed for public use, provided, however, that any rental or lease agreement for a
15 period of more than one year shall not be valid unless ratified by vote of the town.

16 III. Notwithstanding paragraph II, the legislative body may vote to ~~[authorize the board of~~
17 ~~selectmen]~~ **grant the select board the authority** to rent or lease **any** municipal property for a
18 term of up to 5 years ~~[without further vote or ratification of the town]~~. Once adopted, this authority
19 shall remain in effect until specifically rescinded by the legislative body at any duly warned meeting,
20 ~~[provided that the term of any lease entered into prior to the rescission shall remain in effect]~~
21 **however, such rescission shall not terminate any existing leases.**

22 **IV. The select board may choose to send to the planning board a list of real property**
23 **owned by the town and managed by the select board, if any, that is in their judgment**
24 **appropriate for development for residential use. No property acquired under tax deed**
25 **pursuant to RSA 80 shall be added to this list.**

26 3 New Paragraph; Duties of the Planning Board. Amend RSA 674:1 by inserting after
27 paragraph VI the following new paragraph:

28 VII. The planning board may vote to designate any property recommended to it as
29 appropriate for development as a residential use by the select board pursuant to RSA 41:11-a, IV, as

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1 appropriate for development for residential use and forward a description of said property to the
2 office of planning and development pursuant to RSA 12-O:55, VIII.

3 4 New Paragraph; Data and Information Services; Descriptions of Property to be Compiled.
4 Amend RSA 12-O:55 by inserting after paragraph VII the following new paragraph:

5 VIII. Pursuant to RSA 674:1, VII, compile descriptions of municipally and county owned
6 property determined to be appropriate for development by the select board as a residential use into a
7 publicly available list of properties available for grant or loan funding pursuant to RSA 12-O:72-a.

8 5 New Section; Partners in Housing Program. Amend RSA 12-O by inserting after section 72
9 the following new section:

10 12-O:72-a Partners in Housing Program. The department shall establish a program, known as
11 the partners in housing program, to make grants and loans drawn from the fund created under RSA
12 12-O:74 for the purpose of building workforce housing, as defined in RSA 674:58, IV. Properties
13 identified on the list created pursuant to RSA 674:1, VII shall be given priority for program funding.
14 Grants and loans may be made by the department to housing developers to whom a municipality or
15 county, pursuant to RSA 28:8-c, transfers ownership of the municipally or county owned property for
16 the purpose of residential development where at least 20 percent of the housing units to be
17 developed will be affordable for a period of at least 20 years. The department shall adopt rules
18 pursuant to RSA 541-A to implement the provisions of this section no later than December 1, 2026.

19 6 New Hampshire Housing Champion Designation and Grant Program Fund; Partners in
20 Housing Program. Amend RSA 12-O:74 to read as follows:

21 12-O:74 New Hampshire Housing Champion Designation and Grant Program Fund. There is
22 hereby established in the state treasury the New Hampshire housing champion designation and
23 grant program fund, for the purpose of funding the grant programs established in RSA 12-O:72, ***RSA***
24 ***12-O:72-a***, and~~[]~~ RSA 12-O:73. The fund shall be non-lapsing and shall be continually appropriated
25 to the department.

26 7 New Paragraphs; Power to Review Site Plans. Amend RSA 674:43 by inserting after
27 paragraph V the following new paragraphs:

28 VI. If the planning board has submitted a property description to the office of planning and
29 development, then the local legislative body may further vote to authorize that properties in the
30 municipality on the list generated pursuant to RSA 12-O:55, VIII qualify for expedited review and
31 approval pursuant to RSA 676:4, III.

32 VII. If the local legislative body of a municipality has by ordinance or resolution authorized
33 minor site plan review pursuant to RSA 674:43, III, then all solely residential development projects
34 proposing to construct workforce housing, as defined in RSA 674:58, IV, that are included on the list
35 generated pursuant to RSA 12-O:55, VIII, may also qualify for expedited review and approval
36 pursuant to RSA 676:4, III.

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1 VIII. The local legislative body of a municipality may by ordinance or resolution adopt
2 pattern zoning regulations to accelerate the construction of infill housing in neighborhoods. To meet
3 the definition of infill housing, projects must be new residential development constructed on vacant
4 lots interspersed among lots with existing, non-vacant development. Pattern zoning provides
5 permit-ready designs with appropriate zoning and regulations to speed the process of building high
6 quality infill housing that is compatible with existing homes in the neighborhood.

