

GOFERR Stakeholder Advisory Board

Additional Written Responses

As of Close of Business Wednesday April 30, 2020

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April 29, 2020

COVID-19 NH beer industry economic impact statement to GOFERR Stakeholder Advisory Board

The Beer Distributors Association of New Hampshire and our member companies greatly appreciate the efforts of the members of this board to address the needs of the NH beer industry and the interdependent tourism/hospitality economy.

While beer distributors (NAICS sector 42) were deemed essential, and our employees and fleet of trucks continue to deliver and merchandise beer, bottled water juices, soft drinks, energy drinks, milk products and other fitness/wellness beverages to our grocery and other off-premise retail partners (NAICS sector 44-45), the sales volume to the hotel and restaurant sector (NAICS sector 72) has been reduced by more than 90% since March 16, 2020. This decline not only represents a loss of sales (20%) in this channel, but by accepting returns and issuing credits for full cases and kegs from NH restaurants and hotels, wholesalers have taken on a massive amount of unsaleable product that will soon expire.

With restaurants and hotels now closed and volume significantly reduced for the foreseeable future, there is no outlet for draft beer, most of which will expire untapped in our warehouses or brewer partner facilities. As you may know, beer is like produce: it is sold fresh, stored cold, and has a short life span. With thousands of full kegs of beer returned and many more already tapped and spoiling at restaurants and bars, this represents a multi-million dollar liability for both wholesale distributors/brewers and restaurants/hotels in New Hampshire. Please refer to a recent WSJ article for more context if this issue (attached).

Beyond the cost of spoiled product, our businesses have incurred additional costs to protect their employees, customers and the community as they continue to work with retail partners in the field. PPE, new health protocols, sanitization services for trucks, equipment, and warehouses, and increased HR costs have all added (and will continue to add) significant costs to our operations. In the face of reduced sales to the on-premise trade, these added costs have made it difficult for our business owners to meet financial obligations, maintain full operations and guarantee employment for all of our employees. While many business have applied for PPP, SBA or other federal programs, the vast majority have not been funded, and the losses and incremental costs are unsustainable as a slow recovery is forecast.

We support the cautious and phased approach to reopening and echo our hospitality partners' call for increased marketing support for our tourist economy as New Hampshire plans for the future, recovers and eventually welcomes guests back to the Granite State.

As part of the greater hospitality/tourism/business relief effort for New Hampshire, we would request that an allocation be made to offset the incremental PPE/sanitization costs (for all sectors) and offer consideration for spoiled inventory for those NH businesses who have been impacted due to the virus.

Respectfully,

Scott Schailer
Executive Director, BDNH

Enclosures: SAB GOFERR written comments, WSJ article 4/24/20, NH beer industry economic data

**BDNH Written Comments
to the GOFERR Stakeholder Advisory Board**

- (1) Please identify your position and your organization.

Scott Schaier, Executive Director of the New Hampshire Beer Distributors Association and board member/volunteer at BREW NH.

- (2) Please identify what economic sector your enterprise operates within.

NH beer/beverage distributors operate in the Wholesale Trade Sector (NAICS 72) and support the Hospitality Sector (NAICS 72) and Retail Sector (44-45). We were classified as essential due to our support of products (beer, bottled water, soft drinks, etc.) and services to the retail sector in both the on- and off-premise channels of trade. We have 1000+ employees and the beer industry in NH provides \$1.9B in economic impact.

- (3) Please describe how your enterprise and economic sector has been impacted by Covid-19. As a result of COVID-19, independent distributors in the beer/beverage industry have seen increased operational costs, increased workload and decreased revenues:

- As essential businesses/employees we have continued to deliver our products to retailers and support them with in-store merchandising without interruption
- Our companies (and our partners) have had to increase cleaning and sanitization of our facilities, trucks, and equipment
- Member companies have had to implement new health and safety HR protocols including sourcing of PPE and other equipment to protect our front line employees, customers and the general public as we support the grocery and restaurant channels
- The industry has seen revenues decrease by 90% in the restaurant/hotel channel as that sector has been essentially shut down except for take out
- With NHLC permission, we have accepted returns of unused, fresh and perishable product from restaurants/hotels and issued them credits despite having no viable outlet to sell this product (draft beer/kegs)
- Reduction in availability of employees due to quarantine related issues or other health/safety precautions have resulted in overtime costs

- (4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

- Wholesale beer distributors are likely to see a continued loss of revenue for the next year (or more) as the recovery in the hospitality industry will be slow and our future is interdependent.
- We expect the on-premise (restaurants/hotel) channel to come back slowly and one year from today perhaps be at 40-60% of pre-COVID19 volume.
- The excess inventory of expired(ing) draft product currently on hand will be a one-time factor as forecasting and ordering has been corrected following the emergency order issued on 3/16/20.

**BDNH Written Comments
to the GOFERR Stakeholder Advisory Board**

- While we hope for a quick recovery, our future is linked to the greater tourism sector, and we will continue to plan a decline of 50% in sales to the hospitality sector and continue to shift business plans to support all sectors and cut costs to keep as many jobs as possible.

(5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

- While none of the independent businesses in our sector are eligible for grants, member companies have applied for PPP and SBA programs, and to date (4/29/20) only one company has received any funding.

(6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:

(a) The funds will serve a public use and provide a public benefit.

- Funds to help offset PPE, increased cleaning/sanitization and other health and safety measures will benefit the public safety at retail, as these measures benefit the entire community from essential workers to shoppers and their families at home.

(b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens.

(c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.

(e) The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.

- The funds will help keep independent businesses in our sector, as well as our partners in the retail sector, safe and in business as we recover and look to regain consumer confidence, which ultimately supports the State's tourism goals and objectives going forward as we recover and rebuild.

(f) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.

**BDNH Written Comments
to the GOFERR Stakeholder Advisory Board**

- (g) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.
- (h) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.
 - Recognizing these funds are designed to assist businesses in their recovery, retain workforce and deal with some of the unexpected costs and loss of business as a result of the pandemic, any relief/recovery will help prevent a worsening of the economic situation relative to jobs and the hospitality sector and the NH state tourist economy. This sector is one of the top employers in the state and serves to prime the greater economy and promote a lifestyle that is desirable to citizens and tourists alike.
 - The most expensive costs associated with COVID-19 will come within the first 6-9 months as we react, adjust and prepare for recovery.
- (7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.
 - Funds would be isolated by member company accountants and expenses/receipts would be recorded via financial statements in accordance with GAAP rules/procedures
- (8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.
 - Using GAAP rules/procedures, financial records and documents will be filed as part of 2020 P&L or tax return documentation.
- (9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.
 - Our business is tied to the greater NH tourist economy, so continued efforts by NHBEA to protect and promote NH as a tourist destination will be critical to our collective recovery in the greater beer/hospitality industry. We would strongly support full funding of tourist related promotional budgets as we need to insure prospective visitors we are not only open, but safe and clean in all sectors.
- (10) What would your business, agency, organization, sector do with the funds that cannot be done currently?

**BDNH Written Comments
to the GOFERR Stakeholder Advisory Board**

- These funds would allow us to take all the protective measures we need without having to make difficult decisions regarding our human resources. We have been able to keep most of our people on due to job-shifting, sharing, voluntary vacations, etc., but the continued decline in volume with increasing costs makes for very difficult decisions going forward. Without a quick recovery, revenue loss and increased costs will ultimately impact business operations and drive difficult HR decisions. Nobody wants to choose between safety and employee retention.

(11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

- Increased testing for our employees, especially the merchandisers who are in grocery stores every day for hours on end. The lack of tests has been cause for concern and a threat to public safety.
- While there are many similarities in the food/hospitality sector with regard to PPE/cleaning/equipment needs due to COVID-19, I do think our partners in restaurant/hospitality need specialized support to assist with cleaning/sanitization for draft equipment. There are eight NH-based draft equipment cleaning businesses that have also seen their revenue drop with the closure of restaurants, and there is a need to help both the restaurants/hotels and the draft cleaning companies and insure these systems are ready for re-opening. Some small allocation of funds (micro-grants) would help both business types and ultimately help consumers and the greater tourist economy.

* * * * *

SAB anticipates that its members will be reaching out to diverse interests and persons to request submission of comments, and we thank you in advance for considering these requests. We are all in this together, New Hampshire!

Please check the GOFERR website for current information on how to submit comments. All recommendations and information submitted in response to this request will be available for public inspection and copying in their entirety. For further information, please contact Joe Doiron at the GOFERR offices.

BUSINESS

A New Problem Is Brewing in the Beer Industry: One Million Kegs Are Going Stale

The coronavirus pandemic stranded unused beer in stadiums, concert halls, restaurants and bars. Now brewers and distributors facing sizable losses have to figure out what to do with it all.

Wall Street Journal, Saabira Chaudhuri

Updated April 24, 2020 6:23 pm ET

Millions of gallons of beer stuck in stadiums, concert halls, restaurants and bars are fast going stale, leaving the beer industry with a tricky problem: What to do with all that booze nobody will ever drink?

The coronavirus pandemic forced U.S. bars to close ahead of two of the country's biggest drinking occasions: St Patrick's Day and the "March Madness" basketball tournament. Beer intended for those events is now spoiling in locked establishments, and brewers are trying to get it back so kegs can be refilled before lockdowns lift. Executives say draft beer typically stays fresh for between two and six months.

"This was the absolute worst time for this to happen for draft beer," said Craig Purser, chief executive of the National Beer Wholesalers Association, a trade body. "We have never ever seen an interruption like this where everything freezes in place."

Many industries are wrestling with similar dilemmas about what to do with their excess supply while the global economy recedes and a deadly virus rages around the world. Farmers are dumping milk. Air carriers are looking for places to park all of their idled planes. Commodity traders are looking for floating supertankers to store an overabundance of crude oil.

The beer industry is hunting for ways to deal with roughly 10 million gallons of suds abandoned in venues in March alone, according to an NBWA estimate. That is the equivalent of almost one million kegs. Even more beer is stuck at distributors' warehouses, in transit from other countries and in breweries. Unsold and expiring beer could cost the beer industry as much as \$1 billion, according to the NBWA.

Dumping the unused ale en masse isn't an option. Environmental regulations say large volumes of beer shouldn't be poured down drains or into rivers because it can disturb the pH balance, reduce oxygen in the water and produce undesirable bacteria. Before this though, brewers or distributors must access tens of

thousands of locked-down venues, lift the heavy kegs out of cellars and safely balance trucks that may be carrying a mix of full and empty barrels.

"This is a hot potato because none of our businesses are set up to return massive amounts of beer," says Dan Vorlage, marketing head for Denver-based MicroStar Logistics LLC, the U.S.'s largest keg-logistics company. "It takes three times as many trucks to transport full kegs than empty ones."

MicroStar—whose customers include 1,000 brewers—plans to treat the beer with defoamer and balance the pH before sending it to city water authorities for further testing and treatment so it can be released into waterways.

Brewers and other keg owners say they are also eager to quickly recover the containers—which cost between \$100 and \$120—in case they get tied up in bankruptcy proceedings.

Who ultimately pays for all that beer that no one consumed is another point of contention. Guinness maker Diageo PLC, Budweiser brewer Anheuser Busch InBev SA and Modelo owner Constellation Brands Inc. are among brewers that have said they would share the cost of the undrunk beer with their distributors to spare bars and restaurants from picking up the tab. AB InBev and Constellation have also temporarily extended the expiration dates on their draft beers to buy the companies more time to deal with the glut of expiring beer.

"We're afraid lots of places will close and won't be able to open back up—they're on very thin margins," said Bob Pease, head of the Brewers Association, a trade body for small and medium sized brewers that are typically more dependent on bars than liquor stores.

In the U.K., an even bigger slice of beer is at risk, since about 49% of beer is drunk in pubs, restaurants and bars, compared with 20% in the U.S., according to industry tracker IWSR. The Campaign for Real Ale, a consumer-focused beer group, estimates about 50 million pints of beer could go to waste.

Many pubs serve cask ale—the peculiarly British, naturally carbonated beer that is often drunk at room temperature—which has a shorter shelf life than most beer.

An unopened cask lasts about a month but once opened last just a few days, according to Matt Todd, who owns the Wonston Arms, a village pub in the Southwest of the U.K. "They're a ticking time bomb," he said.

When pubs were forced to close in the U.K., Mr. Todd created a website offering home delivery to sell his existing inventory of rapidly expiring ale. Strong demand means he's now buying fresh supplies, delivering small kegs and growlers to local customers.

"I thought 'right I'm going to take the pub to people,'" said Mr. Todd, who now makes 60% of his ordinary weekly revenue through deliveries. He carries a bar stool in his van so he can stop to chat to older customers.

Some brewers already have a strategy for how to handle expired beer. Samuel Adams owner Boston Beer Co. has long recaptured the ethanol for gasoline it then can sell to other buyers. Founder Jim Koch says the company will step up this practice to handle the larger volumes expected.

New York brewers Montauk Brewing Co. and AB InBev-owned Blue Point Brewing Co. are making other adjustments. Both are switching their packaging and putting more fresh beer in cans to be sold in liquor and grocery stores, where demand is still strong. They are also sending beer that is expired or can't be distributed to a nearby craft distiller to be turned into hand sanitizer. The distiller, Better Distilling Co., which ordinarily makes vodka, gin and white rye, says it is much quicker to use beer to make sanitizer even though the process yields less ethanol than mashing and fermenting corn from scratch.

For D.G. Yuengling & Son, sending its flagship Yuengling beer to distillers isn't a solution because volumes are far too high, according to Chief Operating Officer David Casinelli. The company, which has several million dollars worth of beer stuck in bars and restaurants, is looking for third-party logistics operators to dispose of its beer safely.

"With each week going by more beer goes off," said Mr. Casinelli. He worries that even beer that isn't past its 60-day shelf life could be spoiled if not stored properly at locked establishments. "The kegs could all be warm. We have no idea how the beer has been handled."



Beer Serves America | 2018 Data
ECONOMIC IMPACT OF THE BEER INDUSTRY



New Hampshire

Direct Economic Impact

	Jobs	Wages	Output
Brewing	742	\$57,745,800	\$477,339,200
Distributing	820	\$54,172,300	\$137,092,700
Retailing	5,085	\$135,597,700	\$278,684,000
Total	6,647	\$247,515,800	\$893,115,900

Supplier Economic Impact

	Jobs	Wages	Output
Agriculture	140	\$1,413,800	\$3,749,600
Business and Personal Services	960	\$66,584,400	\$138,079,400
Mining	8	\$176,900	\$1,098,100
Construction	67	\$4,338,800	\$8,561,100
Finance Insurance and Real Estate	310	\$15,120,900	\$80,711,500
Manufacturing General	213	\$13,424,600	\$71,834,500
Retail	48	\$1,999,700	\$3,793,600
Transportation & Communication	373	\$25,228,000	\$98,552,700
Travel and Entertainment	132	\$3,835,000	\$9,155,700
Wholesaler	236	\$23,762,300	\$57,235,000
Government	58	\$5,113,400	\$12,462,600
Other	0	\$0	\$0
Total	2,545	\$160,997,800	\$485,233,800

Induced Economic Impact

	Jobs	Wages	Output
Agriculture	33	\$514,400	\$1,501,000
Business and Personal Services	1,522	\$88,519,200	\$157,531,900
Mining	3	\$63,800	\$389,200
Construction	47	\$3,049,800	\$6,217,400
Finance Insurance and Real Estate	438	\$25,412,100	\$163,574,300
Manufacturing General	126	\$9,088,200	\$45,599,300
Retail	582	\$20,686,700	\$44,909,500
Transportation & Communication	194	\$14,028,100	\$60,081,300
Travel and Entertainment	570	\$15,327,000	\$40,814,600
Wholesaler	115	\$11,576,500	\$27,734,000
Government	39	\$3,410,300	\$10,357,300
Other	85	\$2,724,900	\$1,854,200
Total	3,754	\$194,401,000	\$560,564,000

	Jobs	Wages	Output
Total	12,946	\$602,914,600	\$1,938,913,700

Taxes Generated: Business and Personal

Federal	\$159,289,700
State and Local	\$105,664,800
Total Business and Personal Taxes	\$264,954,500

Taxes Paid: Consumption Taxes

Federal	\$23,154,800
State and Local	\$25,992,600
Excise	\$12,850,100
Sales and Other	\$13,142,500
Total Consumption Taxes	\$49,147,400

John Dunham & Associates: New York

Totals May Not Add Due to Rounding

Beer Creates Jobs.  Beer Serves America.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

Thank you for agreeing to provide information to assist the GOFERR Stakeholder Advisory Board (“SAB”). Your contribution is critically important to allow the SAB perform its purpose of developing recommendations to the GOFERR for the allocation and expenditure of federal Covid-19 emergency funds to address fundamental needs of the State of New Hampshire.

Because the Covid-19 crisis has impacted almost everyone and every institution across New Hampshire, SAB expects to gather a substantial amount of information from many sources. In order to accomplish this task effectively and efficiently, SAB requests that all persons who submit information (including those persons who are scheduled to provide oral comments before a SAB meeting) please follow these guidelines.

The SAB is hopeful that many interested persons will submit information and ideas on how the State can best allocate federal emergency relief funds. We plan to read all comments, and for those who make oral presentations to the SAB, we intend to ask questions based on the written submissions.

There is no particular format for the comments, and but we request that you focus your comments as efficiently as possible and try to limit the number of pages to less than 10.

In order to help the SAB members to the greatest extent possible, we request that you try to address each of the information items listed below. The SAB members have identified these information items as highly relevant to their overall task. While some commenters are likely to provide additional information, and others may not be able to address each item, we request that you try to address the following items in your submission:

- (1) Please identify your position and your organization.

Shannon Reid, Exec. Director of Government Affairs and Communications, Community College system of NH

- (2) Please identify what economic sector your enterprise operates within.

Public Higher Education (2-year)

- (3) Please describe how your enterprise and economic sector has been impacted by Covid-19.

Like most if not all higher educational institutions in NH, CCSNH moved nearly all instruction online and shifted to remote work. Our two residential campuses closed their residence halls and refunded room and board payments for the affected portion of the Spring semester. We directed funds internally to meet a variety of student needs, including food and housing insecurity, incidental needs, and mental health services. We modified payment plans and forgave small outstanding balances. We ramped up communication with, and advising to, students. Fortunately and thanks to these efforts, not to mention the drive and resiliency of

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community college students, spring term drop-off has been minimal but uncertainty persists about students' financial ability to remain enrolled given that many have suffered job loss and other economic disruptions in their lives or the lives of family members.

- (4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

It will be critical to be able to bring students back into labs in the upcoming weeks and months, in socially distanced ways, to do those hands-on elements of their courses that cannot be done via remote/online learning. As we put plans in place to accomplish that, NH's community colleges will be well-positioned to educate students in "hybrid" formats which include some remote instruction and some on-campus instruction. We anticipate an added cost to this as we will need to outfit classrooms and labs in different ways, expand hours of instruction and add learning engagement tools.

The summer and fall enrollment picture is uncertain, but typically in times of economic recession, demand for community colleges increases. This may be especially true in the upcoming year to the extent that traditional-age students are reluctant to travel for college or are reluctant/unable to be in a residential college environment, on top of lingering high unemployment which tends to drive adults back to community college career-focused programs. Therefore, we anticipate increased need for our services but decreased ability of our population to afford to enroll – which creates the risk that much of NH's population will, without assistance, have to put their futures at risk in order to meet immediate needs.

Two of our seven colleges have residence halls. It is unclear at the present time what social distancing needs will be for dormitory living situations or what foregone revenue impacts will be if we are not able to fill the residence halls to capacity. Other auxiliary activities such as facility rental and athletic programs may also be subject to limitations and resulting revenue impacts.

- (5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

1. Emergency funds for students: CCSNH raised funds and used other donated funds to provide emergency aid for students, roughly \$13,000 per college to be distributed to best meet the immediate needs of students in the areas of food insecurity and elements of daily living. Federal funds in the CARES Act specifically earmarked for higher education flowed through the community colleges to students, to be used for grants to cover a similar range of needs resulting from COVID-19-related campus impacts. Such eligible uses of CARES Act funding do not include direct tuition assistance, which is critical to keep students enrolled and is therefore the subject

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

of its own request for funding support directed to the Governor's Office for Emergency Relief and Recovery by CCSNH.

2. COVID-impact mitigation funds for higher education institutions: Additional funding through CARES Act to help higher education institutions meet their own COVID-related costs are pending disbursement, and CCSNH will use this funding to reimburse the refunds some colleges disbursed for room and board, deep-cleaning of campus facilities and enhancements to the colleges' technology portfolio to support distance learning and remote work.

3. FEMA reimbursement for medical surge site: CCSNH worked with the State and National Guard to stand up an Alternative Care Site for the Concord and Lakes Region under the FEMA framework, and we anticipate reimbursement from FEMA and/or other state and federal source for those specific costs.

(6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:

(a) The funds will serve a public use and provide a public benefit.

CCSNH's request to the Governor's Office for Emergency Relief and Recovery, as outlined below and in the attached document, is not about institutional bailout but about supporting NH students and the economy and workforce of our state. This comment equally applies to (b), (c) and (g) below.

(b) The funds will preserve or increase the social welfare or economic prosperity of the state and will promote the general welfare of the state's citizens.

(c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.

(e) The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.

CCSNH remains capable of carrying out its primary mission to educate and train NH's workforce in an accessible and affordable manner. As long as students have the resources to enroll in a college program, CCSNH can serve and support them – this is why CCSNH is requesting funds for students' tuition costs.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

- (f) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.

No conflict exists.

- (g) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.
- (h) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.

CCSNH's requests are designed to provide one-time relief and recovery at this specific moment in time, as NH is facing high level of unemployment, the need to align its workforce with emerging job needs in a post-pandemic world, and an uncertain postsecondary landscape facing students whose range of options is likely to have diminished dramatically for the upcoming year because of COVID-19.

CCSNH has requested funds for two general areas, detailed in the attachment. These are:

- *Funds to enable students to come "back to the lab" so they can complete the necessary hands-on components of their programs, and to enable socially distanced learning;*
 - *Tuition support for NH students, including the newly unemployed and recent high school graduates, to meet skills gaps now and as the economy shifts into growth mode, reduce unemployment levels in NH and position our workforce for short-term relief and longer-term recovery.*
- (7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.

The support would show as specially coded relief in our operating revenue, and the "back to the lab" funds would be tracked as COVID-related relief expense support, typically within the organizational unit for tracking IT-related expenses. We anticipate no conflict with reporting in our financial statements in a manner required by the State of NH, accrediting agencies or external auditing firms.

- (8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.

We anticipate no conflict with reporting in our financial statements in a manner required by the State of NH, accrediting agencies or external auditing firms. We have financial control and internal audit functions in place to ensure we encode revenues and expenses in support of relief efforts into our systems in such a way that we can easily report back, including in balance sheet,

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cash flow and income statements, and we have an extensive track record of meeting such obligations in our prior operations. We are confident we could meet any public reporting requirements connected to this funding support.

- (9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.

CCSNH's efforts to strengthen the alignment of NH's workforce with emerging needs would be buttressed by robust data-sharing and close liaison with the NH Department of Employment Security. Another key organization in the State for CCSNH is the Department of Business and Economic Affairs, and CCSNH works closely with BEA to assess economic and workforce sector needs of the State. Further, as we look at pathways for our students, we also work with institutions in the University System of NH to ensure that academic programs and financial aid resources can line up optimally for student transfer.

- (10) What would your business, agency, organization, sector do with the funds that cannot be done currently?

CCSNH could provide tuition assistance to students to incentivize and enable enrollment, retention and completion. CCSNH could also strengthen its advising capacity to support students in education-to-career pathways and real-time alignment with the needs of NH employers.

- (11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

The bulk of support provided to the higher education sector has, oddly, not been directed to helping students with tuition costs but rather to meet their everyday living needs, similar to unemployment compensation and community relief efforts. If NH embraces the goal of keeping NH students in school and enabling those unemployed to train for in-demand careers, tuition support is a vital component. Further, as CCSNH is a feeder school to the University System and other four-year colleges, supporting students entering the community colleges also preserves a pipeline to those four-year colleges once they are again able to operate at "normal" capacity with a full range of offerings.

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Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

Thank you for agreeing to provide information to assist the GOFERR Stakeholder Advisory Board (“SAB”). Your contribution is critically important to allow the SAB perform its purpose of developing recommendations to the GOFERR for the allocation and expenditure of federal Covid-19 emergency funds to address fundamental needs of the State of New Hampshire.

Because the Covid-19 crisis has impacted almost everyone and every institution across New Hampshire, SAB expects to gather a substantial amount of information from many sources. In order to accomplish this task effectively and efficiently, SAB requests that all persons who submit information (including those persons who are scheduled to provide oral comments before a SAB meeting) please follow these guidelines.

The SAB is hopeful that many interested persons will submit information and ideas on how the State can best allocate federal emergency relief funds. We plan to read all comments, and for those who make oral presentations to the SAB, we intend to ask questions based on the written submissions.

There is no particular format for the comments, and but we request that you focus your comments as efficiently as possible, and try to limit the number of pages to less than 10.

In order to help the SAB members to the greatest extent possible, we request that you try to address each of the information items listed below. The SAB members have identified these information items as highly relevant to their overall task. While some commenters are likely to provide additional information, and others may not be able to address each item, we request that you try to address the following items in your submission:

- (1) Please identify your position and your organization.

Susan D. Stuebner, President, Colby-Sawyer College, New London, NH

- (2) Please identify what economic sector your enterprise operates within.

Higher education

- (3) Please describe how your enterprise and economic sector has been impacted by Covid-19.

COVID-19 has completely disrupted the residential college model of education. In mid-March, all of the college pivoted quickly from face to face education to remote or online learning. While this tactic enabled us to finish the semester and allow students to graduate and complete their academic semesters, it is far from ideal in terms of teaching and learning. More over, the loss of room and board revenue returned to

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students in the form of refunds cost the college millions of dollars. Beyond the core mission of educating students, many college campuses use their facilities in the summer for conferences and workshops. At Colby-Sawyer, all of these have been canceled, costing us at least \$1 million in lost revenue. With an endowment that is restricted by donor designations along with the State of New Hampshire on the maximum draw allowed to protect intergenerational equity, there are few sources of revenue to which colleges and universities may turn for relief from these significant losses of revenue.

- 4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

The biggest question facing colleges and universities in the next 12-months is whether we can open in the fall with students on campus in our residential model. In order to achieve this goal, access to testing and contact tracing will be essential.

Other states, especially Vermont and Massachusetts, have seen a number of colleges close in the past 24 months and New Hampshire will be no different if there is not additional support for opening in the fall in at least some kind of modified form of residential education. Colby-Sawyer is prepared to house students in single rooms, modify how we place students in classrooms to maintain social distancing, and work with students on social life implications related to COVID-19.

Like most colleges and universities, Colby-Sawyer is absolutely essential to the Town of New London. According to a 2016 study, the college has a \$100 million impact on the Lake Sunapee Region. We are the Town's largest tax payer and contribute over \$20 million in salaries, \$12 million in employee spending, and \$5 million in student spending. While we are not on the brink of closure, surviving the fall in a remote learning mode will be extremely challenging and would have a detrimental impact on this region.

- (5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

Colby-Sawyer was fortunate to receive a Payroll Protection Program loan because we are smaller in our total employees than most of the colleges and universities in NH. This loan has the possibility of being forgiven as a grant, which is enormously helpful. In addition, this funding has enabled us not to layoff any of our employees during this highly volatile and uncertain time.

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- (6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:

- (a) The funds will serve a public use and provide a public benefit.

The funding that we see as most critical is support for greater testing and contact tracing. New London Hospital is one mile away from campus and we would like to collaborate with the hospital around testing our students in order to open in the fall in a more traditional format. So, any funds toward testing would absolutely have a public benefit of reducing the spread of COVID-19 and allowing us to maintain our operations.

- (b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens.

New London's population is primarily elderly. Increasing testing will not only benefit the college, it will benefit the entire community and create an environment where we can following the proscribed pattern of testing-tracing-and treatment.

- (c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.

As mentioned, increased funding for testing and contact tracing will preserve the college in a more traditional format. Remote learning was a stop-gap measure for this semester but it is not the preferred measure of teaching and learning. We have a 99% placement rate for our graduates many of whom stay in the State of NH to work after graduation. Eighty percent of our renown nursing program work for Dartmouth-Hitchcock following graduation. Finding additional funding for testing-tracing-treatment will enable Colby-Sawyer to continue to contribute in meaningful ways to the economy and the Town.

- (e) The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector,

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and will enhance the resiliency of the organization to survive future economic or health challenges.

Funding for testing would greatly enhance the college's – and other businesses in the Town of New London and the Lake Sunapee region's – ability to continue operations in at least some modified form that takes into account necessary precautions for COVID-19 but allows some normalcy for residents of the area and our students.

- (f) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.

N/A

- (g) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.

We would advocate that the funds be given directly to New London Hospital so that all in our community can benefit, not just the college. But sufficient funding would be required so that the size of our community, including our students, faculty and staff, could be covered would be essential.

- (h) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.

Assuming that COVID-19 will eventually have a vaccine and/or medication for treatment, the funds for testing are designed to be a one-time infusion to ensure that businesses and individuals get the treatment necessary to continue to control the curve of this virus.

- (7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.

As stated earlier, we would advocate that the funds go to New London Hospital rather than to the college directly. If however, the funds came to the college, we would treat the funds as restricted funds and sequester them until we pay invoices associated with

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testing and tracing costs. In our financial statements, these funds would show up as Net Assets released from restriction once the costs start getting applied to the funding.

- (8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.

Public reporting would include the number of tests completed and the number of positive tests.

- (9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.

As I have mentioned New London Hospital is the main entity that would benefit from the funding and the testing.

- (10) What would your business, agency, organization, sector do with the funds that cannot be done currently?

Without sufficient testing, I fear that we will have to consider online learning instead of a more traditional setting (with whatever precautions are still necessary due to COVID-19). As I have explained earlier, this has both educational quality challenges as well as significant financial issues for the college. Increased funding for testing will allow us to detect early any new cases, quarantine, contact trace, and treat. In the absence of testing, our choices as an institution are very difficult.

- (11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

A lot of higher education institutions will want direct funding and I understand that we have financial issues to address. I do not think it is the state's issue to resolve our funding challenges. I do think it is in the state's best interest to have a healthy sector of higher education, however, and I think that testing is absolutely imperative for colleges and universities to have as "normal" of fall semesters as possible. I don't hear as much

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about increasing testing within my industry as I think there should be or at the state level. I hope that this component will be taken seriously as it is absolutely crucial to our ability as organizations to control, monitor, and treat COVID-19 cases as they emerge in the new academic year.

Thank you for the opportunity to comment.

Sue Stuebner, President, Colby-Sawyer

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(1) Please identify your position and your organization.

Dr. Kim Mooney, President, Franklin Pierce University

(2) Please identify what economic sector your enterprise operates within.

Higher Education

(3) Please describe how your enterprise and economic sector has been impacted by Covid-19.

The impact of COVID-19 on New Hampshire’s colleges and universities has been profound. Apart from the many important events and traditions cancelled as a result of the pandemic, including athletic competitions and commencement ceremonies, the financial impact on all of the state’s higher education institutions was immediate and significant.

Franklin Pierce University’s experience mirrors that of other institutions that comprise the Granite State’s higher education sector. Some of the impacts include:

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- With students no longer on campus, Franklin Pierce lost more than \$2.5 million in revenue for room and board;
- Important, revenue-generating events scheduled for the summer were cancelled; and
- The necessity of having faculty transition completely to a remote learning model required additional investments in software licenses and hardware.

Notably, in keeping with its emphasis on the strong proactive financial management that has seen the university significantly increase its financial strength in recent years under new leadership, Franklin Pierce University immediately took difficult, substantial steps, including:

- The furlough of 30 full-time employees;
- An immediate freeze on hiring unless the position is absolutely crucial;
- The immediate cancellation and cessation of any expenditures for events or purchases not absolutely essential; and
- Reduced hours for some 14 staff members.

(4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

New Hampshire's higher education sector stands to experience significant shortfalls in the coming year. At Franklin Pierce, we expect to see up to a 25 percent decrease in new student enrollment for the fall term if it is prudent for students to return to our campus in Rindge. Our online programs could see enrollment declines of 10% or more.

If face-to-face instruction does not resume in the fall, the losses could be much higher, with the decline in overall enrollment from recruitment and retention being as high as 50 percent. Much of this of course will depend on macroeconomic trends.

It is also important to note that in the case of Franklin Pierce, nearly all of our students receive significant levels of financial aid from the institution. The margin for each student enrolled is therefore less. And while the university's leadership has grown the university's endowment in recent years, it is also important to note that Franklin Pierce remains heavily dependent on the tuition paid by enrolled students for its operational budget.

It is important to note that our graduate programs, for example the Master of Physician Assistant Studies program based in Lebanon that focuses on providing rural communities with much needed health care, while having to make significant adjustments because of COVID-19 including disruption to clinical rotations, are incredibly sought after. In fact, the enrollment for our Master of Physician Assistant Studies conducted the week before last saw our next cohort for program completely

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filled! Notably, we attracted students from a far wider geographic area than ever before.

- (5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.**

The CARES Act is providing a two-part distribution, the first portion of which will be given to students and will not impact institutions directly. The second part is still being clarified, but we do not expect it to cover more than a very small portion of the losses the university already incurred.

- (6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:**

- (a) The funds will serve a public use and provide a public benefit.**

The higher education sector plays an important role in New Hampshire. Colleges and universities enable our young people to stay in the Granite State and ultimately raise families of their own here. They also provide adults with opportunities for continuing education and provide businesses with an important source of talent and employee development.

There are other direct public benefits. For example, Franklin Pierce's Master of Physician Assistant Studies, based in Lebanon, focuses on providing rural areas with crucially needed health care professionals.

Our nursing and Doctor of Physical Therapy programs also offer a significant source of talent to our many hospitals and healthcare providers throughout New Hampshire. (Note, we are offering employees who were laid off or furloughed from the 19 hospitals we partner with – all located in N.H. – a 20 percent discount.)

- (b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens.**

Franklin Pierce University is a crucial source of employment for people in towns throughout the Monadnock region and a rapidly growing source of talent for the area's businesses. In addition, the university and its operations significantly impact a wide range of service providers and businesses in the communities we

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call home, including Lebanon, Manchester, Portsmouth and Rindge, where our campus is one of the two largest employers.

Funds received would be used to create more opportunities for employment and additional spending with local businesses. As a non-profit, any funds we receive will be circulated back into the communities we call home – Lebanon, Manchester, Portsmouth and Rindge.

- (c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.**

The funds will help offset our losses and create employment opportunities.

- (e) The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.**

New Hampshire is fortunate to have a strong base of private colleges and universities that draw many thousands of students, as well as their families, to New Hampshire year round. Franklin Pierce is a great example. Today, more than 1,400 students attend the university's campus in Rindge, while graduate programs bring highly skilled learners to New Hampshire and provide significant professional development opportunities for the state's citizens.

- (f) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.**

It is not in conflict.

- (g) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.**

Colleges and universities are unique in that their success not only creates employment opportunities for professionals in all fields and trades, but also serves as a magnet not only for businesses (while providing existing businesses with the skilled talent New Hampshire needs) but also for social vibrancy and broad-based commercial success. This is particularly true in the Monadnock region, where colleges and universities balance what otherwise would be a significantly aging population in towns like Peterborough or Rindge. Any funds given to Franklin Pierce will be spent in the communities we call home – Lebanon, Manchester, Portsmouth and Rindge – and contribute directly to local economies.

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- (h) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.**

It is no secret that many colleges and universities are struggling in light of demographic trends, rising costs and concerns about student debt; however, Franklin Pierce's fiscal discipline positions it for long-term success. Nearly all students receive financial aid and our graduates serve as an economic force multiplier by providing New Hampshire's businesses with the in-state community of skilled professionals they need – whether it's new businesses moving to New Hampshire or existing businesses looking for the competitive edge and skillsets they need.

- (7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.**

The funds could be applied to offset lost revenues in our 2019/2020 fiscal year, such as those normally generated by students' room and board, or applied to anticipated losses in fiscal year 2020/2021 due to declines in enrollment, particularly if we are not able to return to in-person instruction or it's not prudent given COVID-19-related concerns. Losses could also be incurred if COVID-19 requires us modify the delivery of courses next fall as well additional safety precautions related to sanitation and social distancing.

- (8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.**

We are prepared to reply to any public reporting on the receipt and use of the relief funds and the use of these funds as it related to restrictions on usage of the funds.

- (9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.**

Franklin Pierce is part of the NE10.

- (10) What would your business, agency, organization, sector do with the funds that cannot be done currently?**

We would use these funds to offset losses that we would not have attained if it were not for COVID-19.

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- (11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?**

When it comes to higher education, there is significant conversation about our exceptional public colleges and universities; but the conversation about our private colleges and universities is far more limited and typically focuses on the largest institutions in that segment of the sector. It must be remembered though that these institutions, while exceptional are not for everyone. New Hampshire's smaller, private colleges and universities are some of the nation's most respected and play a vital role in the communities where they are located. They also provide students and employers with different, yet crucial opportunities.

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Submission from RIVIER UNIVERSITY

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There is no particular format for the comments, and but we request that you focus your comments as efficiently as possible, and try to limit the number of pages to less than 10.

In order to help the SAB members to the greatest extent possible, we request that you try to address each of the information items listed below. The SAB members have identified these information items as highly relevant to their overall task. While some commenters are likely to that you try to address the following items in your submission:

- (1) Please identify your position and your organization.

Sister Paula Marie Buley, IHM President - Rivier University

- (2) Please identify what economic sector your enterprise operates within.

Private Higher Education

- (3) Please describe how your enterprise and economic sector has been impacted by Covid-19.

Rivier, as a private, comprehensive University met the Governor's Stay-At-Home order as of March 13th. The impact has included nearly 1,000 full-time undergraduate students, 1300 adult learners, and nearly 500 employees. The University quickly moved to remote learning and has transitioned campus support operations to online services. This has created significant additional expense to the University.

- (4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

The impact of COVID-19 has been substantial. Room and Board refunds, the loss of revenue from the Early Childhood Education Center, camps, conferences, on-campus events reduced endowment earnings used to fund scholarships. Given the uncertainty of the re-opening of the New Hampshire economy, summer enrollment and fall deposits have been diminished. The University has expanded investments in technology and has supported local clinical sites through the donation of PPE, iPads, hospital beds and telemedicine equipment.

- (5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

The University has received CARES funding which is a pass-through to students needing relief from unexpected expenditures due to COVID-19. The second part of this funding will be designated to covering institutional expenses including the increased technology expenses.

- (6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:

- (a) The funds will serve a public use and provide a public benefit.

Rivier University as a public benefit supports the state in the areas of workforce development particularly in the education of nurses at every level of practice.

- (b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens.

- The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.
- Rivier employs over 500 individuals providing direct benefit to the economy through taxes and the purchase of goods and services.

- (e) The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector and will enhance the resiliency of the organization to survive future economic or health challenges.

The University is highly tuition dependent with fixed costs in facilities and personnel. Supporting Rivier's continued operations strengthens the southern New Hampshire region and sets a foundation for the University's commitment to workforce development particularly in the health sector.

- (f) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.

Rivier's financial health has a direct, positive impact on the regional economy and supports regional development plans

- (g) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.

Funds available for COVID-19 relief would be directed towards student aid, COVID testing, the purchase of sanitation and appropriate personal protective equipment and the expansion of technology which supports instruction.

- (h) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.

This funding would be used for the extraordinary expenses associated with COVID-19 and its impact on family finances and University expenditures directly related to public health protocol

- (6) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.

Rivier is very familiar with accounting for state and federal funds through its external audit process. Funds will be recognized on our audited financial statements as grants.

- (7) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.

Rivier's audited financial statements and public reporting would include a detailed account of sources and uses of funds.

- (8) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.

Important organizations supporting Rivier include the College Tuition Savings Plan, "UNIQUE", the New Hampshire Board of Nursing, the State Unemployment Agency, and the New Hampshire Higher Education Commission.

- (9) What would your business, organization, sector do with the funds that cannot be done currently?

The most important application of this funding would be to increase student aid, create and expand COVID testing protocols and increase the use of instructional technology.

- (10) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

Additional emphasis needs to be placed on higher education as an investment not just as an expense. New Hampshire Colleges and Universities are educating and have educated the workforce that is on the front line in fighting this pandemic. Nurses, EMT's, law enforcement, supply chain and other professions that form the protective shield of essential service providers are graduates of New Hampshire institutions. These graduates form a brain trust of scientists, technologists and entrepreneurs that provide the creative energy to discover and create lifesaving remedies. These endeavors do not occur hidden away in a dorm room or a basement. They occur through the formation of community engagement and spirit of citizenship and the public good which occurs on our on-campus experiences.

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- (1) Please identify your position and your organization.
Dr. Joseph Favazza, President, Saint Anselm College
- (2) Please identify what economic sector your enterprise operates within.
Higher Education and currently assisting healthcare employees

Please describe how your enterprise and economic sector has been impacted by Covid-19. **Saint Anselm College housing is currently being utilized for quarantine residential living and food service to hospital front-line employees who might have been exposed to the COVID-19. In March, the College was forced to close all residential facilities and has moved to a remote-learning environment due to virus. This has had a devastating impact on our finances.**

The College refunded more than \$3,700,000 in room and board to students who left campus on March 15, 2020. That refund represents nearly 4.5% of our annual operating revenue.

The College is also projecting revenue losses of approximately \$250,000 related to the cancellation of events originally scheduled on campus through June 30, 2020.

Additionally, the College has provided a number of faculty, staff, and students with technology hardware and software to work, teach, and learn in a remote environment. As of April 29, 2020, the College has spent nearly \$100,000 on providing this technology.

Saint Anselm College is a major employer in the State of New Hampshire with more than 700 employees. Our economic impact is only one aspect of our contribution to the state in our 129-year history.

In early April, the college committed to paying ALL employees regularly scheduled hours through June 30, 2020 despite the stay-at-home order in place until May 4, 2020.

A majority of the College's staff does not fit the criteria outlined by the Governor's office as essential employees and therefore could have been furloughed. Our decision to continue to pay employees is projected to cost the institution more than \$450,000. Should the stay-at-home order continue past May 4, 2020, the College's lost work productivity will continue to increase.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

Additionally, it should be noted that Saint Anselm College does not qualify for the Paycheck Protection Program (PPP) offered by the Small Business Administration. The College's decision to continue to pay its employees through June 30, 2020 has a positive impact on the state economy as well as keeping an additional 200 people from requesting state unemployment benefits.

Upon the return of students to campus, the College foresees future expenditures related to COVID-19 including testing, tracing, personal protection equipment, and possibly housing for students that may need to be quarantined. For testing, we approximate we will need 4,080 tests for our student and employee population at a total cost of \$204,000. We believe a tracing system to identify potentially infected students and employees would cost approximately \$10,000. We estimate that personal protection equipment along with thermal scanners, thermal imaging systems and other preventative supplies will cost an additional \$30,000. If we need to develop a quarantine location outside of our current residential inventory, we are estimating the cost to be up to \$300,000 to lease portable units for up to a year. Lastly, should we need to be remote in the fall semester we foresee the cost related to deliver our Nursing program online to cost approximately \$45,000 for simulation and testing software.

We understand the constraints on this fund so our request is for a portion of the actual and potential costs outlined above. The college humbly requests an appropriation of \$887,000 from the Governor. In addition to our current role in assisting healthcare workers, we stand ready to assist the state in other areas as needed.

- (3) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.
- Normally, as a non-profit, we enroll a specific number of students, which results in a 2% positive margin. Without a large endowment, we are tuition-dependent and any disruption in the enrollment number or the number of returning students has a major impact on the viability of the institution.**

Our projections show, on top of the losses and increased expenses experienced in the Spring of 2020, there is uncertainty on enrollment in our Fall 2020 incoming and returning classes. Families are unsure of their ability to pay over the next several months as most stay-at-home orders are in effect across New England.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

Ultimately, the State of New Hampshire may determine that colleges may not be able to return to residential learning, which would have a devastating impact on the financial health of the college.

Saint Anselm College is also concerned about the costs of reopening and returning to business. When the outbreak occurred, the College donated our supplies of PPE to healthcare facilities in the state. Replenishing these supplies may be difficult or expensive as these items are increasingly unavailable to non-healthcare facilities and testing is difficult and expensive to obtain.

- (4) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

Saint Anselm College will receive \$1,134,675 in CARES Act funding from the Federal government. It is very important to note, these funds are split equally between students and the College. The first \$567,337.50 will be disbursed to students eligible for Title IV funds and demonstrating need due to COVID-19. Essentially, by law, the College becomes an administrative pass-through for funds destined to students. In regards to that 50% portion, we are prohibited from recovering our costs or placing those funds in any way on our balance sheet. The remaining \$567,337.50 will be used to offset expenses and refunds incurred by the College as a result of the pandemic. This falls significantly short of our overall losses and potential expenses moving forward.

Saint Anselm College was not eligible for the Small Business Administration Paycheck Protection Program as we have over 700 employees and the program is capped at 500.

- (6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:

- (a) The funds will serve a public use and provide a public benefit.

Saint Anselm College receiving funds will assist in the necessary testing for over 2,750 faculty, staff and students when they return to campus. The funding will allow the College to test multiple times throughout the course of the year.

- (b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

As noted earlier, Saint Anselm College has over 700 employees. Saint Anselm's dedication to its employees and paying them through June 30th helps promote the economic prosperity of our county and state. The employees of Saint Anselm College are also here to serve, protect and educate our students and are important to the preservation of their social welfare.

- (c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.

Funds received from GOFERR will continue to allow Saint Anselm College the ability to maintain its physical campus while there are no faculty or students in the physical location.

- (e) The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.

Funds received from GOFERR for the purposes of COVID-19 testing and implementing remote and online learning capabilities and training will enhance the College's continued operation, and competitiveness in the higher education marketplace. Online and remote learning capabilities could expand the reach and recruitment are of Saint Anselm College and assist in preserving the future economic stability of the institution.

- (f) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.

Funds received from GOFERR will not conflict with any local or regional plans, policies, or any other provision of state or federal law.

- (g) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.

Funds received from GOFERR will serve not only the 2,750 members of the Saint Anselm College community but also the surrounding cities and towns in which our students, faculty, and staff shop and live. The College is the largest taxpayer in Goffstown, and the economic impact on Manchester is immeasurable.

- (h) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

Funds received from GOFERR by Saint Anselm College will be used for one-time initiatives such as testing and converting courses to be taught in a remote and online environment. Once the conversion of courses and training have been completed, the knowledge can be shared within the institution for months and years to come.

- (7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.

The public relief funds received would be accounted for as State Grants in our Financial Statements. They would be tracked like all other state and federal grants. The College could also provide a reporting how the funds were spent as needed or mandated.

- (8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.

Any public relief funds received would be accounted for as State Grants in our Financial Statements. They would be tracked with all other state and federal grants. The College could also provide reporting how the funds are spent on an as needed or regularly scheduled basis. Additionally, these funds would be reported like all grants on our form 990.

- (9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.
- (10) What would your business, agency, organization, sector do with the funds that cannot be done currently?

As a non-profit higher education institution, currently suffering from losses incurred because of the pandemic, we will not have the funds associated with the costs of COVID-19 testing of our incoming class. In addition, as a traditional [in classroom] College, the ongoing transition to remote learning has had significant challenges and costs. Remote learning and the overall economy may have a devastating impact on the number of students that return to our campus.

- (11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

Saint Anselm College immediately volunteered to provide quarantine residential living and food service to hospital front-line employees who might have been exposed to the virus. Currently, our residential facilities are being used for this purpose. Although, we are a private non-profit entity, we are being utilized for the public good wherever possible during this crisis.

* * * * *

SAB anticipates that its members will be reaching out to diverse interests and persons to request submission of comments, and we thank you in advance for considering these requests. We are all in this together, New Hampshire!

Please check the GOFERR website for current information on how to submit comments. All recommendations and information submitted in response to this request will be available for public inspection and copying in their entirety. For further information, please contact Joe Doiron at the GOFERR offices.

New England College
Dr. Michele Perkins
President

Higher Education – Private 4-year Institution, not-for-profit

New England College has been impacted in several ways. The College moved its learning to virtual, meaning all students began experiencing their classes remotely using Zoom. Students were eventually asked to move out of their residence halls five weeks early, disrupting their life and expectations for College. All employees, except for a select few deemed essential, were sent to work remotely. Work flow as well as cash flow was interrupted by this necessary action.

The next 12-months will not be the same on campus. In addition to having fewer students, many activities, such as celebrating the start of the academic year with students, faculty, and staff, other events such as alumni and family homecoming weekend, our rescheduled Commencement, and other large events may not be possible. These events are important for students to acknowledge their last four year commitment to their education and the sacrifices made by their families to see they received an education to prepare them for their future.

Students living in residence halls will be different, especially in the fall, with fewer students and fewer face-to-face interactions. Not only does this impact the student directly, it impacts the revenue for the College. We currently expect to have less revenue, therefore, less cash to continue to invest in our students and to continue to keep our employees working. The College expects to lose other revenue sources, in addition to the room and board, by being unable to run our many programs on campus and to rent our facilities, both of which bring in much needed revenue and cash for the College during the year.

We expect that the next 12 months will limit hands-on approach to learning and direct interaction with staff to help their learning progress, which many of our students rely on.

New England College is expecting to receive funds through the Emergency Stabilization Fund through the Department of Education. One portion allocated to us can only be used for direct student support. Although this is helpful to our students, it put a burden on the school to issue a policy and then distribute cash to students, with little guidance. It is certainly complicated by the fact that employees are not on campus to execute the process effectively. The portion of the funds available for institutional use are barely enough to cover the loss of revenue for this semester on room/board. The College does not expect to receive any additional funding by other governmental or charitable source of funding or support.

The College would use the funds to help support our students in ways such as paying for their fall 2020 education, applying the funds to their existing balances, and helping the College to improve its remote education. Allowing students to use the funds for their ongoing education allows them to continue to pursue their education and not burden their family, during such difficult economic times, with additional loans or even having to take time off. Taking time off from College eventually increases the cost to their education. Purchasing supplies to assist faculty provide a stronger experience for students would be another helpful way to use the allocation of funds provided by the Department of Education. It would also be helpful to allow our organization to support staff providing direct services to students, such as tutoring, mentors, advisors, and mental health counselors.

New England College would propose that the public relief funds be used to assist the College in continuing its operation. This includes providing the following:

- Testing for students and employees to ensure that the virus is not being brought to campus, and then ongoing periodic testing.
- Protective equipment for health services, campus safety, and facility workers across campus.
 - By providing this necessary equipment to employees, the College is better able to protect the community
- Smaller classes – this would assist the College in supporting social distancing for a longer period of time. This will cost the College additional salaries to faculty.
- Increase cost to sanitize spaces on campus on a daily/weekly basis. This also includes increased cleaning by staff and additional supplies.
- Preparation of a set “quarantine” residence hall for any student should they receive a positive test for COVID-19.

Each of these provide additional safety to the community members, (students, staff, and faculty). The public will be benefited by the College continuing operations. New England College has a significant annual economic impact in the State of New Hampshire of \$161 million, specifically in the region and town of Henniker. This impact spans across the state, but most specifically local, including small business, landlords, and employees. For example, if an employee loses their job, it can impact the State and local economy, including lack of tax revenue and disposable spending.

The College would require approximately \$5 million to support the loss of revenue, increased expenses, and to continue to retain employees. The testing expense is unknown at this time, but would be a significant expense to the College. Of course, our current cost structure does not include these COVID-19 direct expenses, leaving the College with a significant deficit even if all students arrived on campus in Fall 2020.

In order for the College to be competitive and continue its success in the future, the College must maintain its students base, as well as keep our qualified employee pool. Before the COVID-19 tracking, hiring and retaining employees in Henniker was difficult at best. Having to layoff employees would be devastating to the future success of the College.

Receiving the public relief funds would partially be recorded as temporarily restricted revenues. Since these funds would have some level of restriction, either by purpose or time, the level of internal control to spend these funds would be stronger. The funds would then have to be “released” by the use of the fund for the specified purpose or time. This process requires an offsetting expense, for a net zero to the bottom line. The other portion to be used to offset loss revenues, would be taken directly as revenue to keep the College in line with historical revenue trends.

The College would be able to provide reporting to the State that outlines the use of the funds, such as salary and health care benefit expenses, a listing of expenses, such as supplies for faculty, and a detailed calculation of loss revenues. This can be done through the annual audit process that institutions must have annually.

New England College would use funds for the following that we are currently not able to use it for:

- Support and development for continued virtual instruction (coursework, advising, infrastructure, technology)
- Maintaining and growing key staffing for the new teaching and learning model
- Testing and tracing of COVID 19 virus on ongoing basis
- Establishing space for potential quarantine

Higher education has many unique industry trends that other industries may not have, specifically having students live on campus and the that the College provides many services, from feeding them to providing health/mental health services to educating them. Direct services such as tutoring and advising, in addition to coaching and encouraging students during difficult times. Students require a unique multi-faceted approach as this is their home for 9-10 months of the year.

Although our College is not-for-profit, we are still a business. Colleges provide employment and services to many across the state and beyond. Should our College, or any College, go out of business, the local and state economic impact is significant. The expenses for facilities, such as heat, electric, internet, and cleaning services, just to name a few, are real expenses that must be paid for. Property taxes are paid, and this impacts the town if we are unable to pay them. All these normal “business” expenses are a reality for a not-for-profit, as they are for a for-profit organization.



April 27, 2020

Dear Members of Governor's Office for Emergency Relief and Recovery Stakeholder Advisory Board,

Thank you for the opportunity to contribute the following comments to aid in your task of developing recommendations for the allocation of Covid-19 emergency funds.

(1) *Please identify your position and your organization.*

Vice President, Eckman Construction Company, Inc

(2) *Please identify what economic sector your enterprise operates within.*

Commercial Construction

(3) *Please describe how your enterprise and economic sector has been impacted by Covid-19.*

The commercial construction industry is often the last economic sector to experience the impacts of an economic downturn and also the last to recover. This phenomenon is due to the long lead time associated with planning, permitting, designing, bidding, financing, and completing construction projects. It is rare for a project to be halted, or terminated, once it is under construction due to the investments already made and the additional expenses that would be incurred as a result of a stoppage or termination.

Currently, active construction projects are struggling with the challenges associated with project management and office support staff working remote. Many project management tasks take longer, and virtual project meetings are less effective than in person jobsite meetings. Construction progress is hindered by efforts to follow social distancing guidelines and periodic supply chain disruptions which we expect to become more frequent as existing inventory is depleted and overseas manufacturers fight to fill backorders in the wake of months long shutdowns.

Additional project expenses have been incurred to provide dedicated hand wash stations, additional PPE for workers, and other project specific measures to reduce the possibility of Covid-19 transmission.

(4) *Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.*

I do not believe that the construction industry will experience the full economic impacts of Covid-19 for at least 6-12 months. Recent data from the NH Employment Security show construction unemployment claims at slightly more than 5,200. These numbers will surely climb as existing projects are completed and new project starts are delayed or canceled as a result of the economic impacts of Covid-19.

Construction is a labor-intensive industry and every project involves hundreds, if not thousands of people. Real estate agents, architects, engineers, lawyers, appraisers, lenders, building inspectors, manufacturing workers, truck drivers, laborers, skilled trade workers, commercial cleaners, site superintendents, project managers, and all of the administration staff that support these people will be impacted when construction work slows down.