7 8 Appropriations; Housing Champion Designation and Grant Program Fund.

8 I. The sum of \$10,000,000 for the fiscal year ending June 30, 2025, which shall not lapse
9 until June 30, 2027, is hereby appropriated to the New Hampshire housing champion designation
10 and grant program fund established pursuant to RSA 12-O:74, with \$2,000,000 to be dedicated to the
11 partners in housing program established pursuant to RSA 12-O:72-a. The governor is authorized to
12 draw a warrant for said sum out of any money in the treasury not otherwise appropriated.

13 II. The sum of \$500,000 for the fiscal year ending June 30, 2025, which shall not lapse until
14 June 30, 2027, is hereby appropriated to the department of business and economic affairs for the
15 purpose of administering the partners in housing program. The governor is authorized to draw a
16 warrant for said sum out of any money in the treasury not otherwise appropriated.

17 9 Effective Date. This act shall take effect July 1, 2025.

HB 572-FN- FISCAL NOTE
 AS INTRODUCED

AN ACT establishing the "partners in housing" program, a low-interest loan and grant program under the housing champions fund to assist municipalities, counties, and developers in building workforce housing.

FISCAL IMPACT: This bill provides an appropriation.

Estimated State Impact				
	FY 2025	FY 2026	FY 2027	FY 2028
Revenue	\$0	Indeterminable	Indeterminable	Indeterminable
<i>Revenue Fund(s)</i>	General Fund & Housing Champion Designation and Grant Program Fund			
Expenditures*	\$0	Indeterminable Increase in excess of \$1,040,000		Indeterminable Increase
<i>Funding Source(s)</i>	General Fund & Housing Champion Designation and Grant Program Fund			
Appropriations*	\$0	\$10,500,000	\$0	\$0
<i>Funding Source(s)</i>	General Fund & Housing Champion Designation and Grant Program Fund			

*Expenditure = Cost of bill

*Appropriation = Authorized funding to cover cost of bill

Estimated Political Subdivision Impact				
	FY 2025	FY 2026	FY 2027	FY 2028
County Revenue	\$0	Indeterminable	Indeterminable	Indeterminable
County Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable
Local Revenue	\$0	Indeterminable	Indeterminable	Indeterminable
Local Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable

METHODOLOGY:

This bill establishes the partners in housing program, a low-interest loan and grant program under the housing champions fund, to support municipalities and developers in constructing workforce housing. The focus is on single-family starter homes, duplexes, small apartment buildings, and other missing middle housing on municipally-owned land suitable for residential development. Additionally, the bill appropriates \$10,000,000 for the fiscal year ending June 30, 2025, with funds lapsing on June 30, 2027. This amount is appropriated to the New Hampshire Housing Champion Designation and Grant Program Fund, established under RSA 12-O:74, with \$2,000,000 designated for the partners in housing program, established under RSA 12-O:72-a. The bill also appropriates \$500,000 for the fiscal year ending June 30, 2025, with funds also available until June 30, 2027, to the Department of Business and Economic Affairs to administer the partners in housing program.

The New Hampshire Association of Counties (NHAC) states participation in the partners in housing program is not mandatory, so counties are not required to incur any expenditures. Costs would only be incurred if a county chose to take a loan from this program. As the bill does not specify the loan terms, the NHAC cannot estimate the potential cost for participating counties.

The New Hampshire Municipal Association (NHMA) states the bill permits municipalities to identify town-owned properties managed by the select board, deeming them suitable for residential development. Such properties would be added to a statewide list maintained by the Office of Planning and Development and prioritized for program funding. Additionally, the NHMA states that the costs associated with creating and maintaining a list of real property suitable for residential development, as well as modifying zoning and site plan regulations for such properties, would be minimal. Grants awarded to municipalities would generate new revenue, but the exact amount cannot be determined at this time.

The Department of Business and Economic Affairs has indicated that the current appropriation of \$500,000 for administration is insufficient to fully manage the Partners in Housing Program. The Department estimates that implementing the program would cost \$1,041,915 for fiscal years 2026-2027. This would include two project managers added to the staff, administration, and program development. Additionally, they would need to include new line items in their operating budget for the future administration of the program. This bill does not authorize any new positions.

AGENCIES CONTACTED:

Department of Business and Economic Affairs, New Hampshire Association of Counties, and New Hampshire Municipal Association