(5) *Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.*

I am not aware of any governmental or charitable sources of relief funds specific to the construction industry.

(6) *Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:*

Providing relief funds to construction projects is truly different than nearly any other economic sector because when used wisely, the funds can provide benefits to NH residents for many years. After the money has been spent, our state and our communities will have assets that will provide public benefit for decades to come. Furthermore, the process of building these assets provides wages for hundreds of workers. When these funds are targeted building assets that help NH residents who are most impacted by Covid-19, the impact is magnified once again.

I believe relief funds targeting investment in affordable housing and K-12 school construction would have the greatest positive impact to the greatest number of NH residents.

Affordable Housing:

New Hampshire was facing one of the greatest housing shortages in recent history prior to the Covid-19 outbreak and I am not aware of any reason why this housing shortage will not continue to persist. I believe the shortage could worsen if lending restrictions tighten, capital becomes scarcer and developers become more risk-averse. At the NHHFA 2020 Homeownership Conference on March 3rd, 2020, Economist Russ Thibeault estimated that NH has a deficit of about 21,000 housing units. The lack of new housing and vacancy rates under 1 percent have led to rising house prices and escalating rates, making housing in NH even less affordable.

He went on to say, "The pain is focused on low and moderate-income people." Across NH 44% of renters are rent burdened which means that they spend more than 30% of their income on rent. 90% of renters making \$20,000 a year or less are rent burdened, 70% of renters making \$20,000-\$35,000 are rent burdened, and nearly 50% of people making \$35,000-\$50,000 per year are rent burdened¹. I believe these are also many of the people that have been most impacted by Covid-19. What better way to help them get back on their feet than helping to provide an affordable place to live for many years to come?

Targeted funding to incentivize construction of a variety of affordable housing developments for qualifying residents earning wages at and below the area median income would increase housing supply for low- and moderate-income earners.

K-12 School Construction:

Since 1955, the state of NH has supported local school districts with building and renovating schools. In 2011, state lawmakers placed a moratorium on school building aid funding and the moratorium is still in place today.

Last year, the NH Department of Education estimated that there is a backlog of \$650 million of school construction or renovation projects. The waiting list continues to grow as New Hampshire's schools continue to age. Without state aid, NH towns are faced with shouldering the full cost of school construction and renovation, IF a warrant article authorizing bonding the construction costs can receive a 60% majority. This is a very high bar and I have seen bond votes fail by just a few votes. Many residents when faced with the choice of raising their property taxes or kicking the can down the road, chose the latter, and New Hampshire's kids and educators are forced to make do.

Covid-19 has placed incredible strain on our K-12 educational system and our educators should be commended for their efforts to adapt curriculum for remote learning, but we are fooling ourselves if we think that students are not falling behind as a result of this disruption. Our schools may need to be re-designed to provide healthy and safe environments for teaching and learning as we deal with the aftermath of Covid-19 and prepare for the possibility that this virus, or future illnesses, will force us to change the way we educate our students.

¹ Statistics taken from ManchesterInkLink.com 3/4/2020 article published on the 2020 Homeownership Conference, "NH's Housing shortage: 'If we want people to move here we need to have someplace to put them'"

Schools are at the heart of our communities. Setting aside funding to improve New Hampshire's school facilities is an investment in the future of our state, our youth, and will provide a public benefit that will strengthen our communities for generations to come.

(a) *The funds will serve a public use and provide a public benefit.*

Yes. Investing in housing and educational facilities will surely provide a public benefit for many decades.

(b) *The funds will preserve or increase the social welfare or economic prosperity of the state and will promote the general welfare of the state's citizens.*

Yes. Providing more affordable housing options by increasing affordable housing supply will reduce the housing burden on low- and moderate-income residents and provide the opportunity for greater financial stability for those most impacted by Covid-19.

Investing in our school facilities will allow us to provide instructional spaces that support current educational best practices and strengthen the resilience of our educational system in the event of prolonged impacts due to Covid-19 and other future health emergencies.

(c) *The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.*

Yes. Investing in community construction projects such as housing and schools will promote the orderly development of critical economic and social activities while providing employment opportunities for hundreds of workers whose professions are tied to these projects. Making funding available now will help avoid unemployment in the future.

(d) *The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.*

Yes. These funds will help our construction company, other NH general contractors, design firms, and hundreds of NH subcontractors and suppliers that we hire for our projects. These investments will also help enhance the resiliency of NH families by increasing the supply of affordable housing and improving educational outcomes for NH students.

(e) *The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.*

I am not aware of any conflicts that the use of these funds would create with local or regional development plans or policies.

(f) *The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.*

Investing in affordable housing and schools will provide equal opportunities to all companies that provide design and construction services to these markets.

(g) *The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.*

Incentivizing construction of affordable housing could be done without adding any recurring operational expense to the public sector. Investing in our aging schools could actually reduce recurring maintenance and operational expense by replacing failing equipment with modern, energy efficient equipment.

(7) *Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.*

Projects that are funded in part by public relief funds can be easily identified in our organization's financial statements. This has been done most recently with the American Recover and Reinvestment Act of 2009.

(8) *Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.*

Assuming the funds were administered through existing agencies such as NH Housing Finance Authority and the State Office of School Building Aid, I would expect that it would be possible to use existing procedures for public reporting on the receipt and use of the public funds.

(9) *Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.*

Local planning boards, zoning boards, and building departments provide critical functions to the construction sector. State aid to assist these authorities to continue their work in a time of social distancing will be important to ensure that proposed construction projects can receive approvals and permits required to move projects forward.

(10) *What would your business, agency, organization, sector do with the funds that cannot be done currently?*

Our business and the construction sector on a whole are only viable if there are construction projects to build. The use of these funds will incentivize construction which in turn will create employment opportunities for all workers connected to the construction sector.

(11) *We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?*

Although construction work has been deemed essential and many projects continue to proceed in a limited fashion, we fear that the worst is yet to come if action is not taken to stimulate future construction spending. The long lead time associated with design and construction, delays the full impact of a sharp economic downturn such as the one that has been brought on by Covid-19. An investment in community construction projects today, will pay dividends for many years to come.

Thank you for allowing me to provide this input and I welcome the opportunity to explore these topics and ideas further.

Sincerely,



Preston Hunter
Vice President

Guidelines for Written Comments to the Governor's Office for Emergency Relief and Recovery Stakeholder Advisory Board

Thank you for agreeing to provide information to assist the Governor's Office for Emergency Relief and Recovery (GOFERR) Stakeholder Advisory Board ("SAB"). Your contribution is critically important to allow the SAB to perform its purpose of developing recommendations to the GOFERR for the allocation and expenditure of federal Covid-19 emergency funds to address fundamental needs of the State of New Hampshire.

Because the Covid-19 crisis has impacted almost everyone and every institution across New Hampshire, SAB expects to gather a substantial amount of information from many sources. In order to accomplish this task effectively and efficiently, SAB requests that all persons who submit information (including those persons who are scheduled to provide oral comments before a SAB meeting) please follow these guidelines.

The SAB is hopeful that many interested persons will submit information and ideas on how the State can best allocate federal emergency relief funds. We plan to read all comments, and for those who make oral presentations to the SAB, we intend to ask questions based on the written submissions.

There is no particular format for the comments, but we request that you focus your comments as efficiently as possible, and try to limit the number of pages to less than 10.

In order to help the SAB members to the greatest extent possible, we request that you try to address each of the information items listed below. The SAB members have identified these information items as highly relevant to their overall task. While some commenters are likely to provide additional information, and others may not be able to address each item, we request that you try to address the following items in your submission:

- (1) Please identify your position and your organization.

**Newton Kershaw III – Principal and Head of Investments and Finance for Elm Grove Companies. 440 Hanover Street, Manchester, NH 03104.
nkershaw@elmgrovecompanies.com**

- (2) Please identify what economic sector your enterprise operates within.

Elm Grove Companies is a vertically integrated real estate investment firm headquartered in Manchester, NH with 4 satellite offices across the State of New Hampshire with an additional office in north central Massachusetts. Elm Grove owns and manages close to 1,500 apartments in the affordable and market rate apartment sectors along with a number of retail (service and restaurant), office and warehouse interests. With a staff of over 100 employees, it has property management services provided internally for

its own assets as well as being a third party property manager for outside interests and private equity real estate syndications. Additionally, Elm Grove Companies has construction and property maintenance arms which self-perform new construction, renovation projects and internal maintenance. Further, Elm Grove Companies has over 20 real estate agents who work for its Elm Grove Realty division, which was one of the largest apartment brokerage firms in the State over the past few years as calculated by gross revenue and apartment units transacted.

- (3) Please describe how your enterprise and economic sector has been impacted by Covid-19.**

The largest impact to our economic sector based on Covid-19 is reduced rent collections.

We have realized a significant reduction in rental collections across the board, with rental collections from lower income apartments being the hardest hit. It is important to note that this does not mean project based Section 8 properties, where large portions of the rent paid are by HUD. Rather, non-project based Section 8 buildings with renters with the same income characteristics as those who are on Section 8 (as there is a supply and demand imbalance for Section 8 vouchers, with long wait times to be approved and accepted into the program).

Further, we have seen retail, restaurant and small office users who are tenants in our mixed use buildings (residential and commercial mixed use) struggle to make rental payments.

- (4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.**

We expect further reductions in rental collections in May and future months until the economy normalizes post Covid-19 shutdown.

We expect that absent support for rental payments on behalf of lower income tenants, lesser well capitalized real estate operators to be negatively impacted leading to distressed real estate situations. This will lead to non-payment of municipal property taxes by those operators and will stress local banks needing to take real estate assets onto their balance sheets or foreclose, leading to reductions in values of property trades in the market, leading to downward pressure future real estate transfer tax amounts and tax assessed values and municipal taxes receivable.

Additionally, absent rent payment stabilization, the court system will be flooded with eviction for non-payment of rent cases when the temporary postponement of eviction for non-payment of rent during Covid-19 is lifted.

Further, absent rent payment stabilization, we expect reduced multifamily housing starts, impacted by impaired rent projections and unwillingness of banks to provide debt capital in

an unstable marketplace, which will further exacerbate the supply and demand imbalance for safe and affordable housing in the State.

- (5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

Our enterprise has received funds from the SBA Payroll Protection Plan (PPP) which has allowed us to keep our headcount stable at about 100 employees.

The identified need for rental payments on behalf of residents is not funded by other programs at present.

- (6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:

While the Small Business Administration's (SBA) Payroll Protection Program (PPP) has provided a backstop to help small businesses, there has not been a parallel federal program geared toward helping some of our most impacted citizens, our State's renters. Housing and food expenditures for the nation's citizens representing the bottom 20% of earners are 40.4% and 15.4%, respectively, of their annual household incomes. These are the two largest categories of expenditure for these citizens

We fear that these same citizens are the least educated in financial management. As a result of that, coupled with the State of New Hampshire's Emergency Order #4 Pursuant to Executive Order 2020-04 placing a temporary prohibition on evictions and foreclosures, will lead to continued reductions in rental payments by renters who interpret the order to mean that they do not need to pay rent. Likely spending by these citizens on other items during the temporary prohibition will lead to many situations where these same renters will lack the funds to make good on past due rental payments upon lifting of the order, leading to housing instability for our most income insecure citizens by virtue of eviction for non-payment of rent.

Though the Federal Government's program to send checks directly to citizens is helpful to aid in renter cash flows, the program was slow to distribute funds, and the monies going directly to citizens puts the onus on them to spent the monies as they see fit.

We feel that direct payment of rent to landlords is the most efficient manner to provide housing security for our most vulnerable citizens in this time. As opposed to direct funds given to a citizen, as with the Federal checks sent, direct support for housing will

avert situations where funds are not allocated toward vulnerable citizens largest expense, housing, which could lead to their future housing instability.

Regarding an estimation of the appropriate allocation of funds to such a direct rent payment initiative, we have attempted to use a rough order of magnitude in expected reduced rental collections during a 2-3 month period of time during the Covid-19 disruption to deduce said number.

As of 2019 (per December 2019 State of New Hampshire Office of Strategic Initiatives report), there were 188,827 apartment units in the state. Median gross rental costs as of 2019 (per 2019 NH Residential Rental Cost Survey of NHHFA) was \$1,251 per month. Assuming a 15% reduction in collections, the size of the program over 2 months would be $188,827 \times \$1,251 \times 15\% \times 2 = \$47,244,515.4$. Over 3 months, it would be \$70,866,773.10.

In conversation with the New Hampshire Housing Finance Authority (NHHFA), we learned of other states, Arizona and Delaware, taking direct action:

[Direct Rental Payment Assistance - Arizona 1](#)

[Direct Rental Assistance - Arizona 2](#)

Delaware documentation attached to email submission.

(a) The funds will serve a public use and provide a public benefit.

Direct payment of rent to landlords on behalf of tenants will serve a public use and provide public benefit by stabilizing collections for landlords and avert groundswells of distressed real estate which will stress local banks, eviction court systems, future construction starts and local and state tax payments receivable.

(b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens.

Direct payment of rent to landlords on behalf of tenants will increase the social welfare or economic prosperity of the state and will promote the general welfare of the state's citizens by reducing future housing insecurity for tenant citizens.

(c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.

No comment.

- (d) The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.

Stability of rental collections will avert housing disruptions which would affect local banks, court systems and municipal and State tax collections receivable.

- (e) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.

No comment.

- (f) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.

The direct payment of rent will protect the housing insecure resident directly and indirectly housing operators, local banks, court systems and municipal and state taxing bodies.

- (g) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.

The direct payment of rent is needed solely through the time of disruption to the economy and employment during Covid-19 and will be unnecessary upon return to normal.

- (7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.

The proposed measure for the State to pay rent direct to landlord on behalf of tenants will not be accounted for in our financial statements other than to show an amount paid in the tenant ledger by the State.

- (8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.

No comment

- (9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.

Electric and Fuel Assistance Programs administered by the Community Action Programs by county serve those same housing insecure citizens as would be benefited by a direct rent payment programs. Any additional funding buffer provided by the State to these programs during this time will aid in housing stability for renter citizens.

- (10) What would your business, agency, organization, sector do with the funds that cannot be done currently?

Provide forward housing security for tenants who are currently not paying rent.

- (11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

Elm Grove Companies is connected to myriad multifamily and mixed use operators in NH, the northeast and all along the US eastern seaboard. The resounding consensus of these operators is that May collections and future month collections are predicted to be much lower than April. Factors affecting this are as follows:

-tenants have marginal savings and want to do the right thing. Regardless of income security, people want to pay their bills and a history of doing so has momentum leading to a higher likelihood of their having paid their April bills, though payment of April rent absent former income levels likely eats through the majority or all of their savings reserves.

-tenant job security may not have been effected at all or fully come rent payment time in April, but ballooning unemployment rates are now affecting a larger number of residents who will need to make harder decisions about when or if to pay their rent.

-continued closure past original May 4 date will force tenants to reconsider allocation of funds to rent or other expenditures.

* * * * *

SAB anticipates that its members will be reaching out to diverse interests and persons to request submission of comments, and we thank you in advance for considering these requests. We are all in this together, New Hampshire!

Please check the [GOFERR website](#) for current information on how to submit comments. All recommendations and information submitted in response to this request will be available for public inspection and copying in their entirety. For further information, please contact Joe Doiron at the GOFERR offices (JOSEPH.DOIRON@LIVEFREE.NH.GOV).

Please submit your comments no later

**Written Comments to the Governor's Office
for Emergency Relief and Recovery
Stakeholder Advisory Board**

(1) Please identify your position and your organization.

I am Nancy Egner, LICSW, MPA. I am the Executive Director of Fellowship Housing Opportunities, Inc. 36 Pleasant Street, Concord, NH. Phone: 603-225-1767.

(2) Please identify what economic sector your enterprise operates within.

Fellowship Housing Opportunities, Inc. (FHO) is a private non-profit social service corporation that was started in 1966. Thus, we are part of the non-profit economic sector. Our mission is that we provide safe and affordable housing with needed supports to those adults who live in our community who have chronic mental illness.

(3) Please describe how your enterprise and economic sector has been impacted by Covid-19.

Within FHO itself, I feel we have been impacted by COVID in the following ways:

- Given that one of our projects is a 24 hour staffed licensed community residence housing and supporting 12 individuals, we are not able to close or in any way hinder that operation. It must remain open. Those staff are very essential. How to support those staff in their work, which requires very close contact to our residents, and provide coverage for those staff if and when they get sick, as well as keeping them safe while working, is a primary concern.
- To do so, we have spent hundreds of dollars on PPE and equipment to protect our staff, which was not included in our budget.
- The availability of PPE has been very problematic. We still do not have adequate supplies of some things, like thermometers. Gowns and surgical masks were very difficult to procure for a time.
- One of our staff is recovering from lung cancer treatments and as she is so high risk, has chosen not to work at all. This makes the staffing schedule even tighter than usual.
- The admin staff and I have spent hundreds of hours researching and making contact with others and writing policies and procedures and doing trainings for our staff on how to manage with COVID and taking the precautions necessary. This greatly affects the usual work that we do.
- Given that other collaborating services for our group home residents have been closed or very much curtailed (such as day treatment centers, supported work opportunities, and such) our residents have all had to remain in the House all day, every day. This has very much affected how the House works. Typically, the day staffing at our House is minimal as many residents leave for the day. Given the new "stay at home order" we have had to increase staffing during the day to accommodate everyone being home. This also has affected our budget, to about \$5000 expected for the last month and for the next month thus far.

- A stomach flu inflicted several of our staff about four weeks ago, when the State of Emergency was new. They - and we as their employer - were very concerned if they had COVID or not and the ramifications involved. It was very frustrating that at the time there were very few testing opportunities for COVID available, and these two staff were never able to be tested. This was extremely traumatic for all concerned. Going forward, given that our direct care staff work very closely with residents, a clear and easily accessible way to get tested feels imperative.
- Likewise, two of our residents were recently suspected of possibly having COVID. A number of our residents we consider to be very high risk for possible complications if they were to get infected with COVID due to their age, having a long history of heavy smoking and having pre-existing health conditions such as COPD and diabetes. Given that they were recommended by their PCPs to be tested, and they live in a congregate living situation, all Public Health guidance told us we needed to quarantine these two gentlemen and treat them as if they might be positive. This resulted in three days of staff needing to wear full PPE when they went to their room to offer them food, medications, and support, and for other equipment to facilitate the quarantine process, such as air barriers in the hallways, and cleaning supplies, etc. This also required extra staff to be on site to assist in this process. This process cost hundreds of dollars. Thankfully, their tests both came back as negative. If they were positive, we would be – and could be in the future – in a very expensive, not to mention emotionally trying, situation and predicament.
- In addition to the residents in our one group home serving 12 adults, FHO has about 50 low income and disabled tenants who live in apartments owned and operated by FHO. These apartments are funded through project-based subsidies or through Housing Choice Vouchers provided directly to the tenants. These residents often live on about \$750 a month in the form of disability payments, in a city where the average rent for a one-bedroom apartment is about \$1100 a month. For these people, we have not been able to see them or offer them in-home services to support them in their living on their own as we usually do. Instead, we can only offer support from afar by phone. One of the services we have often offered in the past to these tenants is support to obtain food from free or lower sources places, such as the Food Bank or other food pantries. We have directed our tenants to the known food pantries but we remain concerned about the food security of some of our tenants.

As to the larger social service sector of our economy, I imagine the issues are very similar to ours. They include:

- The safety, availability and cost of essential direct care staff.
- The safety and care of those we serve who are vulnerable and ‘marginal’ members of our society and the additional cost for our organization and others to do so.
- The availability and cost of equipment and supplies we need.

- The availability of COVID testing for our direct care providers and our clients/residents.
- The availability, accessibility and cost of the staples our residents need, such as food.

(4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

I imagine the ongoing impact will be similar to the current impact. I project we will continue to struggle to acquire PPE and fear that we will not be able to financially afford the amount of PPE that we need. Staffing will likely be an ongoing concern for our programs, especially if our staff or residents contract COVID. If we have multiple cases at our group home, the situation will become even more difficult to manage, and probably very dire. Additionally, quarantining individuals in our group home is very difficult, as they all share bathrooms, though they each have their own bedroom, social distancing in the common areas is impossible though we try, and many of the residents that reside in the group home have a hard time following directions or seeing the importance of such a need for quarantine. Enforcing such a restrictive measure, where residents would not be able to leave their bedrooms, is a very difficult process.

(5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

Payroll Protection Program (\$130,700). New Hampshire Charitable Foundation (\$4,600). Department of Employment Security's Long Term Care Stabilization Program through Riverbend CMHC, as we are a Medicaid subcontractor of Riverbend. (\$1950 a week starting 4/19/2020)

(6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:

(a) The funds will serve a public use and provide a public benefit.

(b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens.

The funds will assist FHO in maintaining our employees and their employment. I feel this certainly assists society by not adding to the unemployment rate, and in providing care and services for a very vulnerable population that would otherwise need a higher level of care, such as New Hampshire Hospital, at significantly high cost for the community and government support, or be homeless.

- (c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.**

The funds will assist FHO in maintaining our employees and their employment. I feel this certainly assists society by not adding to the unemployment rate, and in providing care and services for a very vulnerable population that would otherwise need a higher level of care, such as New Hampshire Hospital, at significantly high cost for the community and government support, or be homeless.

- (e) The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.**

The funds will contribute significantly to seeing that FHO remains financially more stable. FHO functions day to day on a thin margin of financial stability. This pandemic could seriously curtail our ability to hire staff as we need to, and to look to further expansion of adding to our inventory of homes available to the people we serve, a definite need currently.

Any funds received would be used to ensure that the organization is able to function at full capacity, with all CDC guidelines being able to be met.

- (f) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.**

I do not see that these funds are in conflict with local or regional plans at all.

- (g) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.**

- (h) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.**

FHO is able to maintain and slowly grow under 'normal' circumstances. I see these times and the pandemic as very much being out of the ordinary, and a special circumstance that could not be planned for, and there for a short term financial concern as to our viability and ability to maintain.

- (7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.**

Any funds that are received would be accounted for as grant-restricted funds for the specific purpose of COVID. For example, funds received would be used for PPE purchases or to assist with extra staffing.

- (8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.**

As stated above these public relief funds will be accounted for separately from our usual line items and be seen as grant restricted funds so that they can be tracked and reported on separately.

- (9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.**

- (10) What would your business, agency, organization, sector do with the funds that cannot be done currently?**

- (11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?**

A number of these questions seem to lean in the direction of thinking about what else could be done. I think primarily in just sustaining what we offer now. And have lost a lot of sleep thinking about what the possibilities might be. For example, we have thus far been quite fortunate that COVID has not dramatically affected us. We have had three days of working with two residents in isolation. But if one or more of residents do become infected with COVID, I very much fear what will happen. About half of our residents in the group home and the tenants in the apartments are in the high risk category, due to age and life style (extensive smoking histories, mostly) and ore-existing conditions such as diabetes and COPD and obesity. In addition, if our staff start getting sick, I definitely fear how we could sustain our services. In the group home, staff is essential. People need medication supervision and monitoring. What if half of our staff get sick? Who is going to do that? We do NOT have the depth in staff to manage for any length of time whatsoever.

* * * * *

SAB anticipates that its members will be reaching out to diverse interests and persons to request submission of comments, and we thank you in advance for considering these requests. We are all in this together, New Hampshire!

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Please submit your comments no later than May 1, 2020.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

Thank you for agreeing to provide information to assist the GOFERR Stakeholder Advisory Board (“SAB”). Your contribution is critically important to allow the SAB perform its purpose of developing recommendations to the GOFERR for the allocation and expenditure of federal Covid-19 emergency funds to address fundamental needs of the State of New Hampshire.

Because the Covid-19 crisis has impacted almost everyone and every institution across New Hampshire, SAB expects to gather a substantial amount of information from many sources. In order to accomplish this task effectively and efficiently, SAB requests that all persons who submit information (including those persons who are scheduled to provide oral comments before a SAB meeting) please follow these guidelines.

The SAB is hopeful that many interested persons will submit information and ideas on how the State can best allocate federal emergency relief funds. We plan to read all comments, and for those who make oral presentations to the SAB, we intend to ask questions based on the written submissions.

There is no particular format for the comments, and but we request that you focus your comments as efficiently as possible, and try to limit the number of pages to less than 10.

In order to help the SAB members to the greatest extent possible, we request that you try to address each of the information items listed below. The SAB members have identified these information items as highly relevant to their overall task. While some commenters are likely to provide additional information, and others may not be able to address each item, we request that you try to address the following items in your submission:

- (1) Please identify your position and your organization. [Sandra Pelletier CEO/ President Gateways Community Services, Nashua, NH](#)
- (2) Please identify what economic sector your enterprise operates within. [Gateways Community Services \(GCS\) is a non-profit Human Service Organization serving children and adults with developmental disabilities, acquired brain injury, children with Autism, and veterans and elders in need of long-term care. We currently serve over 3600 individuals and maintain over 700 employees.](#)
 - [We service those primarily in southern New Hampshire, and also provide certain services statewide.](#)
 - [We are also one of the 10 designated safety net Developmental Disability Area Agencies \(Region 6-Greater Nashua under RSA 171-a\).](#)
- (3) Please describe how your enterprise and economic sector has been impacted by Covid-19. [During this COVID-19 pandemic, we Area Agencies are on the front line with DHHS, establishing operational guidelines and practices, acquiring personal protective equipment, and advocating for testing in order to ensure the health and wellbeing of all](#)

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

clients and staff served and working in the developmental disability and long term care systems.

- Gateways provides services under four of the state's Medicaid waiver programs (DD, ABD, CFI, and IHS), as well as Early Intervention for over 540 children from birth to three years of age and ABA Therapy to 40 children with autism who are covered under the three MCOs and/or commercial insurances.
 - GCS also oversees and contracts with 25 providers who deliver residential and day services for adults with developmental disabilities and acquired brain injuries.
 - In order to comply with state regulations and to practice social distancing and the Stay at Home order, Gateways Community Services has had to move over 200 workers from in-office environments to remote home offices and support new practices for our essential workers.
 - This has been a massive effort requiring additional hardware such as laptops, phones, and printers; software and licensing for communication efforts; and the development of myriad policies and procedures to transition care and protect the safety and confidentiality of our clients. With the closing of Alvirne High School, Gateways was forced to close our Adult Day program for elders with Alzheimer's Disease.
 - In addition, we ultimately closed our Gateways Autism Center and moved to a full telehealth model which has either eliminated or drastically reduced the number of therapy hours each child receives.
 - Across the region, similar programs have closed completely or scaled back services using telehealth options to minimize spread.
 - Program closures have required furloughed staff.
-
- (4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19. Gateways Community Services is expected to be impacted by the COVID-19 in the amount of \$3.4 million over the next 12 months. We will be experiencing a reduction in most services as a result.
 - This will impact how and if we are able to continue to provide quality services to all that we serve.
 - Gateways Autism Center
 - Adult Day Service Program for Elders
 - Residential/Day/Supported Employment Services
 - Early Support Service using a remote model
 - Utilization of:
 - Telehealth Model
 - Limited Remote Workforce

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

(5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

Payroll Protection program has been issued 9 of the 10 Area Agencies including Gateways.

- NH Charitable
 - \$75K - Operations
 - \$10K – Hazzard Pay and Insurance
- Grants
 - NH Council on Developmental Disabilities -\$5000
 - United Way - \$1000
 - Harvard Pilgrim Foundation - \$500
 - NH Relief Fund - \$55K Loan

**Guidelines for Written Comments
to the GOFERR Stakeholder Advisory Board**

- (6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:
- (a) The funds will serve a public use and provide a public benefit. **The Funds are necessary to sustain a vital nonprofit that serves over 3600 individuals a year.**
 - (b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens. **Gateways is a very large nonprofit employer with 200 FTE and 500 part time workforce who provide essential community services, staff are dependent on our ability to provide employment and benefits.**
 - (c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment. **Children and adults with Developmental disabilities, children with autism and elders in need of long-term care are critically dependent on the safety net services we provide.**
 - (e) The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges. This statement absolutely applies to **Gateways Community Services**
 - (f) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law. **We concur**
 - (g) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization. **Gateways is a provider agency and a designated Area Agency by the State legislature. We have a 40 year history of providing needed services for individuals with developmental disabilities and acquired brain injury and their families.**
 - (h) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success. **We concur**
- (7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements. **All public**

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

relief funds will be entered into a separate financial cost center in order to organize and track expenses related to COVID-19.

- Each individual cost center will list the expenses related to the public relief cost center to best apply the funds.

(8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds. Gateways Community Services adheres to any and all state and federal guidelines, which are subject to regional and state audits conducted on a biyearly/annual basis.

- Due to non-profit status, all financials are made public upon request.
- Internal and external audits will continue and take into account any funds received for expenses related to COVID-19.

(9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector. Gateways works collaboratively with our local Mental Health Center, CAP agency, Federally Qualified Health Center and 25 other provider agencies to assure a integrated approach to care if those community partners are in receipt of relief funds, it may lessen our fiscal obligations for the necessary safety net for our region. However, Gateways has ultimate responsibility for the required network of Developmental Disability Services for Individuals and their families identified below

- Family Support: 993 families
- Service Coordination: 471 clients
- Early Support and Services: 336 children
- Participant Directed Managed Services: 240 adults with Developmental disabilities
- In Home Supports: 81 children

- (10) What would your business, agency, organization, sector do with the funds that cannot be done currently? A majority of Gateways revenue is dependent on Medicaid billables, 3rd party insurance billables and fundraising dollars. As we see diminishing revenue due to service disruption because of the Pandemic we are concerned about our ability to cover the needed cost associated with our essential staff and operational expenses.

(11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention? Our system was already struggling under significant stress before this pandemic. Our support workers in NH, and on a national

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

scale, are some of the lowest paid workers, even more so than those in the retail industry.

- Our support workers are essential to the care of our society's most vulnerable citizens. Through this crisis, they are the front-line staff putting themselves in harm's way especially in an industry where COVID-19 has been much more rampant.
- We appreciate the Governor's support for the \$300 additional dollars a week, and hope that when we are no longer in this crisis that the value of this workforce is not forgotten.

* * * * *

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(1) Please identify your position and your organization.

William Sherry, COO & Cary Gladstone, Senior Director of Asset Building Strategies,
Granite United Way

(2) Please identify what economic sector your enterprise operates within.

Economic stability

(3) Please describe how your enterprise and economic sector has been impacted by Covid-19.

Prior to Covid-19, widely circulated news reports noted that 40% of Americans of all income levels could not withstand a \$400 unexpected expense without having to borrow or to sell something. In New Hampshire, 1 in 12 residents lived below the poverty rate before the pandemic. Manchester had a liquid asset poverty rate of 39.7%, according to the Poverty Now Scorecard. That means 4 in 10 residents in the state's largest city did not have the liquid assets to live at the poverty level for three months in the event of an interruption of income. Covid-19 has exacerbated those difficulties to the point of desperation.

(4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

Granite United Way provides a number of services to improve the human condition, several of which have been curtailed or impacted by Covid-19. We operate the 211-NH information and referral line for social services. When we began taking Covid-19 related calls the line was deluged with people seeking a wide variety of health and economic assistance and not knowing where to turn. From March 1 to April 25, 2020, the staff of 211-NH took more than 27,000 calls. Free tax preparation, provided through our Volunteer Income Tax Assistance (VITA) program, was stopped in mid-March, unable to continue with face-to-face service for low-to-moderate income families.

It will be at least 12 months before low-to-moderate income families in our state are back to a level of economic stability they had before Covid-19. Granite United Way's asset building work starts with a call to 211. Trained Information & Referral Specialists take calls and direct people to needed services from food and housing assistance to tax preparation. The 211 line was established more than 12 years ago in New Hampshire and is able to respond quickly to meeting changing needs. In the foreclosure crisis of 2008-09, 211-NH took the lead on receiving calls and doing the intake to give housing counselors a leg up on working with clients to avert foreclosure.

Granite United Way's work over the next 12 months will surely focus on working in partnership with the State and others as part of an economic recovery. We are positioned to serve as the first point of contact on foreclosure intervention as we were a decade ago and continue to do. Beyond that, 211-NH provides information and referral to assist people experiencing homelessness and in need of utility and food assistance. The federal Economic Impact Payments, providing \$1200 or more to most of our state's residents, provide a boost, but have some complicated rules in order to claim. Our Asset Building Strategies initiative has been focused on helping eligible people claim those payments and understand the rules involved. It will be

April of 2021 before some of those claims are reconciled with the filing of a 2020 tax return.

- (5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.**

New Hampshire Charitable Foundation funding will help with tax prep until the July 15 filing deadline for 2020.

We also receive federal funding through an IRS grant that will not specifically help address Covid-19.

There has been no defined funding for 211-NH to help address Covid-19 impacts.

- (6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:**
- (a) The funds will serve a public use and provide a public benefit.**
 - (b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens.**
 - (c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.**
 - (e) The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.**
 - (f) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.**
 - (g) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.**
 - (h) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.**

Over the next 12 months, Granite United Way/211-NH will work in the immediate term to assist low-to-moderate income individuals and families avert foreclosure, claim the Economic Impact Payment and other benefits and to complete their 2019 and 2020 income tax returns. We would look to strengthen our capability to provide tax return preparation remotely using enhanced technology in addition to the traditional face-to-face VITA (Volunteer Income Tax Assistance) program at numerous community locations, and possibly with remote operation of 211 in the event of another crisis. We fervently hope that it would be of a lesser magnitude, but need to be prepared for such an eventuality. Finally, we would use public funds to build a stronger and sustainable partnership to meet gaps in service provision and coordinate efforts statewide.

We believe we can accomplish this with \$250,000 in funding.

7 Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.

Granite United Way has extensive experience in managing state and federal funding, particularly through our public health efforts, where we lead and manage funds for three public health networks and numerous contracts for providing services through 211-NH, including as part of the state's opioid response.

Our Chief Financial Officer accounts for these funds in our financial statements, including special projects and one-time sources of funding, as well as acting as the fiscal agent for numerous community partnerships. We have been audited annually by an accounting firm with favorable results. Copies of our most recent financial statements can be provided upon request.

8 Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.

These funds would be managed in accordance with Generally Accepted Accounting Principles. All public reporting requirements would be met through completion of an annual audit and a Form 990 tax filing, both of which are available on our website. Granite United Way manages numerous State contracts, including through the Department of Health and Human Services and the NH Office of Homeland Security and Emergency Management. We have successfully met—and continue to meet—public reporting obligations to the satisfaction of the State.

In the context of public reporting involving the media, we would work with the State to publicize the use of these funds through the use of news releases and postings on social media, including Facebook, Instagram and Twitter.

9 Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.

AHEAD (Affordable Housing, Education & Development) and HOMETeam (the financial education arm of three of the state's affordable housing and education providers) would be important organizations to ensure this work is carried out successfully. They provide housing counseling and would be instrumental in foreclosure intervention.

In addition, we would work together on financial coaching and financial education functions that can be called on to help with training, and conducting financial education classes and individual coaching. That would lead to greater economic empowerment and may include pre-purchase counseling as the situation permits.

10 What would your business, agency, organization, sector do with the funds that cannot be done currently?

Granite United Way would use these funds to create a more robust and comprehensive response to the financial aspects of the Covid-19 recovery specific to low-to-moderate income individuals and families. It would include targeted outreach to segments of the population that are most in need. These segments include people with disabilities, people experiencing homelessness, survivors of domestic and sexual violence, people with limited English language proficiency, and grandparents raising their grandchildren. Our current capacity does not allow us to reach these segments in the level of depth needed to help with understanding of the complex aspects of financial management.

11 We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

The federal income tax return is a central part of the finances of every individual and family. This is no less true of low-to-moderate income households than for those people of greater means, yet the complexity of tax law falls especially hard on the most economically vulnerable. The Economic Impact Payment (EIP) is a great example of that. Eligibility and the process of claiming the EIP was overlaid with tax law in ways

that were confusing to many people. This included income eligibility based on the Single, Married Filing Jointly and Head of Household filing statuses, the eligibility for a child to be included based on the Child Tax Credit rather than that for a dependent, and a complex process to file for the EIP. Lots of misunderstanding and even misinformation is out there, as has been noted in other aspects of economic recovery funds.

In addition, the Earned Income Tax Credit (EITC) still is not claimed by everyone who is eligible. The Internal Revenue Service estimates that about 20% of those who qualify do not claim it. Based on IRS data, that means about \$30 Million is left unclaimed in New Hampshire alone by some of our most vulnerable neighbors. Through Granite United Way's tax work, we have learned anecdotally that this includes people with very low income, people with a disability or with a family member who is totally and permanently disabled, and foster- and grand-families. An important role for our work, which hasn't received much attention, is the economic impact of helping people claim these and other benefits through the tax code. We have carved out a niche in being knowledgeable in these matters and communicating information.

In these critical times, it is especially important that the lowest income and most vulnerable NH residents receive reliable and relevant information that can help them move toward economic stability.

* * * * *

SAB anticipates that its members will be reaching out to diverse interests and persons to request submission of comments, and we thank you in advance for considering these requests. We are all in this together, New Hampshire!

Please check the [GOFERR website](#) for current information on how to submit comments. All recommendations and information submitted in response to this request will be available for public inspection and copying in their entirety. For further information, please contact Joe Doiron at the GOFERR offices (JOSEPH.DOIRON@LIVEFREE.NH.GOV).

Please submit your comments no later than May 1, 2020.

In response to comments to the GOEFERR Advisory Board

1. Lang's Landscape Service, Inc. Lucinda Lang Corporate Secretary
2. We are a service industry.
3. The impact to date has been; cancellations of work due to unemployment for our customers. Cutting back on work scheduled until further notice Customers ordering materials for their home that would be done by our industry.
Hiring employees for seasonal summer work is still pending. Mostly college students and they are still on line finishing their schooling.
4. Impact of economic future is uncertain. I will depend on our customers going back o work. The seasonal months of our business work will be of most concern in the fall months.
5. PPP will address the employment situation for our sector of employers, in that keeping money into the economy whether by cost of goods bought and sold, we must work. Credit use can and has to be paid back The use of any monies is to facilitate the flow on money to pay our workers.
6. The ideas listed for our business are more of keeping values of homes, building, new additions and improvements. This will build the economy.
- 7, Simply, the cost of business.
8. Accountability of any state or federal funding, needs to be specifically address as in designated accounts with accounting and use.
9. Food and medical coverage is always an important factor with or without Covid-19.
10. In fact, not one business alone can stop or aid to this pandemic. Our state must always put the welfare of its residents first.
11. Many smarter people, economics, educators, physicians and theologians have given advise and we are praying for all of them and listen to the guidance given.

On a final note we thank God we are not controlled by Pelosie or Sanders or any other politicians or political power or the media..

If we can't get through this virus, we are all dead. We will be all dead financially.

Respectfully,

Lang's Landscape Service

Nashua Soup Kitchen and Shelter

(1) Please identify your position and your organization.

Michael Reinke

Executive Director

Nashua Soup Kitchen and Shelter

(2) Please identify what economic sector your enterprise operates within.

Emergency food, shelter, and financial assistance.

(3) Please describe how your enterprise and economic sector has been impacted by Covid-19.

We are providing 50% more produce to Nashua. We have created 16 new mobile pantries. We are providing frozen meals to eight Nashua Public Schools for children to take home. We have reduced the number of people staying in our shelters. We have opened our shelters 24/7 increasing staffing costs. We are trying to move people out of the shelter as quickly as possible and we are exploring innovative ways to make this happen. We have dramatically re-organized our pantry food and kitchen meal distribution to provide as safe a space as possible.

(4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

We are anticipating a significant impact on our organization. Current predictions are that social distancing will remain with us through the summer. It is likely that we will not go back to normal operation of food and meal distribution until the fall. Of greater concern is the number of families who are unemployed. We are anticipating a continued increase in demand for food and financial assistance. The housing market was already extremely tight in the Nashua area so it would be difficult for there to be a greater demand for affordable housing. That said, we anticipate a greater number of people would lose their housing due to economic reasons and will struggle with the experience of homelessness.

(5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

- We have received philanthropic support during this crisis. Not only does the support not match the additional demand/stress upon our programs, it does very little to help two, three, or many months from now as people who have lost their jobs and can't go back to work, are unable to find ways to navigate the crisis.

(6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:

(a) The funds will serve a public use and provide a public benefit.

- it has to do so

(b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens.

- of course but I think you can be more specific

(c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.

- this is a onetime source of funding. I would like to see it jump start innovative ideas. Not out of keeping with employment or physical environment but let's use the funding to promote ideas we've been considering but have a hard time getting going.

(e) The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.

- I actually don't think this should be the primary concern of these funds. This is a once in a lifetime opportunity. Let's use it to advance the argument for what we want to do.

(f) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.

- I don't want us breaking laws but I would suggest this is an opportunity to incentivize local governments to change. For example, it would currently be hard to build a cluster of tiny homes on a single lot in Nashua. The average cost to build a tiny home is \$40-\$50,000. The cost to incarcerate an individual is \$60,000 a year. There are three key factors to keeping someone from returning to prison lack of housing, lack of transportation, and lack of a job. If we can encourage communities to build more tiny homes, it will save us, as a state, significant money.

(g) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.

- yes but I would like the State of New Hampshire to think big, long term, and with a solution in mind.

(h) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.

- This is why it has to fund the innovation we've been waiting for and rather than provide a backstop to existing operations.

(7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.

- We have a robust financial system in place. We are currently tracking regular hours, hours related to the COVID crisis, and over time COVID hours. We can easily track expenses from NHHFA for a specific project.

(8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.

- We have a positive relationship with local media and have received positive press with regards to previous initiatives. We believe there is every reason to believe this relationship will continue in the future.

(9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.

- We work closely with local governments including the City of Nashua and surrounding towns. All would be helped by assistance from the State of NH.

(10) What would your business, agency, organization, sector do with the funds that cannot be done currently?

- It is hard not to over emphasize this question. This is critical.

1. we have a significant construction project with \$3.6 million in commitments. At the same time, we still have a \$500,000 gap in what has been identified and the total cost of the project. Moreover, we now know that we need to replace the roof, presenting an additional cost.

2. We are interested in moving people into permanent housing as soon as possible. Funding able to fund innovative solutions to homelessness is critical. Let NH be known as the state which tried and succeeded to end homelessness. This will only happen if we let local communities innovate.

3. Provide an incentive to local communities to encourage innovation in the same way Arne Duncan encouraged states to innovate around education. This is a model which could move the needle in developing more affordable housing.

(11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

- building tiny homes

- assisting nonprofits in leasing apartments to allow for co-housing

- cohousing as a way to provide support and move people out of shelters more quickly

- challenge the notion that poor people are incapable of developing successful solutions. Rather, work with them to develop successful strategies and then help those strategies be replicated across the state.

Guidelines for Written Comments to the Governor's Office for Emergency Relief and Recovery Stakeholder Advisory Board

Thank you for agreeing to provide information to assist the Governor's Office for Emergency Relief and Recovery (GOFERR) Stakeholder Advisory Board ("SAB"). Your contribution is critically important to allow the SAB to perform its purpose of developing recommendations to the GOFERR for the allocation and expenditure of federal Covid-19 emergency funds to address fundamental needs of the State of New Hampshire.

Because the Covid-19 crisis has impacted almost everyone and every institution across New Hampshire, SAB expects to gather a substantial amount of information from many sources. In order to accomplish this task effectively and efficiently, SAB requests that all persons who submit information (including those persons who are scheduled to provide oral comments before a SAB meeting) please follow these guidelines.

The SAB is hopeful that many interested persons will submit information and ideas on how the State can best allocate federal emergency relief funds. We plan to read all comments, and for those who make oral presentations to the SAB, we intend to ask questions based on the written submissions.

There is no particular format for the comments, but we request that you focus your comments as efficiently as possible, and try to limit the number of pages to less than 10.

In order to help the SAB members to the greatest extent possible, we request that you try to address each of the information items listed below. The SAB members have identified these information items as highly relevant to their overall task. While some commenters are likely to provide additional information, and others may not be able to address each item, we request that you try to address the following items in your submission:

- (1) Please identify your position and your organization.

Marc Drapeau, 2020 President, NH Association of REALTORS; Hourihane, Cormier & Associates: Rochester, NH

Chris Norwood, 2020 Chair, NH Assn. of REALTORS Public Policy Committee, NAI Norwood Group; Bedford, NH

- (2) Please identify what economic sector your enterprise operates within.

Real Estate sector

- (3) Please describe how your enterprise and economic sector has been impacted by Covid-19.

Real Estate has been deemed an essential service under the Governor's March 27th Executive Order and listings and sales are continuing using remote showings and social distancing.

Real Estate activity accounts for about 20% of New Hampshire's economy. March residential sales data showed total closings were relatively stable from March 2019 while median sale prices rose by 9%. This activity reflects transactions which began months before the shut down and moved quickly to close soon after the emergence of the virus.

It is important to note that many NH family's wealth and savings exists in the equity of their home and reductions in that equity will have long-term consequences.

In April, New Hampshire brokers report that residential real estate has continued to operate with reduced but still fairly robust activity; while commercial real estate has been hit harder.

The prohibition on evictions has challenged property owners, residential and commercial, to develop short and long-term workouts leading to a greater impact commercial real estate and multi-family housing.

New Hampshire's commercial real estate market is in a more dire financial situation than is residential. Many retail and restaurants are unable to afford rents and a growing number of corporate chain stores are either unable or unwilling to pay rent. A true assessment of how widespread the issue with lease rental payments will become clearer over the next two weeks as rent payments are due.

Anecdotal evidence across the state suggests that many restaurants and other "non-essential businesses" are paying landlords partial rent for utilities, snow plowing, landscaping, but otherwise not paying for the entire rent obligation while some landlords are only paying interest on their mortgage. In the end both landlords and tenants are in need of additional capital even with the stimulus funds from the federal government. It is also worth noting that the stimulus funds including the Paycheck Protection Program (PPP) are largely geared to staffing expenses and not other operational expenses such as occupancy and real estate taxes.

The data firm Trepp watches all Commercial Mortgage Backed Securities (CMBS) loans nationwide. Early April evidence suggests that some 20% of all hotel mortgages and 10% of all retail mortgages across the Nation were late or requested deferment in the month of April 2020. This is contrasted against all other asset classes that were under 5%. Clearly certain sectors of the economy will be hit worse.

- (4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

NHAR estimates that residential real estate will see a 20% to 40% reduction in sales over the next year – depending on how long the situation lasts. The lack of residential inventory in the state, which was already a major impediment to growth prior to the shut-down, will be made worse as sellers feel less comfortable about allowing people into their homes. Due to the lack of inventory, NHAR expects prices to remain relatively stable.

In 2019 the volume of residential closed sales was just over \$6 billion so even under the best case scenario a 20% reduction in 2020 would result in \$1.2 billion in lost activity.

The commercial sector is more segmented with office, hospitality, multi-family, restaurant, personal services, entertainment and construction. Retail and restaurants are hardest hit but office and personal service will be impacted as businesses assess how many employees will be brought back to the traditional office environment.

Other concerns for commercial real estate would be the lack of payments of rents by retail and other tenants. That lack of income may put a strain on a landlord paying real estate taxes in a timely fashion, which could constrain cities and towns further. A more dire prediction would be if banks have to take back properties in those asset classes which could lead to devaluation of real estate assessment values.

- (5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

Real estate licensees are largely independent contractors which are traditionally not eligible for unemployment benefits. The CARES Act required that states allow independent contractors to apply for unemployment benefits. Some of NHAR members have applied and have been approved.

Brokerage firms as well as independent contractors are eligible for both Small Business Administration loan programs (PPP and EIDL). Many applied and were approved while others are still waiting.

Most commercial property owners did have access to the EIDL loans, however those loan amounts were tightened. Additionally many of the commercial tenants have had

access to the PPP loans, however only a small portion of that money can be used for rent, mortgage or utilities (if the loan is to be forgivable).

- (6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:

Until testing is widely available, the real estate sector will not fully recover. While NHAR understands that expanded testing is not covered by these funds, it is important to emphasize the primary importance of testing in order for a full economic recovery.

REALTORS in the residential real estate sector are seeing continuing demand for housing. The problems which confronted the market during the last recession, lax mortgage underwriting which led to low equity in housing, are not prevalent in today's market. If the job losses are long-term and not simply temporary then clearly that would greatly depress the housing market.

NHAR believes It is imperative that the commercial sector is stabilized before there is widespread defaults in the retail, restaurant, multi-family and office markets. NHAR would suggest direct financial assistance to these commercial tenants for property owners to receive monthly lease payments.

Any program which aids commercial property owners in receiving rental payments from their tenants will in turn assist those property owners to ensure payment of property taxes to cash-strapped municipalities.

The program could augment existing programs such as the Paycheck Protection Program or the Economic Injury Disaster Loan program, both administered through the local banks and secured by the SBA. The program should ensure that a certain percentage of the funding must be used for rental payments and/or real estate taxes.

- (7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.

NHAR is not asking for specific dollars from the \$1.25 billion CARES Act funds for our membership or industry. Those funds should go directly to retail, restaurants, and other tenants to assist them with among other things, meeting the financial obligations of the leases. NHAR does believe that a requirement of any loan or grant program should require payment of lease/rent.

- (8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.

XXXX

- (9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.

Municipalities provide basic operations which all real estate is dependent upon such as water, sewer, road maintenance and schools. Real estate values will be severely impacted if such services are underfunded or additional costs are shifted to property taxpayers who are continuing to pay their tax obligations.

Ensuring commercial property owners have revenue to meet those tax obligations will stabilize not only New Hampshire's businesses but will ensure towns and cities have funding to continue to operate.

NHAR cannot emphasize enough the need to make municipalities "whole" financially in order to ensure long-term price stability in New Hampshire's residential and commercial real estate sectors. If municipalities in neighboring states are able to manage their financial losses better than NH then it could put our market at a financial disadvantage if it results in increased property tax burdens.

- (10) What would your business, agency, organization, sector do with the funds that cannot be done currently? **Ensure tenants meet rental, lease and tax obligations.**
- (11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

The CARES Act requires federally-backed Government Sponsored Enterprises (Fannie Mac, Freddie Mae) as well as VA, USDA and FHA to allow mortgage forbearance for up to one-year. Both the Governor's Executive Order as well as the CARES Act prohibit foreclosures and evictions.

The result has been mortgage underwriting has become stricter. Potential homebuyers who may have been eligible for affordable mortgage products are now excluded out of concern that new property owners may immediately seek forbearance on their new purchase. These stricter underwriting requirements will exacerbate New Hampshire's already critical affordability issues in the housing market.

Interest rates are low and making housing an attractive investment. However, if access to the those low-interest mortgages is limited then many New Hampshire families will be shut-out of the market.

On the commercial property side many real estate owners as well as small businesses are watching with interest as other States reopen their economies. If the economy is to move forward quickly we will need business owners and their customers to have certainty in their actions. Perhaps education programs for business owners on how to open back their stores would be something that the NH Department of Business and Economic Affairs (DBEA) or the SBA could champion and provide blue prints to business of all kinds how to open back up the economy.

* * * * *

SAB anticipates that its members will be reaching out to diverse interests and persons to request submission of comments, and we thank you in advance for considering these requests. We are all in this together, New Hampshire!

Please check the [GOFERR website](#) for current information on how to submit comments. All recommendations and information submitted in response to this request will be available for public inspection and copying in their entirety. For further information, please contact Joe Doiron at the GOFERR offices (JOSEPH.DOIRON@LIVEFREE.NH.GOV).

Please submit your comments no later than May 1, 2020.

New Hampshire Coalition of Recovery Residences NHCORR
2 ½ Beacon St, Concord, NH 03301

Submitted by Kim Bock, Executive Director, and Kristine Paquette, Chair

2. Economic Sector:

NHCORR is committed to building strong recovery communities, eliminating barriers to recovery-supportive housing, and promoting best practice standards for New Hampshire's alcohol and drug free homes. We do this through a voluntary certification program for recovery residences and through education and training for homeowners, residents, local and state governmental bodies and the general public. NHCORR operates in the knowledge sector of the economy working primarily with disability housing. (The ADA and HUD define persons in recovery from alcohol and drug addiction to be persons with a disability.)

NHCORR certifies recovery residences that meet the nationally recognized NARR standards for safety, recovery support and ethical operation driven by the residents well-being in a peer supportive environment. We do this by providing technical assistance, and by determining that all documents, practices and the physical plant meet best practice criteria. Recovery residence can become certified in as little as 2 weeks. The process is driven by the operator and normally takes 1 to 2 months. Twenty two NHCORR certified residences provide safe and healthy homes to 385 people with disabilities in NH. Within the next month, NHCORR reasonably anticipates representing an additional 7 houses providing homes to an additional 100 people.

3. How NHCORR and Recovery Residences have been impacted by COVID-19:

NHCORR is quickly expanding services offered to recovery residences and those in recovery in response to COVID-19. Houses and residents are facing challenges in unemployment, anxiety, relapse, reduction of flow of incoming residents and house financial distress directly due to COVID-19. Each challenge area will be addressed separately below.

- **Unemployment** - Unemployment has hit this community very hard. Houses have reported an estimated 85% unemployment rate among residents. 30% of those unemployed are ineligible for unemployment benefits due to a poor work history or incarceration. Residents are unable to pay the rent and NHCORR certified recovery residences have reported that no resident will be asked to leave for failure to pay rent during this pandemic.
- **Anxiety** - People in recovery residences are relatively new to long term recovery and are somewhat fragile. House operators and residents have reported that anxiety among house members has risen greatly with fears of not being able to pay rent, pay for food, attend 12 step meetings, attend medical services, etc.
- **Relapse** - Houses are reporting a significant increase in relapse among residents. And, the relapses tend to be surprising, involving people who have been considered solid in their path to long term recovery over the last year or more. There were 33 relapses in 16 homes from March 15 to April 15, 2020.

- **Reduction of flow of incoming residents** - houses currently report an 80% reduction in referrals to recovery residences. Empty beds have increased by 150% compared to March 2019.
- **House Financial Distress** - resident unemployment leads to residents not being able to pay monthly rent. Houses expect a brand new resident to not be able to pay rent for a month and have incorporated that factor into their business model. However, houses cannot financially handle 85% of their residents not paying rent. All houses report that they will not turn someone out for not paying rent but these houses also report concerns about meeting their own financial obligations. Houses have applied for CARES Act relief but, to date, no house has reported receiving benefits from the CARES Act. The number of residents in arrears on their rent has increased by over 300% compared to March 2019. Total income is reported to be 50% less than March 2019.

NHCORR Response to the Challenges Outlined Above:

- **Unemployment** - NHCORR has responded with a rental assistance program to help alleviate the stress caused by unemployment. NHCORR has awarded 81 grants for rental assistance in the total amount of \$37,976 since March 1, 2020. These awards are funded from a 2019 grant from the Governor's Commission on Alcohol and Drug Abuse. Although this number is impressive, awards are restricted to 75% of a residents monthly rent up to \$750 in a NHCORR certified recovery residence. The ask has been much greater than the funds available to respond to the ask. In these eight weeks, NHCORR has received 134 applications asking for \$89,229 in rental assistance.
- **Anxiety** - NHCORR added resource links to NHCORR.org. Links range from finding food banks, locating sources of personal items, online 12 step meetings, information about telehealth, resources for mental health and physical health, ways to volunteer and how to apply for unemployment and federal CARES benefit. We took our house manager support network weekly meeting to a zoom platform hoping to reach more house managers with a space to share concerns and best practices.
- **Relapse** - Again, NHCORR.org has extensive links to help the residents. We also host a weekly round table zoom discussion for home owners/operators to discuss best practices. This is a great time for operators to share ideas about what is working in their homes and to ask specific questions of other home owners. With respect to relapse, home owners have discussed increasing structure in the home and have discussed the potential of eviction for relapse during COVID-19. Kim Bock calls each owner/operator the day before the roundtable discussion to determine the greatest needs of the community and then follows those conversations with research to provide best practice guidelines during the roundtable discussion. In the case of relapse and potential eviction, Kim had discussions with BDAS, the board of NHCORR, NARR (National Alliance for Recovery Residences of which we are the state affiliate), and the state affiliates for Maine, Massachusetts, Vermont and Ohio to provide owners and operators with best practices.
- **Reduction of Flow of Incoming Residents** - Kim Bock and Kristine Paquette have been in conversation with houses, NARR state affiliates, Amerihealth, Doorways, BDAS, NH Charitable Trusts, Concord Fire Department, Farnum and other organizations deeply

connected with recovery resources. The reduction in flow is directly related to COVID-19 but there is not a quick, easy answer for what is happening. People attribute this reduction in flow to: going to treatment and contracting COVID-19. More drugs are available on the street, more Naloxone is available and people are self-treating or treating friends, treatment centers and the corrections system has changed the number of people entering or exiting the system in an attempt to mitigate COVID-19 exposure, services involved with placement do not know where to find empty beds in recovery residences, services involved in placement are not aware of many houses existence.

- **House Financial Distress** - NHCORR.org provides links for CARES Act relief and for business mentoring organizations. There are also links to foodbanks and other community resources as well as suggestions for connecting with local restaurants for food donations, etc. Kim Bock has been in conversation with other leaders in NH that suggest recovery residences may need to re-evaluate their business structure. Most recovery residences are for profit LLC's and the assumption is that this choice of business structure is one of initial ease. However, recovery residences generally report that the business does not make a profit, or very little profit. During this epidemic, there has been a significant amount of local support for the continued operation of nonprofit organizations but not as much for small businesses.

4. Projection of how NHCORR and Recovery Residences will be impacted over the next 12 months by COVID-19

- **Unemployment** - some relief will be found in unemployment benefits by those who qualify for unemployment benefits. Although limitations have been reduced to qualify for unemployment, many individuals in recovery remain ineligible for unemployment benefits due to a lack of work history or incarceration. Typically, 85% of residents (currently approximately 340 people) are unemployed. Of those people who are unemployed, 30% (100 people) are not eligible for unemployment because of a lack of work history or incarceration. The majority of the people who do receive unemployment benefits have a history of working in low paying jobs and their benefits to date are in the \$50 per week range. We are aware that the federal government is adding \$600 a week to the unemployment benefit. The reality is that most people have not seen this amount in their unemployment awards and the houses are continuing to carry 85% of their residents without collecting rent. As the country returns to "normal" and people are once again finding employment, we anticipate that people in recovery will be slower than average in finding gainful employment. We are also aware that the government has and will be releasing \$1,200 in stimulus funds per person. Again, this could theoretically be used for rent. But, these stimulus checks will not reach most people in recovery before September. To receive the stimulus fund more quickly, one must have a bank account, have filed taxes, and not have a lien placed on their taxes. People in recovery residences typically do not fall into all of these categories and will be waiting for a paper stimulus check to be mailed. Again, the recovery residence is carrying this person without payment of rent.
- **Relapse** - NHCORR anticipates that relapses will continue to increase. Recovery is dependent upon human contact through person to person support services. People in

recovery are suffering from social isolation and serious impingement to their daily routines. It is expected that teleservices will continue for some time and this will increase anxiety and relapse. Telehealth mental health services and virtual 12 step meetings do not provide adequate support for those in recovery. They lack necessary human contact, the discussions tend to be repetitive and it has become increasingly difficult to find sponsors through teleservices. Although telehealth services have come online, the closing of small hospitals has caused many providers to close and it remains to be seen how many providers will be available in the near future. It is also expected that there will be a reduction in the number of houses that survive this financial crisis (see below.) People in recovery that move from treatment to recovery residences have a higher success rate than those that return to prior home environments. Without enough recovery residence to house people coming out of treatment, the relapse rate will be higher.

- **Ebb of people into recovery residences** - The decrease in flow of people into recovery that houses are experiencing currently is expected to financially stress recovery residences for another year and a half. The perfect business model for a recovery residence would be to have the same number of people come in and graduate each month. People who enter recovery are expected to not be able to pay rent for a month and their costs are “carried” by the other residents in the house as part of the business model. A decline in people in recovery for a month or two will affect the ability of the house to sustain future incoming residents.
- **Subsequent Flow of people into recovery residences** - And, it is anticipated that behind the ebb of people entering recovery residences, there will be a significant increase in demand. This will create a wave of people who, again, in the first month or so in a recovery residence are unable to pay rent because they are setting up their support systems, attending to health issues, attending drug court or other programs, taking the necessary steps to get a drivers license reissued and hunting for a job. So, instead of one or two people entering the house without ability to pay rent, several people will enter the house at once needing support. Any business would find this sudden surge difficult to manage.

For example, one treatment center in Concord typically has 32 people in treatment. The normal flow of people is a few people come in each week, receive treatment for 28 days and then graduate to recovery homes at the end of the program. In a normal environment, a few people enter every week and a few people graduate and move on to recovery residences every week. NHCORR is aware that this treatment center stopped taking new patients for several weeks because of COVID19 and that has been part of the reason that the recovery residences are now seeing an 80% reduction in referrals. This week, the treatment center has reported that it is filled to capacity again with 32 people. Those 32 people are new patients and will complete the 28 day program at the same time and be looking for homes with recovery residence at one time, without the ability to pay rent for approximately one month while they secure a job. Although the recovery residences would be able to fill their available beds, they will have to absorb the cost of a large number of residents at one time without income to cover that cost.

NHCORR can help with rental assistance awards but currently funds will only allow us to support 14 people entering recovery throughout the whole state, not only Concord.

- **House Financial Distress** - typically, recovery residences have about a month buffer for business expenses. With the above discussed lack of income from rental payments, it is anticipated that houses will be forced to close due to lack of funds. NHCORR is aware of two house closures due to COVID-19 to date. This is an estimated loss of 24 beds.
- **NHCORR Rental Assistance Program** - The current rental assistance program is able to award a total of \$20,000 in grants per month. This is funded by a grant from the Governor's Commission on Drug and Alcohol Abuse. Because the rental assistance program was started late in the fiscal year, there are more funds available per month currently than there will be in the next fiscal year (starting July 2020.) In July, 2020, the rental assistance program will have a total of \$10,000 per month to award for assistance to people entering recovery. As shown in the data over the first two months of this program above (134 people asked for assistance in the amount of \$89,000), the need is likely to be \$45,000 a month. This is an increase of need in the amount of \$35,000 due to COVID-19. NHCORR will be able to meet less than one quarter of the total need.

5. NHCORR does not receive and does not expect to receive any other assistance from any entity or organization in response to COVID-19.

6. NHCORR sees a specific need to bolster and support the recovery residence infrastructure. Currently, NHCORR serves 384 people in recovery in 22 homes and expects to be serving over 425 residents in 30 houses within the next few weeks. A loss of a house due to financial hardship caused by COVID-19 would be a loss of about 17 beds to serve those in recovery in New Hampshire. That means that, for every house lost, 17 people in recovery would return to the life they led prior to entering treatment every year. Studies show that people in recovery who return to their previous life from treatment have a high recidivism rate. Recovery residences break that cycle, help people sustain long term recovery and reduce crime and health costs related to drug and alcohol abuse.

NHCORR proposes to institute several programs to address the most pressing issues of the recovery residence infrastructure: financial hardship, physical improvements, even flow of residents and a better understanding of business practices.

- **Addressing Financial Hardship**- To mitigate the cost of business interruption caused by the decrease in people entering recovery residences (a decrease of 80%) and then the anticipated wave of people entering recovery residences after COVID-19, NHCORR recommends instituting a one-time assistance payout program to houses based on a per bed award. NHCORR recommends that NHCORR manage a fund of \$350K to be distributed to NHCORR certified homes. This would be a one time payment to recovery residences of approximately \$800 per bed, supported by documentation of business loss

of income. NHCORR does not believe that this amount of money will cover the entire loss due to the interruption of business and the lack of rental payments to homes. The actual loss could reasonably be estimated to be 55% of a residence's income for 3 months (March, April and May) for a total of \$530K. However, we are aware that unemployment benefits should be forthcoming, as well as stimulus checks that could be used to pay for back rent to mitigate the loss to homes and are requesting a grant of \$350K for this cost of business interruption.

- **Recovery Residence Infrastructure** - Four areas of infrastructure need support: social distancing, the need to accommodate a surge of people entering recovery, encouraging recovery residence in less populated areas of the state and MAT accommodation. NHCORR recommends instituting a one time physical improvement fund for these purposes.
 - **Social Distancing** - provide matching funds to encourage houses to create spaces for social distancing and quarantine while maintaining capacity. Most houses have 2 residents per room. Social distancing improvements might include improvements to existing structures or creation of new spaces.
 - **Accommodation of a Surge of People to Recovery Residences** - provide matching funds to encourage houses, new or existing, to improve facilities to meet NHCORR standards and become certified, and to make improvements to existing certified properties, that would lead to increase housing capacity in anticipation of the surge due to Covid 19.
 - **Expansion of Recovery Housing to Underserved Areas** - provide matching funds to encourage recovery housing in rural areas of NH. Currently there is a lack of recovery housing in the North Country, for example. People entering recovery residences who reside in the underserved areas of the state are forced to more densely populated areas of the state where there is a higher concentration of COVID-19 cases. Encouraging the development of recovery residences in underserved areas would provide residents the ability to stay safely in their own communities rather than to have to change their residency to a much more populated area such as Manchester or Nashua and would help the recovery residence network maintain social distancing and reduce the spread of COVID-19.
 - **MAT/MAR Recovery Residences** - COVID-19 has increased the number of individuals receiving MAT due to the ability to prescribe through telehealth services. The abuse of MAT prescriptions has also increased. Currently, few houses take MAT/MAR residents because of the increased risk and responsibility of having and monitoring medication at a recovery residence. NHCORR, following NARR standards, has published best practices associated with such a program but modifications need to be made to residences to institute this type of housing.

It is worth noting that many people in recovery work construction jobs so the boost to the recovery economy is doubled, first to the house to make the improvements and second to the worker who is now able to pay his rent. NHCORR recommends funding this

infrastructure development with a grant of \$450K. This amount could fund many projects across our 22 certified homes and increase capacity by at least 10 new residences throughout the state. Creating a much safer recovery housing environment during this pandemic.

- **Rental Assistance** - NHCORR has a rental assistance program funded by the Governor's Commission on Drug and Alcohol Abuse that was designed to assist people entering recovery by providing approximately 3 weeks of rent to carry a person until they could secure employment. By the second week in March, this rental assistance program was redesigned, the amount of the individual award was reduced and the pool of recipients was increased to be able to answer the needs of people currently in recovery residences who have lost their jobs because of COVID-19. 50% of the rental assistance awarded (\$20K/2 months) has been paid for the benefit of those already in recovery residences. NHCORR recommends awarding \$240K to be placed in the rental assistance fund for the following purposes:
 - Reimburse the rental assistance program for COVID-19 incurred payments - \$20K
 - Increase funds to continue to make rental assistance available to people who are suffering job loss without unemployment benefits sufficient to pay rent - \$100K
 - Rental assistance funds for the anticipated surge of people entering recovery in the near future due to COVID-19 - \$120K
- **Providing a Sober Resident Bed Availability Platform for NHCORR Certified Homes** - NHCORR recommends that \$50K be awarded for the establishment of a "live" bed availability platform to be placed on the NHCORR website and updated by the houses on a regular basis. Currently, providers who are assisting people in treatment through the next step of finding a recovery residence have few resources for finding available beds. Providers can access a list of NHCORR certified recovery residences on the NHCORR.org website but there is no indication of who might have open beds. The provider must call each house to find placement. Providers, Amerihealth, recovery organizations and houses have all requested a system to make this process more streamlined and user friendly. NHCORR recommends awarding \$50K for the development of such a platform on the NHCORR website.
- **Business Support** - Since March 15th, a significant percentage of the Executive Director's and the Administrative Assistance's daily hours are spent responding to the COVID-19 crisis. Every NHCORR certified recovery residence and every recovery residence in the process of certification is called on a weekly basis to determine the needs of the recovery community. Research is done to respond to those needs, the website has been updated on a biweekly basis with answers to questions and resources for COVID-19 response. Approximately 20 hours per week is diverted for this purpose. NHCORR recommends awarding \$25K for a part time, temporary assistant to make phone calls to houses, research issues relating to COVID-19, recommend solutions to posed issues and maintain the COVID-19 portion of the NHCORR website.

In total, NHCORR is requesting \$1,115,000 to bolster the recovery residence infrastructure of NH and to help keep people on a solid path to long term recovery, thereby reducing the societal cost of addiction.

All of the programs recommended above serve to stabilize and strengthen the recovery residence infrastructure in NH. All of the programs result in job creation, from developing a software platform to developing educational materials and providing work in the construction industry. They are all one time programs that are intended to strengthen the infrastructure to the point of not needing operational support from any source in the future. It is also anticipated that more recovery residences will seek certification and the state can be assured of quality housing and programs at NHCORR certified homes. The benefit of these funds will be available for many years to come through additional beds, increased long term recovery success, stronger business planning and operation skills and a stronger, more effective referral system.

7. NHCORR currently uses APLOS Fund Accounting software and would create a unique fund for each of the projects outlined above. NHCORR would hire additional staff(bookkeeper) to maintain the funds and help oversee the projects. Activity in each fund would be reported to the NHCORR Board of Directors on a monthly basis and books would be available for review by the appropriate authorities during regular business hours.

NHCORR would also be willing to work with another agency with a longer track record who could oversee the funds and would suggest partnering with the New Hampshire Charitable Trust for this effort.

8. NHCORR will comply with all regulations for the proper reporting of funds.

9. NHCORR works with referring agencies and the corrections system to find appropriate housing for individuals entering recovery housing and financial assistance to enter such housing. Respite beds, detox centers, treatment centers and correction facilities all take the first steps in helping someone enter recovery. As discussed above, the smooth operation and even flow of people through these organizations is critical to the success of recovery residences. NHCORR recommends assisting these organizations in developing programs that will help maintain an even flow of people through the recovery process.

10. NHCORR has outlined new programs in response to COVID-19. Current funds available address the needs of people in recovery during normal times, not during times of crisis. In normal times, recovery residences operate their businesses adequately, people in recovery are able to have the human contact health services that are so desperately needed and the result is more successful long term recovery outcomes. COVID-19 stresses every aspect of the recovery community in ways that could not be anticipated or addressed by the current funding available.

11. At NHCORR we are very concerned about the future for recovery residences. People in recovery are feeling the effects of COVID-19 currently but we anticipate that this community will be suffering the effects long after many other communities in the state have recovered. An interruption in the flow of people into treatment is happening today. This interruption does not

affect the houses for 28 days (the length of stay for many treatment programs.) And, this interruption will stay with the houses for the entire cycle of that incoming "class" - approximately 18 months.

We are seeing houses suffer financially and close. Without assistance, we anticipate more houses will close and NH will be left with fewer beds available for long term recovery. And, just when it would seem that the number of beds is appropriate for the number of people in recovery, there will be a significantly abnormal influx of people into recovery. Remember that alcohol sales are up over 50% in NH, people have access to large amounts of Naloxone and are self treating and treating their friends to avoid entering hospital environments. The flow of drugs into NH has apparently not decreased with social distancing. When life returns to "normal" people are going to be seeking recovery in greater than "normal" numbers. NHCORR wants to make sure that the infrastructure of recovery residences is well prepared to weather this dramatic ebb and flow of people in recovery and that those who have and eventually will reach out for assistance will find the systems in place to find their way to long term sustainable recovery.

Respectfully Submitted by:

Kim Bock
Executive Director, NHCORR

Kristine Paquette
Chair, NHCORR

Cooperative Extension

April 27, 2020

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Coös County

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Grafton County

787.6944

Hillsborough County

641.6060

Merrimack County

796.2151

Rockingham County

679.5616

Strafford County

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UNH Cooperative Extension appreciates the ability to provide input to the GOFERR Stakeholder Advisory Board into allocation of federal funds to the agricultural community.

1. Amy Papineau – Food & Agriculture Program Team Leader; UNH Cooperative Extension
2. As a program of the University of New Hampshire, the Extension Food & Agriculture program provides technical support and education for the state's agriculture and food industries.
3. COVID-19 has significantly impacted the budgets of higher education across the country. The refunding of tuition, room and board, as well as uncertainty with enrollment and campus residency has resulted in a hiring freeze as well as the potential for significant budget reductions. The hiring freeze has impacted the hiring of several food and agriculture specialist positions for UNH Extension.
4. UNH Extension is funded through a partnership between the federal government, county government, and the state of NH through the USNH appropriation. The unprecedented financial impact on the state, county and local communities of NH may result in rescission of Extension funding during a time when local and community education is at increased need. The UNH Extension budget is projected to lose between 10-15% of revenue from canceled face-to-face programs and decreased funding from county appropriations. This loss may represent up to \$700K if in-person professional development and training programs are not resumed prior to January 1, 2021.
5. The association of public land-grant universities (APLU) has submitted a request for \$380M to support agricultural research and outreach. The request supports \$80 million for the Cooperative Extension System nationally to meet the direct needs of the public related to spread of and recovery from COVID-19. If approved as part of the fourth phase of COVID-19 CARES ACT funding, the resources will be appropriated based on the federal Smith-Lever model. It is anticipated that UNH Extension may receive \$250,000.
6. The Cooperative Extension Food & Agriculture program supports the NH agriculture industry and food systems, with a team of specialists working across the agricultural industry to bring research-based education and technical assistance to farms and agricultural operations of all types. Support from UNH Extension is critical to the success of NH farms and local food supply. Funds will support UNH Extension's ability to provide critical technical support in direct response to the Covid-19 crisis as well and will enable us to continue the production and business support that agricultural businesses rely on, including:
 - Dairy and livestock programs to address challenges of animal health and wellbeing, milk and meat quality, farm facilities, and efficiencies in production methods

- Forage crop programs to address crop nutritional quality, cover cropping and reduced tillage to protect and build agricultural soils
- Agricultural business management programs to improve profitability and quality of life for agricultural producers
- Greenhouse and nursery horticulture programs to help producers adopt innovative and sustainable production methods, contributing to the largest sector of the state's agriculture industry
- Vegetable and fruit production programs to assist producers in adopting methods to grow produce sustainably and profitably
- Integrated pest management programs to provide growers with research-based information and local data to aid in pest management decision making; Information about how to identify, diagnose or prevent pest problems reduces costs and environmental impacts of pest control strategies
- Food safety programs to help farms and food processors address safe handling methods, regulations, monitoring, and response to food safety threats
- Food safety education programs for food service workers to protect the safety of foods provided to the public through restaurants, cafeterias, and feeding programs.
- Applied on-farm research driven by the direct needs of NH farms. It is this applied research that has enabled the state's farms to adapt to change: changing climate, changing pests, changing markets, changing regulations. Applied research brings farms the new information they need to be competitive by increasing production and quality, decreasing costs, and adopting new technologies.

The Cooperative Extension Fisheries and Aquaculture programs address the challenges and needs of fisheries and aquaculture industries in the state. These programs include:

- Programs pertaining to direct marketing and market creation of local seafood with fishermen and local restaurants.
- Aquaculture programs to help shellfish farmers create viable business models and navigate challenging processes such as siting, licensing and permitting as well as training fishermen in aquaculture skills to remain economically relevant.
- Fisheries and Aquaculture research programming to help the NH fishing and seafood industries remain viable and sustainable in changing economic and environmental climates.

New Hampshire farmers rely on Cooperative Extension specialists to work one-on-one with them on their farms and in their operations to solve production challenges and to make informed business decisions. COVID-19 has elevated the needs of the industry for research-based technical expertise in food safety, business management, and sustainable production. The need to increase capacity in these areas is stronger now than ever. With dairy farms in crisis, capacity in dairy farm management is critical. **Funds would enable Extension to increase our capacity in food safety and business management on a temporary contract basis, allowing us to effectively respond to the urgent and unprecedented needs of NH agriculture.**

The Cooperative Extension model of trusted relationships and face to face on the ground support is challenged by the social distancing protocols that have resulted from the Covid-19 crisis. The type of on-the-ground technical support that Extension provides is critical to the success of NH farms. Farmers need Extension specialists to meet with them on their farms to diagnose pests and diseases that threaten crops, to identify and remedy threats to animal health and productivity, to identify and remedy food safety liabilities, and to provide farm-specific guidance on production and sales practices. **In the months ahead, Extension specialists will need access to the health and safety supplies that will enable them to meet face to face with farmers and other agricultural service providers to provide the technical support that farms need.**

The Covid-19 crisis has changed the way farms operate, both in production and sales, and has changed the purchasing behaviors of consumers. Farmers are needing to change their production practices quickly to adjust to new patterns of demand, new market channels, and new regulations. Simultaneously, they are needing to develop new systems to respond to a critical lack of labor and concurrent increased labor needs. Cooperative

Extension has long been the trusted resources to provide the local agricultural industry with the information farms need to adapt to new systems and challenges. The Extension model of bringing farmers, educators, and service providers together to learn in group settings is challenged by the social distancing protocols that have resulted from the Covid-19 crisis. The proven strategy of bringing farmers together on farms to observe crops, systems, technologies, and solutions first-hand is not compatible with social distancing protocols. **In the months ahead, Extension specialists will need to rely on video and digital delivery to create virtual on-farm experiences to bring farmers the timely and impactful information that will enable them to grow and succeed. They will need access to cameras and video equipment to produce virtual programs.**

Last year, Extension Food & Agriculture specialists made 1,068 on-farm visits to provide technical expertise. They hosted 104 educational programs, bringing 3,736 farmers and other individuals together to learn about topics critical to farm success. Farmers developed skills in topics including production methods, marketing, legal risk, succession planning, tourism and safety. **In the year ahead, Extension will need resources to adapt delivery of these essential services to support NH agriculture in a new and safe manner.**

7. UNH Extension has the business and financial management staff as well as the experience managing extramural funding, auditing, and reporting to ensure accurate reporting of the use of public relief funds.
8. As a public institution, UNH Extension follows the public reporting protocols of UNH.
9. Several NH organizations are leveraged by the support of UNH Extension. Agricultural service providers in the state work in collaboration with one another to provide the support and services that the industry needs. Organizations working directly with Extension to provide support to farmers during this time include: NH Agricultural Mediation Program; The NH Department of Agriculture, Markets & Foods; NH Farm Bureau Federation; Granite State Dairy Promotion; NH Community Loan Fund; and others. Each organization brings unique expertise, resources, and relationships. With financial support, these and other organizations can work together to provide the assistance needed in business management, market channel connections, and mental health support, among the many other critical urgent needs.
10. Additional resources would provide opportunities to fill needed positions in the short term to provide for the increased need for food safety, food production, and farm business management assistance that the NH industry will require during the post-COVID recovery. Additionally, as specialists work remotely, resources to support development of remote and virtual program delivery will enable Extension to continue to provide technical support and education that is critical to farmers. Funds to support COVID-19 testing and safety supplies for Extension staff will enable Extension to continue effective on-the-ground support of the agricultural industry.
11. Allocating funds in a manner that directly provides financial support to farmers and ag businesses in crisis would be our recommendation, as farms, dairy farms in particular, will likely need to utilize relief funds to stay solvent. Farms are experiencing increased expenses due to COVID-19. Agricultural businesses have reported the following among the increased costs of doing business: additional staff for curbside and home delivery; personal protective equipment for themselves and their labor force; additional cash registers and equipment to spread out lines of customers; additional packaging costs as products are being bagged and boxed; new cleaners and sanitizers; infrastructure for converting to online sales platforms. Equipment that enables farms to accept SNAP/EBT payments would help food access for the state's low income populations. As farmers experience unprecedented stresses, mental health support becomes essential. Funds to support development of a farmer crisis support system akin to the Vermont Farm First program could mean the difference between life and death for the state's producers.

Thank you, again, for the unprecedented opportunity to provide input.

Sincerely,

Amy Papineau, UNH Cooperative Extension



Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

Thank you for agreeing to provide information to assist the GOFERR Stakeholder Advisory Board (“SAB”). Your contribution is critically important to allow the SAB to perform its purpose of developing recommendations to the GOFERR for the allocation and expenditure of federal Covid-19 emergency funds to address fundamental needs of the State of New Hampshire.

Because the Covid-19 crisis has impacted almost everyone and every institution across New Hampshire, SAB expects to gather a substantial amount of information from many sources. In order to accomplish this task effectively and efficiently, SAB requests that all persons who submit information (including those persons who are scheduled to provide oral comments before a SAB meeting) please follow these guidelines.

The SAB is hopeful that many interested persons will submit information and ideas on how the State can best allocate federal emergency relief funds. We plan to read all comments, and for those who make oral presentations to the SAB, we intend to ask questions based on the written submissions.

There is no particular format for the comments, and but we request that you focus your comments as efficiently as possible and try to limit the number of pages to less than 10.

In order to help the SAB members to the greatest extent possible, we request that you try to address each of the information items listed below. The SAB members have identified these information items as highly relevant to their overall task. While some commenters are likely to provide additional information, and others may not be able to address each item, we request that you try to address the following items in your submission:

- (1) Please identify your position and your organization.

[Steve Ahnen, President, New Hampshire Hospital Association](#)

- (2) Please identify what economic sector your enterprise operates within.

[Health care – hospitals and health systems](#)

- (3) Please describe how your enterprise and economic sector has been impacted by Covid-19.

[New Hampshire hospitals and health systems have taken critical steps to respond to this crisis and ensure safe care for patients, health care professionals and communities, including suspending elective procedures and curtailing community practice hours. These actions, when combined with standing up response efforts to address a potential surge of COVID-19 patients, have resulted in significant revenue losses of roughly 40 – 50%, equating to more than \\$200 million a month for our hospitals.](#)

- (4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

Hospitals are estimating that they will continue to see reductions in their revenue for the foreseeable future based off actual revenue losses sustained in March. When time-sensitive procedures are started up again, this will be a very gradual process and predicated on robust testing availability and adequate Personal Protective Equipment (PPE). Ramping back up to a new “normal” for patients and hospital personnel will also require reassurances to their patients that it is safe to access care at hospitals and physician practices. Modifications will need to be made to scheduling, in-person visits and more related to pre-surgery/procedure care, such as diagnostic imaging, laboratory services or pharmacy support, to provide care for those who will be undergoing surgery or a procedure. And, hospitals will need to continually monitor the overall volume of patients to ensure that they can continue to meet the needs of all patients including those with COVID-19, due to PPE and staffing challenges related to the pandemic, as well as those receiving care for other time-sensitive procedures that might have been previously delayed but that now requires medical intervention.

- (5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.
[See attached Financial Relief spreadsheet.](#)

**Guidelines for Written Comments
to the GOFERR Stakeholder Advisory Board**

- (6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:
- (a) The funds will serve a public use and provide a public benefit.
 - (b) The funds will preserve or increase the social welfare or economic prosperity of the state and will promote the general welfare of the state's citizens.
 - (c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.
 - (e) The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector and will enhance the resiliency of the organization to survive future economic or health challenges.
 - (f) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.
 - (g) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.
 - (h) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.

As noted before, hospitals are losing more than \$200 million a month with the impact of this being felt over the next several months. A \$200 million loss in April becomes a much more significant loss over the next three to four months. Even with the federal assistance that hospitals have received thus far and any additional funds they might receive, those losses will still be substantial, resulting in hundreds of millions of dollars in lost revenue over the next several months. Without a major infusion of resources, many hospitals will find themselves out of operating cash within the next 2-3 months, if not sooner. Hospitals have stood up incident command centers, enhanced security, modified visitation procedures, suspended all non-urgent, elective procedures, moved other patient visits to telehealth formats, struggled to add capacity within the walls of their hospitals by converting rooms into patient rooms and securing additional ventilators, stood up flex facilities for a potential surge of COVID-19 patients, as well as trying to find adequate supplies of the personal protective

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

equipment (PPE) that are so desperately needed to ensure the safety and health of our front line workers. These expenses are expected to grow significantly in the coming weeks.

- (7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.

Hospitals will provide detailed accounting of all public relief funds distributed, as required.

- (8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.

All required auditing protocols will be adhered to by hospitals receiving any public funds.

- (9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.

Other health care partners to include provider offices, community health centers, nursing homes and home health agencies.

- (10) What would your business, agency, organization, sector do with the funds that cannot be done currently?

Due to the extraordinary medical and financial impact of curtailing all non-urgent, elective procedures, hospitals have seen a 50% drop in their revenue almost immediately upon the Governor's declaration of a State of Emergency on 3/13/2020. The reduction in revenue the hospitals are experiencing are unprecedented and will result in continued reductions in staff and services if critical measures are not taken to mitigate these losses. We are requesting access to public funds to assist hospitals to offset some of these losses in order to continue to care for patients during the pandemic and long after the immediate crisis passes.

- (11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

* * * * *

SAB anticipates that its members will be reaching out to diverse interests and persons to request submission of comments, and we thank you in advance for considering these requests. We are all in this together, New Hampshire!

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to the GOFERR Stakeholder Advisory Board**

Please check the GOFERR website for current information on how to submit comments. All recommendations and information submitted in response to this request will be available for public inspection and copying in their entirety. For further information, please contact Joe Doiron at the GOFERR offices.



**Governor's Office for Emergency Relief and Recovery
Stakeholder Advisory Board**

**Testimony of New Hampshire Legal Assistance
April 30, 2020**

(1) Please identify your position and your organization.

My name is Sarah Mattson Dustin. I am a licensed New Hampshire attorney and the executive director of New Hampshire Legal Assistance (NHLA).

NHLA is a nonprofit law firm. As a civil legal aid provider, we assist low-income and elderly people with civil legal issues that impact their basic needs, such as safety, shelter, and economic security. NHLA's specialized attorneys and paralegal advocates work directly with our clients to help them resolve problems and get back on the path to long-term stability. We have offices in Berlin, Claremont, Concord, Portsmouth, and Manchester and operate statewide, traveling to every corner of the state – approximately 100,000 miles in 2019. In 2019, 71 percent of the clients we served were women, 51 percent experienced disabilities, 41 percent had minor children, and 33 percent were seniors.

(2) Please identify what economic sector your enterprise operates within.

As a nonprofit law firm, NHLA is part of New Hampshire's nonprofit, legal services, and human/social services sectors. Founded in 1971 and marking our 50th anniversary next year, NHLA is a cornerstone institution in each of these sectors.

(3) Please describe how your enterprise and economic sector has been impacted by Covid-19.

Please see below in response to question (4) for a summary of current and projected impacts.

(4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

NHLA is considered an essential business and has continued to operate during the pandemic. Staff members are working from their homes, using telephone and video conferencing to assist

their clients and attend hearings and other case events. As a statewide program with five offices, we were already accustomed to working together from many locations and have been able to maintain near-total operational continuity. Although we are not able to answer our telephones live, we have a sophisticated telephone system and are operating using a call-back model. NHLA invested in technology upgrades during the last two years, and as a result we were well-equipped to make an overnight transition to remote work. During the last several weeks, the legal landscape with which our low-income clients interact has changed at a dizzying pace. NHLA attorneys and paralegals have been called upon frequently to help interpret and disseminate information to our client community as well as other service providers. With nearly 50 years of experience, we are a trusted, credible voice in our areas of expertise.

As a result of the COVID-19 pandemic and the ensuing economic crisis, NHLA is preparing for a surge in need for civil legal aid. Historically, civil legal aid – both here in New Hampshire and nationwide – has never had the capacity to meet demand. That problem is compounded when the need for civil legal aid spikes due to economic instability and increased poverty.

NHLA projects a sizeable increase in the number of Granite Staters who are eligible for our services. NHLA's financial eligibility guidelines cap household income at 200 percent of the federal poverty level (\$1,008 per week for a household of four). Many of our clients live in even deeper poverty: 43 percent have incomes at or below the poverty level (\$504 per week for a household of four).

As the economy worsens, more households will see their income fall below 200 percent of the poverty level. We estimate that during the last severe economic downturn, the percentage of people who were eligible for NHLA's services increased by approximately 23 percent.¹ A commensurate increase now would make 54,000 more Granite Staters eligible for NHLA's services.² Unemployment is already at historic highs. During the Great Recession, the highest number of new unemployment insurance claims in a single week was 4,058. The week ending April 4, 2020 saw 39,202 such claims.³

As people in New Hampshire lose work, spend down savings, and fall into poverty, they will begin to struggle to meet their basic needs. We applaud short-term solutions such as eviction and foreclosure moratoriums and supplemental unemployment insurance payments – but those solutions are unlikely to outlast the economic crisis. Civil legal aid can help families experiencing financial struggles and related legal trouble resolve problems fairly and get back on their feet. That is why civil legal aid is a direct response to the “second-order effects” of the COVID-19 pandemic, as described in the Department of the Treasury's guidance regarding Coronavirus Relief Fund spending.⁴

¹ Bureau of Labor Statistics and Census Bureau, Current Population Survey Annual Social and Economic Supplement, Table POV-46, Poverty Status by State, All Ages (2007-2013).

² Id. (2007-2018).

³ Michael Cousineau, \$600 unemployment checks could arrive as soon as Friday, New Hampshire Union Leader (April 16, 2020).

⁴ Department of the Treasury, Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments (April 22, 2020).

- (5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.**

NHLA is aggressively pursuing funding opportunities connected with COVID-19 relief efforts. We are working with our existing governmental and charitable grant funders to seek additional funds and increase grant flexibility. NHLA also obtained a Paycheck Protection Program loan. These new opportunities, as well as the Board-designated reserve that NHLA has carefully built over the last decade, will help shore up our program's resources. Unfortunately, we expect other revenue sources to decline, potentially dramatically. NHLA relies heavily on an Interest on Lawyers Trust Accounts (IOLTA) grant from the New Hampshire Bar Foundation. IOLTA funds are highly dependent on interest rates, and we expect our funding to be reduced by at least 20 to 30 percent. State funding is also essential to NHLA's operations, and we know state budget writers have challenging work ahead. Our private fundraising campaign has adapted quickly but will almost certainly raise tens of thousands less than is typical. Like virtually all New Hampshire nonprofits, we are facing grave funding uncertainty.

A surge in need paired with a decline in funding is a familiar scenario for NHLA, harkening back to the circumstances we confronted during the Great Recession. Between 2008 and 2011, NHLA's staff shrank by almost half and we closed offices in Nashua and Littleton. This dealt a devastating blow to the communities we serve, sharply reducing the availability of civil legal aid just as more Granite Staters fell into poverty and struggled to meet their basic needs. Coronavirus Relief Fund spending will help make sure civil legal aid is there for people who need it due to the COVID-19 economic crisis.

- (6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:**

- (a) The funds will serve a public use and provide a public benefit.**
- (b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens.**
- (c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.**

Civil legal aid is an essential component of New Hampshire's strategy to relieve the "second-order effects" of the economic downturn. Civil legal aid attorneys and paralegal advocates help clients resolve problems and preserve their families' safety, shelter, and economic security. Civil legal aid stabilizes families and often prevents more expensive problems, such as the lasting

impacts of adverse childhood experiences (such as exposure to domestic violence) for low-income children. When NHLA helps clients access federal housing and benefits programs and income like child support, we also reduce costs for state benefit programs and municipal welfare budgets. These are concrete economic impacts that provide value not only to individuals and families, but also to the communities where they live. For these reasons, investing Coronavirus Relief Fund dollars in civil legal aid serves a public use, provides a public benefit, and increases the social welfare of the state. The following information details the ways in which we expect the need for civil legal aid to increase in the months ahead, and the public benefits of a robust relief effort.

NHLA expects the surge in need for civil legal aid to come in waves, as New Hampshire begins to reopen during an economic downturn. Areas of particularly heightened need include the following:

- 1.) Housing and utilities. Job loss forces low-income families to make impossible decisions. Food or medicine? The rent or the electric bill? Currently, moratoriums on eviction, foreclosure, and utility disconnections are staving off housing crises, but families remain obligated to pay their bills. Once the state begins to reopen and the moratoriums are lifted, many families will be left with significant arrearages and the threat of homelessness and/or utility disconnections. NHLA strongly supports funding for rent, mortgage, and utility assistance, but we know civil legal aid will be required to keep families in their homes.

Civil legal aid helps families by ensuring that evictions and foreclosures proceed on lawful substantive and procedural grounds. NHLA is often able to help tenants and homeowners reach reasonable repayment agreements with landlords and banks. Housing stability is the literal and figurative foundation of family stability; “housing first” is a mantra now heard across many disciplines. Civil legal aid is fundamental to preserving housing and preventing homelessness.

- 2.) Unemployment insurance and other benefits. NHLA has already observed a marked uptick in requests for assistance with unemployment insurance. New Hampshire Employment Security has not only had to process an unprecedented volume of claims, it has also had to roll out significant changes to underlying law and policy. If the economic downturn is prolonged, more people will also seek benefits administered by the Department of Health and Human Services, such as the Supplemental Nutrition Assistance Program (commonly known as Food Stamps) and the Granite Advantage Health Care Program.

Civil legal aid helps people resolve problems they encounter when navigating complex and often overburdened public benefits systems – systems that had no time to prepare for a sudden and massive spike in demand. Making sure people can access the state and federal benefits for which they are eligible helps stabilize families and keeps children safe and healthy. These programs also keep money flowing to landlords, grocery stores, and other businesses that provide household essentials. Finally, increased economic

security for families prevents downshifting to municipal welfare programs – the safety net of last resort for Granite Staters in need.

- 3.) Domestic violence. New Hampshire’s COVID-19 response has already acknowledged that “emergency relief is necessary to ensure that victims of domestic and sexual violence are able to access critical services and protections in response to COVID-19.”⁵ Governor Sununu’s Executive Order #21 created the Emergency Domestic Violence and Sexual Violence Services Relief Fund and authorized disbursement of up to \$600,000. We agree that the pandemic is likely to increase the risk of intimate partner violence as well as the barriers to seeking help and commend the decision to create this fund.

NHLA also provides domestic violence services, partnering closely with the domestic and sexual violence crisis centers that will receive emergency funding under Executive Order #21. Civil legal aid plays an essential role in helping survivors and their children reach safety and remain safe. Although many other kinds of court hearings have been postponed, NHLA lawyers are attending hearings telephonically to represent clients seeking protective (restraining) orders, including relief such as parenting rights (custody and visitation) and child support. These court orders are crucial to survivors’ long-term safety and stability, keeping abusers away and providing the financial stability survivors need to rebuild their lives.

- 4.) Education. We are grateful to the educators across New Hampshire who have deployed remote learning for New Hampshire students (and to the parents who have stepped up to help teach their kids). Unfortunately, some services are nearly impossible to deliver remotely, and some families are less equipped to participate in remote learning. In the months ahead, we must ensure that at-risk children, including children with disabilities, receive the educational services they need to make progress and stay on track.

Civil legal aid helps children and families enforce their rights under state and federal laws pertaining to special education and school discipline. The involvement of a civil legal aid attorney or paralegal advocate can help children, parents, and educators identify trouble spots, solve problems, and get back on the path to educational success.

Based on the predicted surge in need described in our responses to questions (4) and (6), NHLA asks the Governor’s Office for Emergency Relief and Recovery to set aside Coronavirus Relief Fund dollars for civil legal aid.

⁵ State of New Hampshire by His Excellency Christopher T. Sununu, Governor, Emergency Order #21 Pursuant to Executive Order 2020-04, “Establishment of the COVID-19 Emergency Domestic and Sexual Violence Services Relief Fund” (April 1, 2020).

- (e) **The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.**

NHLA is a careful steward of available resources with proven long-term sustainability. We have adapted quickly and successfully to providing civil legal aid in a remote work environment. Coronavirus Relief Fund dollars would help NHLA meet the sudden increase in need for civil legal aid caused by the pandemic's economic effects, without undermining the financial strength we have built during nearly 50 years of operations.

- (f) **The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.**

Directing Coronavirus Relief Fund dollars to civil legal aid does not conflict with local or regional development plans, or any other provision of state or federal law.

- (g) **The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.**

Directing Coronavirus Relief Fund dollars to civil legal aid will expand the reach of New Hampshire's relief and recovery efforts, ensuring that low-income people throughout New Hampshire can resolve civil legal problems, stabilize their households, and participate in the revival of our communities.

- (h) **The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.**

NHLA is a mature organization with solid financial health and numerous diverse funding sources. Support from the Coronavirus Relief Fund would respond to a sudden increase in need for civil legal aid caused by the pandemic's economic effects.

- (7) **Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.**

NHLA is a tax-exempt 501(c)(3) organization that records net assets according to the Financial Accounting Standards Board standards, which follow Generally Accepted Accounting Principles. Coronavirus Relief Fund dollars would be reflected in NHLA's financial statements according to the terms of the contribution. We would expect Coronavirus Relief Fund dollars to be donor-restricted, and therefore booked as restricted net assets to be released into revenue as the applicable restrictions are fulfilled. We propose use of the methodology applicable to our Foreclosure Relief Project funding, administered by the New Hampshire Department of Justice (Civil Bureau, Consumer Protection Division), to calculate the amount of net assets that could be released into revenue each month.

- (8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.**

NHLA reports twice per year to the Judicial Council, the executive branch agency that oversees our state funding under RSA 525-A. We include narrative updates about our program, de-identified descriptions of cases we have handled, and data about people served and both quantitative and qualitative outcomes. We propose that NHLA similarly report to the Judicial Council on the use of any Coronavirus Relief Fund support.

- (9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.**

Many of our clients rely on state programs and services to remain in their homes, put food on the table, and access health care. Demand for such supports will only increase if economic recovery is sluggish. We expect the need for rent and utility assistance and ongoing unemployment insurance to be particularly acute. We urge the Stakeholder Advisory Board to look ahead to this increased need and plan for building capacity in existing programs as well as standing up any necessary short-term relief programs. Maintaining and building capacity for state basic needs programs will help avoid a bifurcated economic recovery in which low-income people and other marginalized groups are left behind.

- (10) What would your business, agency, organization, sector do with the funds that cannot be done currently?**

We do not yet know how sharply funding sources such as IOLTA and NHLA's appropriation under RSA 525-A will decline. Ideally, with Coronavirus Relief Fund support NHLA would increase capacity to deliver civil legal aid during a time of significantly increased need. Because the core of NHLA's expertise is helping low-income people resolve civil legal problems that impact their basic needs, many of our programs would not require alteration in the current circumstances.

Nevertheless, we would consider modifications as required by these highly unusual circumstances. For example, the spike in nonpayment evictions might call for "clinic" legal services in which attorneys are stationed at high-volume Circuit Courts to assist large numbers of litigants in a single day. A steady inflow of people seeking help with unemployment insurance might be served by an unemployment insurance hotline. We are already working with our civil legal aid partners (the Legal Advice and Referral Center, which is a hotline service, and the Pro Bono Program, which connects attorneys in private practice with low-income clients for free representation) to determine how we can collectively meet the challenge of a sudden surge in need for civil legal aid. We are also eager to partner with attorneys in private practice to maximize the volunteer resources that can be deployed in the months ahead. With enough funding, the civil legal aid response will include increased staffing, continued volunteerism, and new delivery mechanisms structured to accommodate the waves of need as they come.

(11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

We appreciate the Stakeholder Advisory Board's efforts to ensure that members hear from a diversity of voices. All Granite Staters should benefit from Coronavirus Relief Fund spending, and we commend the Stakeholder Advisory Board for emphasizing investments that provide a true public benefit.

Older adults, young children, people with disabilities, low-income people, communities of color, and other marginalized groups are susceptible to being left out of crucial public policy decisions like the ones you will help make. We encourage you to hear directly from such constituencies whenever possible. People from all walks of life, in every corner of New Hampshire, have pulled together to fight the COVID-19 pandemic. As the pandemic's "second-order effects" linger, all Granite Staters should also have a share in our economic recovery.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

Thank you for agreeing to provide information to assist the GOFERR Stakeholder Advisory Board (SAB). Your contribution will assist the SAB to develop recommendations to the GOFERR for the allocation and expenditure of federal Covid-19 emergency funds to address fundamental needs of the State of New Hampshire.

Because the Covid-19 crisis has impacted almost everyone and every institution across New Hampshire, the SAB expects to gather a substantial amount of information from many sources. In order to accomplish this task effectively and efficiently, the SAB requests that all persons who submit information (including those persons who are scheduled to provide oral comments before a SAB meeting) to please follow these guidelines.

The SAB is hopeful that many interested persons will submit information and ideas on how the State can best allocate federal emergency relief funds. We plan to read all comments, and for those who make oral presentations to the SAB, we intend to ask questions based on the written submissions.

There is no particular format for the comments, and but we request that you focus your comments as efficiently as possible, and try to limit the number of pages to less than 10.

In order to help the SAB members to the greatest extent possible, we request that you try to address each of the information items listed below. The SAB members have identified these information items as highly relevant to their overall task. While some commenters are likely to provide additional information, and others may not be able to address each item, we request that you try to address the following items in your submission:

- (1) Please identify your position and your organization.

Jasen Stock
Executive Director
New Hampshire Timberland Owners Association (NHTOA)

The University of New Hampshire Cooperative Extension also assisted the NHTOA to gather survey data.

All the data, responses, and suggestions in this testimony were generated from: 1) interviews with more than 25 NHTOA member companies operating a New Hampshire forest products business and/or engaged in timberland ownership/management; or 2) *Forest Products Industries' Economic Contributions: New Hampshire*, which is the most recent New Hampshire forest industry economic contribution analysis available and which will be published later in 2020 by the Northeast-Midwest State Forester's Alliance.

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(2) Please identify what economic sector your enterprise operates within.

The NHTOA represents timberland owners and the forest industry. The forest industry comprises 32 economic sectors, including 25 represented in New Hampshire. For simplicity, these sectors can be aggregated into and represented by the following groups: forestry; logging; primary solid wood products; secondary solid wood products; wood furniture; pulp, paper, and paperboard mills; and secondary paperboard and other paper products. According to the *Forest Products Industries' Economic Contributions: New Hampshire* study, this industry generates \$1.6 billion in annual economic activity. It is an important industry in the state and an especially critical economic engine and source of jobs in rural areas.

(3) Please describe how your enterprise and economic sector has been impacted by Covid-19.

All industry sectors have been impacted by the COVID-19 pandemic, with the most visible impacts affecting the core of New Hampshire's forest products industry, i.e. commercial logging and primary forest products (including sawmills, lumber planning mills, and biomass plants). However, all industry sectors have been affected, including secondary forest product manufacturers, wood furniture makers and paper producers.

The loss of timber and lumber markets due to the idling of facilities and increased human resource/operating costs due to physical distancing, as well as general uncertainty from the COVID-19 pandemic, have led to loss of demand and reduced pricing for forest products and services. This negative trend is continuing as the pandemic carries on without a clear resolution or timeline.

The following is a summary of general COVID-related impacts to the forest industry and a breakdown of COVID's impact to specific industry sectors and landowners.

General impacts. The single biggest concern across all industry groups is the uncertainty COVID-19 is having on timber markets. This concern is followed by worries about impacts to transportation and human resources.

COVID-19's impacts on domestic and foreign timber markets are varied and substantial. Many Canadian sawmills and secondary wood processing facilities (i.e., furniture and hardwood flooring manufactures) are idle or running at a greatly reduced rate. This is decreasing demand for logs and New Hampshire sawn lumber. Exacerbating off-shore foreign log and lumber markets is the impact COVID-19 is having on transportation logistics. Specifically, the pandemic has impacted off-shore transportation as port traffic has slowed and become less reliable. This translates into more costly and difficult international log and lumber sales and shipping to markets in the Middle East, China, and South East Asia.

The pandemic has forced domestic lumber markets to become inconsistent and sporadic due to multiple factors. Many secondary wood processing facilities have reduced production or are idle in response to contraction and uncertainty associated with "stay at home" orders and COVID fallout. In addition, as new home construction has slowed, the demand for New Hampshire grown and sawn Spruce/Fir and White Pine has slowed.

The other general COVID-19 impact being seen across all sectors is the pandemic's effect on human resources. Many mills and several logging companies interviewed by the NHTOA expressed difficulty in retaining trained workers. Although forest products has been classified by the Governor's Executive Order #17 as an "essential industry," and by its nature the industry meets social distancing guidelines to prevent the transmission of COVID-19 (individuals in the industry tend to work alone, in well-scattered groups, or at work stations at least six feet apart), some companies report that there are employees refusing to work due to fear of contracting the virus, or that there are now-former employees who have decided not to work and instead collect the unemployment benefits being provided by the State and Federal Government. Two significant sawmills in New Hampshire have major capital improvement projects idled due to contractors unwilling to work during the COVID-19 pandemic.

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Commercial Logging. The commercial logging sector produces approximately \$265 million of economic output (sales). Loggers sell logs and chips to local mills and regional markets. The slowdown in statewide and regional lumber sales has reduced production at local mills. This COVID-19 related impact exacerbates an already poor timber market due to the recent idling or closure of five of the state's biomass power plants and the April 15th loss of production at a pulp mill in Jay, Maine, due to an industrial accident. This confluence of current events – of which, COVID-19 is the dominant factor – has resulted in limited quotas at mills, reduced revenue, and limited ability for a number of logging contractors to generate enough production and sales to service debt and retain employees.

Quotas and reduced purchasing is limiting supply by an estimated 20%, which would equate to approximately \$53 million in reduced economic output for the logging sector if these conditions persisted throughout the year based on recent analysis for the economic contribution of New Hampshire's forest industry. These estimates are conservative, however, with some loggers reporting up to an 80% loss of sawlog production and 30% loss of pulpwood production due to quotas. COVID has largely curtailed log exports to Canadian sawmills, seriously impacting what had been an estimated \$6 million export market.

Sawmills. Prior to the COVID-19 pandemic, hardwood and softwood sawmills were experiencing stable domestic demand and a resurgence in sales from two of the most significant lumber export markets, namely China and the Middle East. COVID-19 has stalled that rebound. If 2020 exports were to rebound to 2017/2018 levels (prior to the China trade war) that would represent an \$11-13 million increase in export lumber sales.

Due to stalled off-shore sales and slumping domestic sales, most New Hampshire sawmills are slowing production and in some cases have gone idle. A good metric for sawmill production is a primary operating cost, i.e., log purchases. On average, New Hampshire's sawmill log purchases have dropped by 20% since the start of the pandemic. Assuming this reduction in log purchases reflects sawmill sector sales (and is not just inventory reduction), this would reflect approximately \$44 million in impact.

The markets for bark, sawdust, and chips, which are byproducts of lumber milling, have decreased as a result of COVID and broader market conditions. A single mill indicated a \$197,000 annualized reduction in mill waste revenue under current conditions. This represents a \$4 million annualized loss of sawmill waste revenue across the sawmill sector.

Landowners. COVID-19 is also indirectly impacting landowners. Although smaller Tree Farms can wait out the immediate impacts, COVID-19's effects on the forest products industry are being felt by those companies or individuals in the business of owning and managing larger timberland parcels. Ultimately, all the COVID-19 impacts discussed above trickle down to timberland owners in the near or long term. Based on N.H. Department of Revenue timber tax data, annual stumpage sales are approximately \$32 million; a 15% reduction in stumpage returns (the market estimate from timber investment companies) represents a statewide annual impact to all timberland owners of \$4.8 million.

- (4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

If the economy does not begin functioning at more or less normal levels within the next month, conditions will get much worse as New Hampshire's forest products industry comes out of the traditionally quiet mud season. Currently, many loggers are already operating at a reduced rate of capacity as they wait for road bans to be lifted and for drier ground conditions in the forest. As road bans are lifted and ground conditions improve, these loggers will re-enter the woods to conduct summer harvests. Unfortunately, many of the log and low-grade markets these loggers need will be already limited, unprofitable, or non-existent.

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At the same time, those sawmills still operating will seek markets for lumber and mill byproducts (bark, chipped slabs, and sawdust), many of which are already limited or non-existent.

- (5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

Enterprises have applied for the Coronavirus Aid, Relief, and Economic Security (CARES) Act programs on an individual basis. Almost all of those with more than five employees who we interviewed for this testimony were successful securing support in the Paycheck Protection Program (PPP). Most forest industry enterprises do not have contingencies to bridge the COVID-19 impacts and there does not appear to be any forest industry-specific federal, state, local, or outside support.

- (6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:

While surveying NHTOA members for this testimony, I received many ideas on the types of relief that could support the forest industry. All of the ideas expressed several general principles, including:

- There needs to be an accountability mechanism for all funds dispersed;
- Dispersal of funds should be easy and, where possible, use existing programs or agencies;
- Relief funds need to be dispersed in a manner to ensure the continued operation of a forest products business;
- Relief funds should be dispersed to stimulate the forest products economy and the rural communities where the forest products economy functions.

1. State tax and fee rebate. Use CARE Act funds to provide a rebate to any business paying a state fee or tax. There are numerous fees and taxes New Hampshire sawmills and loggers currently pay that could be rebated – for example, air emission fees, storm water management fees, truck registration fees, fuel taxes, business profit taxes, etc.

Providing these business and operations with a rebate will reduce their operating burdens and thus help them remain competitive with similar businesses in other states or countries. Because it is a rebate, the state or local municipality would continue to receive funding. There is also a built-in accountability mechanism through the state tax programs and a mechanism in place to disperse the funds. Because these funds will be going to operating facilities, they will support active enterprises.

(Due to the short time frame to pull this testimony together, I am unable to calculate the fiscal impact of such a program.)

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2. Advocate to maintain/extend the Paycheck Protection Program (PPP). The PPP has been an effective mechanism for businesses to maintain their personnel and continue operations during the COVID disruption.

3. Increase the availability of testing. Several mills lost production time due to having to wait for COVID-19 tests and test results. We know the state is working to make testing more efficient and timely, but anything that can expedite testing and support businesses with testing would be appreciated.

4. Address the unemployment enrollment issue. Although this does not necessarily require CARE Act funds, a common refrain from those interviewed was the problem of employees opting to not work to take advantage of the state/federal unemployment benefits.

5. Use CARE Act funds to establish a low-interest loan program. A common concern was the loss of logging or milling capacity. This translates into landowners not able to economically manage their woodlands, mills limiting purchases of logs and timber, and loggers having markets for their logs. Establishment of a low-interest loan program will encourage investment in these companies, help insure a sustainable logging and milling workforce, and produce a trickle-down effect to encourage landowners to again manage their properties for a healthy forest.

(a) The funds will serve a public use and provide a public benefit.

As a state where the forest products industry is a significant part of the overall economy and where the industry helps the state to maintain its forested landscape, these programs do more than help employment and economic activity. Maintaining a forest products industry enables landowners to economically maintain their property as open space for the state's tourism and recreation industries and all the other tangible benefits the state receives from healthy forests (wildlife habitat, clean air, clean water, etc.).

(b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens.

Maintaining a forest products industry is important to the state's overall economy, especially the rural economy. According to the *Forest Products Industries' Economic Contributions: New Hampshire* study, New Hampshire's forest products industry supports more than 7,200 jobs directly. An additional 5,500 jobs are created in support and related industries.

Moreover, a second forest economics study conducted in 2013 by the North East State Foresters Association entitled, *The Economic Importance of New Hampshire's Forest-based Economy 2013* reports that New Hampshire's working forests and forest products industry supports an additional 10,800 jobs in forest-based recreation and tourism.

(c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.

Most master plans for New Hampshire address the need maintain open space and the state's historic rural character. Maintaining healthy working forests is consistent with these plans. Working forests provide employment and are critical to a healthy environment.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

- (e) The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.

Forest products companies are, by nature, resilient. This industry has existed since the state was first settled more than 300 years ago. As discussed in the introduction, right now the industry is facing an extraordinary and unprecedented set of circumstances due to the COVID-19 pandemic. These circumstances – market reductions and even collapses, idle sawmills, impacts on the workforce, etc. -- all occurring at the same time have created a real and growing crisis in the industry. CARE Act funding can help these businesses survive the crisis in the near term and adjust for the long term.

- (f) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.

We do not believe the relief funding proposals made are in conflict with these plans, policies, or provisions.

- (g) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.

Yes, the proposals are not business-specific. The entire sector will benefit.

The state at large and local communities will also benefit from the economic activity these funds will support as the forest products sector and timberland owners pay a number of state and local taxes and fees. Maintaining healthy forest and markets that enable the harvesting of forest products generates truck and vehicle registration fees, fuel tax revenue, and local timber taxes. One tangible example of how COVID-19's impact to timberland owners negatively impacts local municipal revenues is timber taxes. We conservatively predict a 15 percent decrease to stumpage (standing timber) values. Timber taxes are based on stumpage value. Using N.H. Department of Revenue Administration timber tax data we can calculate a conservative statewide annual decrease to local timber tax revenue of \$480,000. For many rural communities timber taxes are an important source of revenue.

- (h) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.

Yes, as discussed above, the funds would provide a one-time bridge.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

- (7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.

In the proposals described above, the receipt of the funds could be reflected as "other revenue" on a business's annual profit and loss statement/tax filing.

- (8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.

Because the relief funds (i.e. tax rebate, etc.) would be recorded on the businesses profit and loss statement and tax statements, the funds can be tracked, audited and accounted for.

- (9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.

There are a number of functions in state government that could benefit the forest products sector. As mentioned above, the weakness of lumber, sawlog, and low-grade timber markets is especially acute now. A frequent frustration heard during my interviews was the loss of low-grade timber markets in the region and the impact that is having on the entire forest products industry (e.g., loggers trying to conduct timber harvests and mills seeking to manage their byproducts), yet there are a number of idle biomass power plants (including Schiller Station) that, if made active again, would re-establish a market for low-grade timber. One suggestion is to have the Office of Economic Development and the Public Utilities Commission work with the idle biomass power plants (including Schiller Station) to find a short-term mechanism to get them operating. This would take pressure off the low-grade markets for loggers, landowners, and sawmills seeking markets for their low-grade timber and mill waste. This will also provide an infusion of economic activity into the logging and milling companies and all the support businesses that rely on them.

- (10) What would your business, agency, organization, sector do with the funds that cannot be done currently?

At this point, the funds will enable these businesses to remain viable. More specifically, the funds will enable these businesses to conduct their summer timber harvests and mill timber.

**Guidelines for Written Comments
to the GOFERR Stakeholder Advisory Board**

- (11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

The unemployment issue raised above is an issue that hasn't received much attention, and it is making an already difficult climate for business more difficult. In my interviews for this testimony, I heard that other states have been successful addressing this problem through the administration of their unemployment offices.

* * * * *

SAB anticipates that its members will be reaching out to diverse interests and persons to request submission of comments, and we thank you in advance for considering these requests. We are all in this together, New Hampshire!

Please check the GOFERR website for current information on how to submit comments. All recommendations and information submitted in response to this request will be available for public inspection and copying in their entirety. For further information, please contact Joe Doiron at the GOFERR offices.

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Composite response

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

Thank you for agreeing to provide information to assist the GOFERR Stakeholder Advisory Board ("SAB"). Your contribution is critically important to allow the SAB perform its purpose of developing recommendations to the GOFERR for the allocation and expenditure of federal Covid-19 emergency funds to address fundamental needs of the State of New Hampshire.

Because the Covid-19 crisis has impacted almost everyone and every institution across New Hampshire, SAB expects to gather a substantial amount of information from many sources. In order to accomplish this task effectively and efficiently, SAB requests that all persons who submit information (including those persons who are scheduled to provide oral comments before a SAB meeting) please follow these guidelines.

The SAB is hopeful that many interested persons will submit information and ideas on how the State can best allocate federal emergency relief funds. We plan to read all comments, and for those who make oral presentations to the SAB, we intend to ask questions based on the written submissions.

There is no particular format for the comments, and but we request that you focus your comments as efficiently as possible, and try to limit the number of pages to less than 10.

In order to help the SAB members to the greatest extent possible, we request that you try to address each of the information items listed below. The SAB members have identified these information items as highly relevant to their overall task. While some commenters are likely to provide additional information, and others may not be able to address each item, we request that you try to address the following items in your submission:

(1) Please identify your position and your organization.

Composite response of many landlords provided by Nick Norman, Manager; Norman Realty Solutions, LLC

(2) Please identify what economic sector your enterprise operates within.

Residential rentals, apartments

(3) Please describe how your enterprise and economic sector has been impacted by Covid-19.

Tenants are ordered to not work or the employers are shut down or independent contractors have less jobs.

Therefore, some tenants don't have the financial means to pay their rent. Less money is spent on maintenance.

For example some properties can't get a plumber to replace the heat systems.

Without the management tool of eviction, a fair portion of tenants have stopped paying their rent even though they are receiving stimulus money. We need a program that pays rent to landlords on behalf of the tenant. It could function similar to the existing Fuel Assistance program through the CAP agencies but with different qualification guidelines.

Because of the stay at home order and distancing rules or that landlords will not have the liquid funds to make necessary repairs and conduct standard maintenance, the general condition of housing stock will go down resulting in poorer living conditions for tenants.

If landlord rent collection suffers as much as expected, there will be a massive cascading effect regarding their debtors... Tax bills not being paid, commercial and standard mortgages not being paid, utilities not being paid, insurance premiums not being paid, hard working small business service workers (plumbers, handymen, painters, cleaners, etc) not being paid, the list goes on. There is a no shut off of utilities order, but the impact will be much worse on utility companies if the landlords don't have the rent collection they should. Same with banks holding FHA, Freddie Mac/Fannie Mae notes. We get there's measures in place, but will be worse than it has to be because of order.

Landlords are not the welfare office. Yet the governor has asked landlords to take on having tenant live rent free.

Small Claims is practically useless so what will happen is the "bad" tenants will simply not pay rent for months, leave and never be force to pay up. Meanwhile, the landlord has to catchup on all property taxes, all utility bills, all

insurance payments, all deferred maintenance, all mortgage payments...the list goes on.

Freezing evictions and foreclosures will only hold off the inevitable. If we don't act smartly there will likely be increased eventual foreclosures, smaller landlords losing substantial or even life savings and loss of retirement security, huge number of eventual evictions, increase in homelessness and large exacerbation of the housing affordability crisis.

Landlords that were a couple days from receiving writ of possession now cannot gain possession. Those cases had nothing to do with COVID-19.

As units now come available, a growing number of landlords are not putting the units on the market because of the no eviction rule. Some companies and landlords are not advertising or working on re-renting. Directly reporting to us we know of the following apartments OFF the market because of the eviction moratorium.

A larger 2 bed room garden style condo with heat and hot water included

A 2 bed room apartment

A medium sized 2 bed room (affordable housing)

A small sized 2 bed room apartment (affordable housing)

A small studio apartment (affordable housing)

Based on initial reports we estimate about 10% or more of the housing stock will be off the market.

This will exacerbate housing affordability crisis and increase homelessness.

Some landlords have gone to virtual systems to show apartments.

Loud tenants disturbing the peace with repeated police calls cannot be evicted.. (Government wants to fine the landlord for this and have landlord evict the tenant).

Welfare officers uniformly require that an eviction order be in place before extending help for rent. Under current circumstances most, if not all, welfare officers by their own rules will deny rent assistance.

(4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

Small "mom & pop" rental operations will likely lose their properties, their retirement income.

Other longer experienced investor will scoop up the properties, make repair and boost the rents to market rates and again add to the affordability issue.

There is a big fear of a second wave without the current resources.

(5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

We are not receiving any additional support yet tenants are given benefit after benefit. The SBA money dried up very quickly and we here was hard to apply for. We're not aware of any other financial benefit.

(6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:

Given the stay at home order we could quite possibly see a small baby boom. Some landlords have what would seem more pregnant mothers than normal now. Recently lead action levels have dropped putting more landlords at risk of being put under lead abatement order. Moneys set aside to encourage lead safe units would be a benefit to everyone involved.

(a) The funds will serve a public use and provide a public benefit.

(b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens.

(c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.

(e) The funds will contribute significantly to the continued operation, competitiveness and future success of the

organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.

(f) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.

(g) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.

Combined answer to (a)-(g):

any monies spent in rental assistance will stimulate the economy in many ways

It will save landlord from foreclosure,

Provide for property taxes so towns can maintain their budgets for police, fire protection, welfare, public works.

Keep utility companies solvent.

Keep insurance companies solvent.

Provide jobs for contractors for maintenance, plumbing, electric, landscapers, snow removal.

Keep Jobs in management offices, banks, hardware store, locksmiths,...the list goes on.

Restore economic viability for all other businesses touched by real estate management.

Keep the supply of rental housing.

Reduce pressure on rising rents because of the loss from COVID-19.

(h) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.

helping to pay rents through the time of the temporary Emergency Order is likely all that is needed.

(7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.

Landlords could keep a separate ledger of payments received from stimulus money

(8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.

Reporting through current organizations that provide emergency funding for housing, such as town/city assistance office, Fuel Assistance. System is already in place

From the Landlords separate ledger of payments received from stimulus money a simple report form could be filled out and returned.

(9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.

Fuel Assistance, Welfare offices.

(10) What would your business, agency, organization, sector do with the funds that cannot be done currently?

Catchup on paying all expenses including property taxes, all utility bills, all insurance payments, all deferred maintenance, all mortgage payments...the list goes on.

(11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

Critically important is that the governor's emergency order forces landlords to not evict which has the huge consequences listed above but the orders have no consequences for tenants not paying.

The no-eviction order should be lifted as more and more money is flowing into the tenants hands. In many cases more than if they were working.

Government should reimburse landlords for lost rent that the government has caused.

Landlords are part of every community and have an impact on a significant portion of the architecture and housing of a town or city and have a major impact on the vibe, feel and success of a community. We should not be forgotten; we are neighbors, community members, preservationists, parents, spouses, employees and small

business owners. We live here too.

* * * *

SAB anticipates that its members will be reaching out to diverse interests and persons to request submission of comments, and we thank you in advance for considering these requests. We are all in this together, New Hampshire!

===== (1) Please identify your position and your organization.

Nick Norman, Manager; Norman Realty Solutions, LLC

(2) Please identify what economic sector your enterprise operates within.

Residential rentals, apartments

(3) Please describe how your enterprise and economic sector has been impacted by Covid-19.

Tenants are ordered to not work or the employer are shut down or independent contractors have less jobs. Therefore, some tenants don't have the financial means to pay their rent. Less money is spent on maintenance. I have two buildings where I can't get our plumber to replace the heat systems. In one, a 2 family, there is no working furnace. In the other, 6 units, the old boiler hear system is leaking water and we are barely keeping it alive with patches and refilling water. It is likely to die at any moment. Without the management tool of eviction, a fair portion of tenants have stopped paying their rent even though they are receiving stimulus money. We need a program that pays rent to landlords on behalf of the tenant. It could function similar to the existing Fuel Assistance program through the CAP agencies but with different qualification guidelines.

landlords will not have the liquid funds to make necessary repairs and conduct standard maintenance resulting in poorer living conditions for tenants

If landlord rent collection suffers as much as expected, there will be a massive cascading effect regarding their debtors... Tax bills not being paid, commercial and standard mortgages not being paid, utilities not being paid, insurance premiums not being paid, hard working small business service workers (plumbers, handymen, painters, cleaners, etc) not being paid, the list goes on. I realize you've instituted a no shut off of utilities, but the impact will be much worse on utility companies if the landlords don't have the rent collection they should. Same with banks holding FHA, Freddie Mac/Fannie Mae notes. We get there's measures in place, but will be worse than it has to be because of order.

Landlords are not the welfare office. Yet the governor has asked landlords to take on having tenant live rent free. Small Claims is practically useless so what will happen is the "bad" tenants will simply not pay rent for months, leave and never be force to pay up. Meanwhile, the landlord has to catchup on all property taxes, all utility bills, all insurance payments, all deferred maintenance, all mortgage payments...the list goes on.

Freezing evictions and foreclosures will only hold off the inevitable. If we don't act smartly there will likely be increased eventual foreclosures, smaller landlords loosing substantial or even life savings and loss of retirement security, huge number of eventual evictions, increase in homelessness and large exacerbation of the housing affordability crisis.

Landlords that were a couple days from receiving writ of possession now cannot gain possession. Those cases had nothing to do with COVID-19.

As units now come available, a growing number of landlords are not putting the units on the market because of the no eviction rule. Presently my company is not advertising or working on rerenting

A larger 2 bed room garden style condo with heat and hot water included

A medium sized 2 bed room (affordable housing)

A small sized 2 bed room apartment (affordable housing)

A small studio apartment (affordable housing)

This will exacerbate housing affordability crisis and increase homelessness.

Loud tenants disturbing the peace with repeated police calls cannot be evicted.. (Government wants to fine the landlord for this and have landlord evict the tenant).

Welfare officers uniformly require that an eviction order be in place before extending help for rent. Under current circumstances most, if not all, welfare officers by their own rules will deny rent assistance.

(4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

Small “mom & pop” rental operations will likely loose their properties, their retirement income.

Other longer experienced investor will scoop up the properties, make repair and boost the rents to market rates and again add to the affordability issue.

(5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

We are not receiving any additional support yet tenants are given benefit after benefit. The SBA money dried up very quickly and I here was hard to apply for. I’m not aware of any other financial benefit.

(6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:

(a) The funds will serve a public use and provide a public benefit.

(b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens.

(c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.

(e) The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.

(f) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.

(g) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.

Combined answer to (a)-(g):

any monies spent in rental assistance will stimulate the economy in many ways

It will save landlord from foreclosure,

Provide for property taxes so towns can maintain their budgets for police, fire protection, welfare, public works.

Keep utility companies solvent.

Keep insurance companies solvent.

Provide jobs for contractors for maintenance, plumbing, electric, landscapers, snow removal.

Keep Jobs in management offices, banks, hardware store, locksmiths,...the list goes on.

Restore economic viability for all other businesses touched by real estate management.

Keep the supply of rental housing.

Reduce pressure on rising rents because of the loss from COVID-19.

(h) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.

helping to pay rents through the time of the temporary Emergency Order is likely all that is needed.

(7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization’s financial statements.

Landlords could keep a separate ledger of payments received from stimulus money

(8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.

From the Landlords separate ledger of payments received from stimulus money a simple report form could be filled out and returned.

(9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.

Fuel Assistance, Welfare offices.

(10) What would your business, agency, organization, sector do with the funds that cannot be done currently?

Catchup on paying all expenses including property taxes, all utility bills, all insurance payments, all deferred maintenance, all mortgage payments...the list goes on.

(11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

Critically important is that the governor's emergency order forces landlords to not evict which has the huge consequences listed above but the orders have no consequences for tenants not paying.

=====

Mon, Apr 27 at 3:45 PM

(1) Please identify your position and your organization.

Sole Proprietor

(2) Please identify what economic sector your enterprise operates within.

Rental Real Estate

(3) Please describe how your enterprise and economic sector has been impacted by Covid-19.

Missing Income. Many tenants are out of work. Some are claiming they have not received unemployment or stimulus checks yet. Or, they are choosing not to pay the rent. Also, Some repairs can not be made due to the stay at home order and distancing rules. Other deferred maintenance due to lack of funding.

(4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

As long as tenants are receiving subsidies or they return to work my company will survive. My biggest fear is a second wave without the current resources.

5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

My company has not and is not likely to receive any direct support. That support will come from unemployment and government subsidies to the tenants, should they choose to pay their rent with it.

(6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:

Given the stay at home order we could quite possibly see a small baby boom. I have three pregnant mothers right now. Recently lead levels have dropped putting more landlords at risk of being put under order. Moneys set aside to encourage lead safe units would be a benefit to everyone involved. More lead safe units on the market.

(a) The funds will serve a public use and provide a public benefit.

(b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens.

(c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.

(e) The funds will contribute significantly to the continued operation, competitiveness and future success

of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.

(f) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.

(g) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.

(h) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.

(7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.

(8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.

(9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.

(10) What would your business, agency, organization, sector do with the funds that cannot be done currently?

(11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

I think the no-eviction order should be lifted as more and more money is flowing into the tenants hands. Im many cases more than if they were working.

Mon, Apr 27 at 3:57 PM

They should reimburse landlords for lost rent. They should also allow us to start doing evictions again

Mon, Apr 27 at 4:41 PM

I am keeping a 2 bedroom unit off the market, in fear of people using non eviction as a reason not to pay the rent even if they had not lost their job.

Mon, Apr 27 at 10:40 PM

(1) Please identify your position and your organization. Sheridan Lloyd, Landlord, Somersworth, NH

(2) Please identify what economic sector your enterprise operates within. Small Property Landlord

(3) Please describe how your enterprise and economic sector has been impacted by Covid-19. Tenant moving out and no way to safely show apartment, not is anyone really moving at this time (Tenant moving out of state)

(4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19. All depends on the length of the pandemic

(5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs. No known support for landlords

(6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:

(a) The funds will serve a public use and provide a public benefit. Funding for direct payment of rent to landlords for impacted, approved tenants

(b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens. Direct payment to landlords will assure housing for renters, landlords paying

mortgages, taxes, maintenance costs, maintain and improve properties/maintain town viability

(c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment. Maintain town viability through housing, not foreclosures and bankruptcies.

(e) The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges. Assure that landlords aren't foreclosed on, and therefore, tenants loose housing, housing stock doesn't get maintained, house prices go down, taxes go down, town goes down.

(f) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.

(g) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization. Assure that landlords aren't foreclosed on, and therefore, tenants loose housing, housing stock doesn't get maintained, house prices go down, taxes go down, town goes down. (h) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success. Pay for qualified tenants rent assures continuation of housing business for future needs

(7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements. Would not improve financials, just make sure that the financial situation doesn't plummet

(8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds. Reporting through current organizations that provide emergency funding for housing, such as town/city assistance office. System is already in place.

(9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector. Provide assistance through town/city government

(10) What would your business, agency, organization, sector do with the funds that cannot be done currently? Assure tenants pay rent, so landlord can maintain cash flow through system of mortgages, insurance, taxes, contractors, maintenance personnel- equaling approx. 97% of rent payments.

(11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention? Landlords are part of every community and have an impact on a significant portion of the architecture and housing of a town or city and have a major impact on the vibe, feel and success of a community. We should not be forgotten; we are neighbors, community members, preservationists, parents, spouses, employees and small business owners. We live here too.

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Farming Association
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April 29, 2020

Dear Stakeholder Advisory Board to GOFERR,

Thank you for asking NOFA-NH to give our perspective on the use of the \$1.25 billion in CARES act funding. NOFA-NH's mission is to help people build local, sustainable, healthy food systems by actively promoting regenerative, ecologically sound gardening, farming and land care practices for healthy communities. We are part of a regional alliance of organic farming associations and have more than 300 members here in New Hampshire. To answer your questions, we surveyed our members and more than 3,000 supporters and affiliates.

The survey confirmed our fears: New Hampshire farmers and consumers are already feeling the impacts of COVID-19 through the loss of restaurant demand, uncertainty for farmers markets, decreased access to outlets that carry local and organic food, nonexistent childcare, supply shortages, reduced access to on-farm labor, and other issues. At the same time, many of our farmers have seen sky-rocketing demand for their products but are unable provide them, due to processing constraints.

We believe agriculture has the potential to reboot the economy while also improving food security, creating jobs, preserving the environment, and creating community resiliency. Therefore, we have proposed several policy solutions that will help farmers and consumers but also the general public. They include: direct payments to farms that can show loss of revenue due to COVID-19, funding to ensure the safety of farmers markets, a pilot program to make farm stands the new gas station, funds for state contracts to purchase New Hampshire products first (before choosing out-of-state suppliers), allowing on-farm poultry processing, and matching funds to existing agricultural programs so that the money can reach small and mid-sized farmers.

Please see our enclosed testimony, and let us know if you have additional questions. Thank you for your time.

Sincerely,

Laura Hartz
President, Board of Directors of NOFA-NH

The Northeast Organic Farming Association of New Hampshire (NOFA-NH) is a 501(c)3 non-profit organization dedicated to building a community of organic food activists and educated consumers to help support New Hampshire's local organic farming community.

(1) Please identify your position and your organization.

The Northeast Organic Farming Association of New Hampshire (NOFA-NH) is a nonprofit organization that represents local farmers and consumers. Our mission is to help people build local, sustainable, healthy food systems by actively promoting regenerative, ecologically sound gardening, farming and land care practices for healthy communities.

This testimony was written by Laura Hartz, President of the Board of Directors of NOFA-NH, Sarah Laeng-Gilliatt, the Chair of our Policy Committee, and Nikki Kolb, our Operations Manager. Our testimony is based on a survey of our members and affiliates as well as input from many of our volunteers and supporters.

To inform our response to GOFERR's questions, we surveyed our community of farmers and consumers to understand the impacts of COVID-19 on their lives. We received responses from 118 consumers of local and organic foods and 60 farmers and food producers. Both groups reported disruptions from COVID-19.

The surveyed farmers include organic and conventional. Most farmers (65%) sell vegetables, half sell fruits (52%), more than a third sell meat (37%), one-fifth sell syrup (23%), and 13% sell dairy. In 2019, the farmers' main outlets were: on farm retail (50%), farmers markets (43%), local retailers (37%), restaurants (28%), CSA (28%), local food hubs (21%), and wholesale/institutions (17%).

(2) Please identify what economic sector your enterprise operates within.

NOFA-NH operates primarily in the agriculture sector but has wide-ranging effects on community resiliency, economic development, tourism, public health, and the preservation of natural resources. Our members are farmers and consumers interested in supporting local agriculture. They include small to mid-size vegetable growers, poultry operations, diversified farms for meat and vegetables, dairy farmers, pick your own farms and orchards, maple syrup producers, cheese makers, wine makers, herbalists, homesteaders, and eaters. Our members produce food for farmers markets, farm stores, schools, food hubs, local restaurants, CSAs, food pantries, road-side stands, grocery chains, co-ops, and community markets.

(3) Please describe how your enterprise and economic sector has been impacted by Covid-19.

If there ever is a sector of the economy that is essential—critically important for peoples' well-being—it is the agriculture and food sector. COVID-19 has underscored the fragility and inefficiencies of the national agricultural system, as well as the much greater resilience, food security, and economic stimulus that a regional food system can provide. Local farms can bring food to us faster and safer through shorter supply chains that are less likely to be derailed by national or global market trends.

Even before COVID-19, New Hampshire's agricultural sector was in crisis: New Hampshire farms usually operate at a loss, needing off-farm income and struggling to make ends meet.

Farms lose approximately \$8 million annually due to production costs that grow faster than farm revenue. In 2017, 68% of NH farms reported net losses.¹

Now, with the COVID crisis on top of the pre-existing farm crisis, the perils to the sector are daunting. As the National Sustainable Agriculture Coalition writes, “without immediate mitigation, we may lose many small, socially disadvantaged, and beginning farms and the important markets they serve.” But, we cannot lose one more New Hampshire farm; on the contrary, we need a sizable, concerted, and coordinated effort to strengthen our community-based food system and increase the number and success of farms. Nevertheless, we are optimistic that with a coordinated response, we can emerge from this time all the more resilient, with a thriving local food economy and the far-reaching benefits that flow from it to our communities, environment, and the public health. We strongly believe that the regional agriculture sector is uniquely positioned to reboot the economy.

Impacts on Farmers

Since the stay at home order was issued on March 27, 2020, farmers reported catastrophic drop offs in outlets for their goods. Of those farmers surveyed, 90% reported decreased demand from restaurants, 80% reported decreased demand from farmers markets, 75% reported decreased demand from on-farm retail, 60% from retail/food hubs, and 50% from wholesale institutions. At the same time, 70% of farmer respondents report increased demand for their goods.

Surveyed farmers and producers are experiencing the following business disruptions due to the COVID-19 crisis: marketing channel disruptions (50%), cash flow issues (43%), labor shortages (38%), challenges with new channels of distribution (37%), loss of restaurant accounts (27%), inability to obtain the proper sanitation and protective equipment required to operate (27%), and transportation or shipping disruptions (20%).

43% of respondents said impact of COVID-19 on their farm or food business revenue is moderate, 26% said it was negative, 17% said it has been very negative. Only 8% said COVID-19 is positively impacting their business.

Of those farmers who are impacted by restaurant closures, 16% expect losses between \$1,000 and \$5,000; 7% expect losses between \$10,000 and \$15,000; 5% expect losses more than \$20,000; and 4% expect losses between \$5,000 and \$10,000.

Farmers and food producers had the following immediate needs: financial assistance, workers, markets/outlets, supplies (masks, gloves, sanitizer, bags, soap), transitional assistance to respond to changing markets (such as pivoting from serving institutions to consumers), equipment, childcare, clear guidelines for worker and consumer safety across the spectrum (from on farm workers, to pick your own operations, to farmers markets), and COVID-19 testing.

Impacts on Consumers

Of the 118 consumers of local and organic foods surveyed, 86% obtained food from farmers markets, farm stands, and CSAs in 2019. The same percent of respondents—86%—reported that

¹ You can read the full report on the economics of New Hampshire's food and farm economy by viewing a presentation by Ken Meter on this website: <https://www.foodsolutionsforum.com>

obtaining food from the above sources has *decreased* since the stay at home order on March 27, 2020. Similarly, 79% of respondents said that since the stay at home order, they never order food from restaurants that clearly support NH local and/or organic farms. In 2019, 35% of respondents ate at restaurants that clearly support NH local and/or organic farms once or twice a month.

Consumers reported the following food shortages at grocery stores: meat (46%), eggs (47%), dairy (30%), fresh produce (30%), locally caught fish (23%). 82% of respondents also reported shortages in toilet paper, and 89% cited shortages in cleaning products. Respondents also noted that grains, flours and fresh local greens have been increasingly difficult to find. Since COVID-19, eaters experienced the following challenges in obtaining local and/or organic food: shortages, low supply, less variety, lack of access to farmers markets, increased prices, food access/security, including difficulty obtaining food from food pantries, and the need to travel farther away to obtain organic and local products.

In summary, NOFA-NH's community survey on the impact of COVID-19 revealed that farmers and consumers are negatively impacted by lack of access to farmers markets and farm stands, loss of local foods at retailers, and restaurant and institution closures. Disruptions to existing supply chains and challenges with new supply chains are additional stressors.

Farmers and food producers are increasingly concerned that they will incur serious financial losses that their businesses will suffer due to a lack of childcare, as well as a lack of workers. Concerns about worker and consumer safety right now, and when markets reopen was another source of anxiety. Farmers and producers remain worried about whether they will be able to meet the demand for food access throughout New Hampshire.

(4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

National experts project that COVID-19 will cause regional markets, like New Hampshire's agricultural sector, to lose \$1.02 billion from March to December 2020.

Our survey reflected this danger. Our farmers are most concerned that financial losses will continue and worsen over the next 12 months. Lack of access to childcare, farm workers, markets and capital could result in severe financial losses to our small farms. Closures of and limited access to farmers markets, farm stands, restaurants and institutions are already disrupting cash flow for our economic sector. Farmers remain worried that if and when these outlets reopen, restricted access or public fear will hurt their businesses.

Our farmers and producers would most benefit from the following assistance over the next 12 months: emergency relief to dairy farmers, direct payments, cash assistance and aid for lost revenue, grants (for operations and equipment purchases), assistance with payroll and workers compensation, investment in small producers and the local food system value chain, and disaster relief for small businesses.

In addition to challenges facing producers and farmers, New Hampshire's consumers are concerned with food security. As of April 28, 2020, 8% of 118 survey respondents reported that

they already have or would need to access food assistance programs like SNAP for the first time. Job losses over the next 12 months could lead to a spike in this number, requiring additional social support services and access to subsidized food for a greater portion of New Hampshire residents.

- (5) *Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.***

Survey responses reflected that there is widespread sense that the majority of subsidies go to larger producers, rather than small- and mid-sized diversified farmers, and that this should change, with vastly increased funding to local production for local consumption. While USDA's distribution of federal direct payment funds for producers by commodity group (meat, dairy, specialty crops etc) are important, there is no funding set aside for these good produced locally.

Many small and mid-scale operations will not benefit from USDA's programs. This is not a new trend; research shows that the USDA administered Market Facilitation Program payments in 2019 disproportionately went to larger-scale farmers. Yet, small-scale operations are the most secure and resilient compared to major retail chains that have food shortages.

In addition, The Farmers Legal Action Group has produced a guide to the national COVID-19 resources available to farmers, and also highlights the gaps between federal programming and our farmers' needs.² For example, the Payroll Protection Plan loans that are available to small businesses and sole proprietors (most farms) require that the applicant have filed Form 1040 Schedule C. Although most farms are small business or sole proprietors, they do not file Form 1040 Schedule C because there is an IRS form that is specific to farms, and are therefore ineligible. Furthermore, the national programs do not distinguish between goods based on their location of production. The federal money will flow to states with the largest share of the market, not to states with a small share of the national market, even if that small share is critically important to the state's local economy and food security. A good example is apples: New Hampshire is not one of the top 10 producers of apples in the U.S., but the 24.5 million pounds of apples grown in New Hampshire in 2012 are an incredibly important aspect of our local agricultural economy, and are essential in New Hampshire's grocery stores, school cafeterias, and farmers markets, especially—when as now—long-distance supply chains are disrupted. Now, more than ever, New Hampshire's farms are critical to food security.

Therefore, we recommend that GOFERR funding be used to ensure support for family-scale producers and local food systems. The following programs could be used to support local and regional food systems, with legislative and administrative actions that could unlock already-appropriated funding: TEFAP, LAMP, SFMNP, and FMNP.³

² <http://www.flaginc.org/2020/04/farmers-guide-to-covid-19-relief-4-27-20-update/>

³ For details, please see the National Sustainable Agriculture Coalitions brief: https://www.chlpi.org/wp-content/uploads/2013/12/COVID_Support-for-Local-and-Regional-Food-Systems_FLPC_NSAC_final-1.pdf

Capitalizing regional food systems is in our minds by far **the most efficient way** to use every available dollar available to us for significant public welfare outcomes.

- (6) *Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:*

NOFA-NH proposes five solutions to address the immediate needs:

- (1) **\$30,000,000 in direct payments to farms that can show loss of revenue due to closure of local farmers markets, restaurants, schools, or other local food infrastructure (such as food hubs).** Prioritize producers who have historically been left out of or underserved by federal assistance programs (e.g. socially disadvantaged and beginning farmers, organic producers, and farmers implementing conservation practices.). Because dairy is a cornerstone of our local food infrastructure and provides the most powerful economic multiplier, and because dairy prices have been low for five years already, emergency payments should be made immediately to dairy producers of all sizes. These payments should buy excess production and provide it at extremely low cost to cheese producers or other processors so that the milk can be used instead of dumped.
- (2) **\$30,000,000 as matching funds or additional funding for the Farmers Market and Local Food Promotion program (FMLFPP), the Local Food Promotion Program (LFPP), and the Local Agricultural Marketing Program (LAMP) for local farms and for local food system infrastructure.** This could include as community-based processing centers, small-scale independent slaughter facilities, independent food hubs, farmers markets, small-scale independent milk bottling plants, farms stands, etc. Funds could be used for a wide-range of on-farm improvements, including, but not limited to: land access, equipment purchases, operating costs, childcare for farmworkers, technical assistance with creating online platforms for marketing and distribution of products, payroll expenses for additional labor. Funds could also be used to help farmers transition to organic practices. This would include **\$500,000 to make farmers markets safe.** Early evidence suggests that farmers markets are safer than grocery stores because of the shorter supply chain, open air, and low volume of people. Even so, farmers and consumers remain concerned about safety at farmers markets. Therefore, we propose this influx of money to existing programming that could help pay for the development and implementation of a COVID-19 safety training programs for all of the farmers market directors and food hubs across the state so that farmers and consumers can be assured that adequate safety precautions are being followed. This money would further improve public health and safety for farmers markets and food hubs. This money would also pay for the distribution of protective equipment and supplies for farmers, workers, processors, deliverers, vendors, and customers.
- (3) **\$1,000,000 to make farm stands the new gas station.** Just like everyone in the neighborhood knows where the nearest gas station is, we need everyone to know who their local farmers is. Farm stands are the ideal socially-distanced transaction: Farmers

leave out product and consumers leave money. These old systems, in addition to more modern systems of online ordering and pick-up, can connect farmers' extra supply to consumers' increased demand for locally produced food.

- (4) **\$50,000,000 to contract for vegetables, meat, dairy, and other products directly from New Hampshire farmers for use in state procurement (prisons, hospitals, schools, etc.).** Because a dollar spent at a local farm ripples through the local economy and has longer lasting effects than any export-oriented purchase, all state institutional contracts must have a preference for in-state grown products. Where New Hampshire products are available, state-run institutions must be pushed to buy from New Hampshire farms, even if at a higher price point.
- (5) **Allow farms to process poultry on-farm while following best practices.** Lastly, a policy to allow farmers to process poultry on farm, while following best practices during the crisis would be important. Both USDA and the New Hampshire Department of Health and Human Services program offer best practices on this issue.⁴ Current USDA requirements create a bottleneck of processors. Allowing more meat processing means more local product ready for New Hampshire tables.

(a) The funds will serve a public use and provide a public benefit.

Supporting New Hampshire's farms and food businesses create community resiliency and food security, fulfilling a basic human need and essential public benefit. By aiding many small operations, the government can help to ensure that fresh, nutritious food is available across the entire state, not just in urban pockets that have access to large grocery store chains. This pandemic has shown us the importance of local food system that can withstand supply shocks. If we build institutional demand for local farm products, farmers will grow to meet this demand, and New Hampshire will be able to draw on its own locally-grown food in times of need.

(b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens.

Not only is it smart to support New Hampshire's farms from an economic perspective, but it also promotes the welfare of our citizens. By supporting our local food system, we have an opportunity to invest in a smart way, in efficient community-based food systems that have a broad range of benefits. Jobs would be created and unemployment benefits reduced.

If we produce more local food and make it affordable, we can improve the health outcomes of our residents. In 2009, almost three out of every four NH residents reported that they eat less than five servings of fruit and vegetables per day. As of 2017, 30% of New Hampshire resident ate less than one serving of fruit per day, and 14% ate less than one serving of vegetable per day. The rate of fruit and vegetable consumption is a key indicator for health: those who eat fewer fruits and vegetables have poorer health outcomes. Some healthcare providers are even prescribing fruit and vegetable consumption. These facts, combined with the fact that New

⁴ <https://www.dhhs.nh.gov/dphs/fp/documents/meatpoultry-sales.pdf>; <https://www.fsis.usda.gov/> (search slaughter exemption 0406)

Hampshire can produce more food, highlight the importance of increasing our local production for our health, not just the economy.

- c) *The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.***

If any sector has the potential to reboot the economy, certainly regionalized agriculture does. Everyone needs food three times a day. Access to nutritious food could become a human right in this time of crisis and beyond. Society as a whole would benefit by food insecurity and malnutrition becoming a thing of the past—the healthier individuals are, the healthier our overall society, and the fewer dollars our state and country will spend on healthcare services.

By considering the economic crisis and the food system crisis together, we can see how smart agricultural relief efforts and smart economic development policies that fan dollars circulating NH's economy, providing jobs, food and food security, equity, community connection, stronger immune systems and mitigated diabetes levels, community cohesion, and even improved mental health outcomes. Agriculture impacts all of these areas of our lives, and thus provides a powerful solution-multiplier with wide-ranging benefits to our State.

NH is a leader in healthy soil practices, and organic and agroecological methods can be continually encouraged. This will build our resilience both in terms of droughts and floods, and can help our transportation infrastructure in times of flooding, saving taxpayer money.

- (e) *The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.***

As we see the fragility of our dominant food system, it is clear that we depend first and foremost on our local and regional providers, food workers, and the web that constitutes healthy community-based food systems. The global commodity market is vast and volatile and counter-productive to community resilience and food security. This pandemic highlights the importance of our small and mid-size producers, who are "too small to fail." In times of crisis especially, but in all times, regions with a greater number of businesses, and more diverse businesses, do better.

Most of our farms are smaller scale than elsewhere – our average farm size is 103 acres, with 2,356 farms less than 50 acres. This means we are more agile and responsive to the needs of the current moment. Over these weeks, we have benefitted from the fact that our agricultural sector is made up largely of smaller and diversified farms that can be more agile and responsive in crises, and indeed farmers and retailers have responded quickly to change to many social distancing measures including on-line buying, curbside and farm stand pick-up, farmers markets implementing new best safe practices, including online clearinghouses of information for access to food, especially for food pantries to buy farmers. Our farmers have experienced increased local demand and interest for local food, with CSA shares often selling out more quickly than usual, while some farmers have suffered from loss of school and restaurant buyers.

- (f) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.***

If the funds are used as we propose, they will be spent in furtherance of regional development plans and policies. Boosting agriculture means a boost to small businesses. It is also a way to preserve New Hampshire's landscape and heritage while improving public health. These goals are all consistent with most local and regional development plans. These suggested policies would complement—not conflict with—existing state and federal policy related to farms, farmland conservation, and preservation of the food supply.

- (g) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.***

Supporting the food system in New Hampshire benefits everyone in New Hampshire. This is because everyone eats and has an interest in having a secure, safe source for their next meal.

- (h) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.***

The funds will be used to teach practices and systems, enhance community resiliency, and empower farmers to adapt to significant market disruptions. These skills and knowledge gained from the expenditure of these funds are transferable to any future disruption.

- (7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.***

Funds directly to farmers market managers could be overseen by County Extension offices who could require reporting by the market managers. Money provided directly to the Department of Agriculture could be easily tracked using the Department's existing infrastructure. Direct payments to dairy farmers could be accounted for using simple grant agreements or payment reporting through the local Farm Service Agency office.

- (8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.***

There are a lot of ways to measure the success of the funding if provided as requested above. Possible measures include: number of farm businesses saved; pounds of food produced; pounds of food supplied to schools, food pantries, prisons, and other institutions; number of farm stands established and publicized; number of agricultural jobs created; and number of acres in production, for example.

- (9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide***

ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.

Our state has a range of good assets, most importantly a culture that embraces rural life, local farmers, foresters, and fishermen, local food hubs and aggregators, a strong farm to school program, hospitals committed to increasing local procurement, and eaters committed to buying locally. There are many nonprofit institutions, branches of the university system, and entrepreneurs all contributing to fertile ground for a local response during this trying time, and for working together cooperatively over the years ahead to be prepared for future needs. These partners include: UNH agronomists, Cooperative Extension, the Soil and Water Conservation Districts, the NH Food Alliance, Food Solutions New England, the Organization for Immigrant and Refugee Success, the Farm Bureau, Land for Good, Agrarian Trust, a state chapter of American Farmland Trust, Small and Beginning Farmers of NH, Savory Hub at Stonewall Farm, representatives from the Union of Concerned Scientists, a statewide Soil Health Working Group, and agricultural commissions and food policy councils. Many of the efforts of these organizations will be enhanced if public relief funds are provided to the agriculture sector.

(10) What would your business, agency, organization, sector do with the funds that cannot be done currently?

In our view, the state's most potent and significant focus for overall public welfare would be through strengthening our community-based food system to complement what is being done on the federal level. Local production for local consumption will boost the economy most effectively and lead to the greatest resilience in this crisis and in the years ahead. The impact would strengthen public health, community fabric, and environmental health.

(11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

Our community of farmers and eaters voiced many concerns and solutions in our survey. We have provided an abbreviated list below and would be delighted to expand on these concepts if given the opportunity.

Concerns

- Very few off-farm outlets for my products.
- Mills are not open to process wool into yarn and roving, farmer is unable to move forward with selling it.
- A shortage of agricultural labor, including WOOFers
- Our product depends on spring seasonal delivery. We will need to donate our live product at no cost in order to keep the fish alive. We run out of room, and the warmer weather makes it impossible for the fish that were supposed to be stocked to survive.
- I am concerned about the upcoming Farmers Market season. Having gatherings of people limited to less than 10 people will present a definite challenge for Market organizers and market goers. I also have concerns about social distancing and how that will impact market attendance.

- Our most important concern is having funds available to put a better fence around our crops that were destroyed by deer last year. We are concerned that we won't have a market for our garlic, vegetables and flowers if people can't go to farmers markets.
- Need for seeds.
- I have stock that requires feed and care that I can't sell for what they're worth and I have groups of working goats that aren't getting hired because potential clients are short on cash.
- Several of the small businesses in town sell local honey, dairy, jam, etc. but with the small business closures, I don't have access to these items.
- Food pantries having very limited supplies and even less organic.
- Resounding concern that people feel unsafe shopping for food and that there are not clear and firm guidelines about protection in public.
- Resounding request for more COVID-19 testing.

Solutions

- Overwhelming interest in aid to local and organic farmers, not big out-of-state producers.
- Open farmers market statewide, as soon as possible.
- Government institutions purchasing local food.
- Greater access to produce safety for COVID-19, for example, guidelines about packaging and processing for public safety, guidance for pick-your-own operations.
- Mail directory of local food/farm stands/markets across NH to help connect local producers with local residents – this could be a joint initiative of DAMF and NOFA
- DAMF and NOFA-NH working together to help local producers file GAP certifications and surmount other hurdles necessary to get their food into NH's grocery stores, from Co-ops to Market Basket.
- Price parity for organic dairy production, resources to scale up crop, poultry production.
- Local government running agricultural programs, certifications, and support services.
- New grant opportunities for farmers to learn to sell online.
- Funds to invest in land improvements.
- Government should strongly encourage supermarkets to implement initiatives such as online ordering, home delivery, and/ or pickup so seniors can get the food they need with low to no risk.
- I would like to see more of a promotion/spotlight on items at the local grocery store that are grown locally. Many consumers have no idea of where their food comes from or what foods are available locally and when is their 'in season'.
- Keep farmers markets open as essential service and provide them with extra support so they have resources to continue providing food safely to the community.
- Provide monetary support to assist local farms and food producers with growing food, making food, and fulfilling the goods needs in their local communities, making us less dependent on more remote sources.

Guidelines for Written Comments to the Governor's Office for Emergency Relief and Recovery Stakeholder Advisory Board

Thank you for agreeing to provide information to assist the Governor's Office for Emergency Relief and Recovery (GOFERR) Stakeholder Advisory Board ("SAB"). Your contribution is critically important to allow the SAB to perform its purpose of developing recommendations to the GOFERR for the allocation and expenditure of federal Covid-19 emergency funds to address fundamental needs of the State of New Hampshire.

Because the Covid-19 crisis has impacted almost everyone and every institution across New Hampshire, SAB expects to gather a substantial amount of information from many sources. In order to accomplish this task effectively and efficiently, SAB requests that all persons who submit information (including those persons who are scheduled to provide oral comments before a SAB meeting) please follow these guidelines.

The SAB is hopeful that many interested persons will submit information and ideas on how the State can best allocate federal emergency relief funds. We plan to read all comments, and for those who make oral presentations to the SAB, we intend to ask questions based on the written submissions.

There is no particular format for the comments, but we request that you focus your comments as efficiently as possible, and try to limit the number of pages to less than 10.

In order to help the SAB members to the greatest extent possible, we request that you try to address each of the information items listed below. The SAB members have identified these information items as highly relevant to their overall task. While some commenters are likely to provide additional information, and others may not be able to address each item, we request that you try to address the following items in your submission:

- (1) Please identify your position and your organization.

Kenneth A. Viscarello, Esq.
Shareholder & Director – Sheehan Phinney Bass & Green, PA

I am an attorney who concentrates in the area of affordable housing development. I have represented public housing authorities, not-for-profit and for-profit developers in the development of over 100 multifamily workforce and affordable housing projects over the past 20 years.

- (2) Please identify what economic sector your enterprise operates within.

Workforce and affordable housing development.

- (3) Please describe how your enterprise and economic sector has been impacted by Covid-19.

Throughout the state, social distancing and stay-at-home restrictions have caused delays to current and future projects and operational issues at existing projects, adding to the uncertainty in the equity markets.

Delays in Current & Future Affordable Housing Transactions

COVID-19 created numerous delays all of which increase the costs of development in form of tax credit adjusters, loss of revenue and other out of pocket costs. Some of the delays the affordable housing sector is experiencing include:

- Shortages of construction materials and workers
- Delays in permitting and local approvals
- Delays in public hearings
- Difficulties in conducting due diligence activities including site visits, surveys and environmental studies

Interruptions in Daily Operations of Existing Projects

Compounding the problems on the development front, the operations of existing affordable housing projects are facing increased operational pressures including:

- Difficulty arranging maintenance and repair activities
- Anticipated decline in rent collections
- Difficulties filling vacant units, as people are hesitant to move to a new apartment during these unsettled times and it is difficult to show vacant units to prospective tenants.

Notably, a decrease in rent collections and prolonged vacancies will cause affordable housing developers to come out of pocket to meet debt service requirements and operating expenses. While, many affordable housing projects maintain operating reserves, a few months of high delinquency can deplete those reserves. These operational issues are causing investors to reassess their level of investing in affordable housing.

Delays & Operational Pressures Impacting Financial Market

Due to the increased delays in the development process, mounting operational pressure on existing projects and market uncertainty, investors and lenders are becoming increasingly cautious. This results in funding problems for projects that have received tax credits and were planning to close in the spring and summer of 2020. At best, these projects face uncertainty with their sources of funding which has resulted in the following:

- Sources of financing have become scarce. To the extent that sources of financing remain, changes in business terms have made the development of affordable housing more or expensive.
- Some investors have put a stop to investing and other investors are re-examining their pricing and yield requirements.

(4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

Over the past week, I have had discussions and correspondence with seven of my colleagues, who either provide tax credit equity to fund affordable housing projects or act as consultants to help developers put together financing packages for affordable housing projects. All of my colleagues have decades of experience and have worked extensively on New Hampshire affordable housing projects.

These tax credit equity investors are the drivers of affordable housing development as almost all multifamily affordable housing located in New Hampshire is financed utilizing Low Income Housing Tax Credits (“LIHTCs”). LIHTCs are awarded to developers by the New Hampshire Housing Finance Authority (“NHHFA”). The developer then goes out and sells the LIHTCs to an investor to raise permanent equity for their project which never needs to be paid back. This permanent equity means that the developer needs to take on less debt that needs to be paid back. The investor is able to take a dollar for dollar reduction in their federal tax liability. Although investors receive a \$1 credit in tax liability for each \$1 of tax credit they purchase, they pay the developer less than \$1 for that credit. Prior to the outbreak of Covid-19 investors were generally paying 88¢ - 92¢ per tax credit dollar, with some investors paying more.

The LIHTCs awarded to a project are never sufficient to provide all of the capital necessary to completely develop an affordable housing project. The gap is usually filled with a number of other sources, including loans, grants and soft money loans, e.g. HOME loans, Affordable Housing Trust Fund loans, CDBG funds and FHLB -AHP loans. The amount of these soft money loans is limited and competition for these funds is already quite fierce.

It is going to be more difficult to develop affordable housing in the next 12 months and beyond for the following reasons:

A. DROP IN TAX CREDIT PRICING

The investors in the industry are anticipating a drop in pricing for LIHTCs between 6% and 10%. This is not unlike what happened when the economy went into recession in 2008 or with the passage of tax reform in 2017 when the corporate tax rate dropped. This means that during the pre-COVID-19 period where an investor was paying 88¢ - 92¢ per tax credit dollar, they will now be paying somewhere in the high 70s¢ to low 80s¢

range. This will put a huge strain on financing affordable housing projects. There are a number of reasons for this drop in credit pricing. More specifically:

1. Fewer Buyers for LIHTCs.

In order to utilize the benefits of tax credits it is necessary to have taxable income to be offset by the tax credits. Banks are probably the largest purchaser of tax credits in the country and New Hampshire. Right now, most banks, facing their own economic challenges, are either ceasing to make investments or taking a wait-and-see approach, so demand from banks for tax credits is decreasing. Insurance companies also purchase tax credits, and a number of them are still in the tax credit market, but with banks cutting back on investing, insurance companies can demand lower pricing per tax credit dollar. In its most simplistic terms, it is a supply and demand issue.

2. Desire to Increase Yield

Investors in tax credit deals underwrite their investment hoping to receive a certain return on their investment. A number of the investors I spoke to said that investors will be looking to increase the yield on their investment in the coming months. They anticipate an increase in yield by 50-100 basis points, which translates into 0.5%-1.0%. This will contribute to the drop in pricing, which will contribute to a decrease in the price paid for tax credits.

B. DELAYS CAUSED BY COVID-19

Prior to the Covid-19 outbreak it generally took between 11 months and 14 months to construct a medium-sized affordable housing project. With the uncertainty in the construction field caused by shutdowns and social distancing, most developers are assuming that projects will take much longer to get completed. This will have a direct effect on the amount of money that investors will be willing to put into a tax credit project. In order for an investor to get the benefits of the tax credits the projects have to be “placed in service” which basically means ready to be occupied. If an investor has to take credits farther out it will reduce their yield and reduce the price that they will be willing to pay per tax credit dollar.

C. WILLINGNESS TO INVEST ONLY WITH EXISTING CLIENTS AND IN THE SAFEST PROJECTS

A number of investors have indicated that to the extent they stay in the market, even with reduced pricing, they will only work on affordable housing projects with their top existing developer clients, provided the deals meet the highest of underwriting standards. This too will cause a lack of investors and increase in pricing.

D. EXAMPLE OF RAMIFICATIONS OF DECREASED PRICING

I think it will be helpful to provide an example of the effect lower LIHTC pricing will have on an affordable housing project. I recently worked on a project in Rochester, New Hampshire that had its grand opening this past December. The project contains 34 units of affordable housing. The total development cost was budgeted at approximately \$8,335,000. NHHFA awarded the project approximately \$7,768,500 in LIHTCs. The developer found an investor to purchase the tax credits for 88¢ per tax credit dollar, which translated into approximately \$6,836,280 in equity invested into the project, leaving a gap of approximately \$1,498,720. This gap in financing was filled with permanent loans and other soft debt. Assuming the price per tax credit dollar drops to 82¢, it has a fairly large impact on the gap in financing. This drop in pricing results in total equity dollars received of \$6,370,170 and a gap of approximately \$1,964,830, an increase of \$466,110 from a deal that could sell tax credits for 88¢. There are very few sources of financing out there that can fill this additional financing gap.

- (5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

Not that I am aware of. In fact, I did receive notice this morning that on April 23, 2020, the United States Congress passed Coronavirus Stimulus 3.5, a \$484 billion relief package for small businesses, hospitals, and testing, but no new housing resources have been authorized as a result of this stimulus bill.

- (6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:

SUGGESTION FOR FUNDING

The affordable housing sector in New Hampshire would be well served if some of the federal funding goes towards providing a fund that will help fill the gaps created by a decrease in the price paid for LIHTCs. This fund could be established with NHHFA. NHHFA currently has an affordable housing fund and the processes and procedures in place to administer the funds. The funds could be disbursed as zero interest or low interest loans to developers to use specifically for affordable housing purposes. Given the number of potential affordable housing developments in the next year, the uncertainty in the market and the need for affordable housing an award around \$10-\$20 million would be appropriate.

- (a) The funds will serve a public use and provide a public benefit.

Providing clean, safe and affordable housing is a problem that pre-dates Covid-19. There is a critical need in New Hampshire to provide affordable housing to working families.

- (b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens.

A fund established to ensure the creation of needed affordable housing will provide an asset to attract a working population necessary to help the state stabilize before and after social distancing restrictions are phased out.

- (c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.

A vibrant economy needs to be able to offer workers clean, safe and affordable housing. Not only does the development of affordable housing provide a place to live, the construction of these projects provides numerous construction, architectural and engineering jobs to residents of the state.

- (d) The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.

Not applicable

- (e) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.

I don't believe so.

- (f) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.

The use of the funds will benefit multiple organizations. Not only will public housing authorities, not-for-profit and for-profit developers benefit, but jobs will be provided for construction trades, material suppliers, architects, engineers, accountants, etc. Finally, and most importantly, working families can avail themselves to clean, safe and affordable housing.

- (g) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.

I believe that is correct. Once the challenges posed by Covid-19 are lifted, most believe there is a likelihood that the markets will bounce back. During the recession of 2008 and the drop-in corporate tax rates with tax reform in 2017, will the market for tax credits dropped, however, as time went on and the economy strengthened the prices for tax credits increased.

- (7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.

Not applicable to my position.

- (8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.

Although this is not my area of expertise, I am assuming that if funds are given to NHHFA to use in support of affordable housing, that they will have the ability to adequately report and use the relief funds.

- (9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.

As stated above, the construction trades have an important impact on the affordable housing industry.

- (10) What would your business, agency, organization, sector do with the funds that cannot be done currently?

Ensure that sufficient resources exist to provide the funding necessary to complete and construct affordable housing in the state of New Hampshire

- (11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

* * * * *

SAB anticipates that its members will be reaching out to diverse interests and persons to request submission of comments, and we thank you in advance for considering these requests. We are all in this together, New Hampshire!

Please check the [GOFERR website](#) for current information on how to submit comments. All recommendations and information submitted in response to this request will be available for public inspection and copying in their entirety. For further information, please contact Joe Doiron at the GOFERR offices (JOSEPH.DOIRON@LIVEFREE.NH.GOV).

Please submit your comments no later than May 1, 2020.



Southwestern Community Services

People helping people in Cheshire and Sullivan Counties since 1965

- (1) Please identify your position and your organization.

Craig Henderson
Director of Housing Stabilization Services
Southwestern Community Services Inc,

- (2) Please identify what economic sector your enterprise operates within.
Nonprofit 501c3

- (3) Please describe how your enterprise and economic sector has been impacted by Covid-19.

Covid-19 has impacted every aspect of our program. Personnel, budgets, client care, and program priorities have all seen significant changes and challenges.

- (4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

The Covid19 crisis will have a significant financial impact on our program for months if not years to come. At the onset of the Covid-19 issue, Housing Stabilization Services began to shift priorities in how we operate and in how we allocate funds. We have seen a significant surge in our material costs as we have focused more on cleaning and hygiene supplies and personal protective equipment. We have also shifted our focus to prevention efforts. A year ago, prevention funds were very limited. Today our greatest challenge is processing an estimated \$132,000.00 in available prevention funds available through June 2020. Processing the amount of applications and the sheer amount of funds would have been a challenge before a pandemic and now will be a monumental task. Although the staff has adjusted quickly to many tasks being done remotely, we are not yet operating at one hundred percent efficiency and are faced with twice the normal work while having less than optimal conditions. Our budgets will be strained as we add more staff to accommodate the growing number of prevention cases. The federal assistance being provided to American citizen's pales in comparison to the financial fallout covid19 has caused. Similarly to our staffing costs, the estimated cost to provide safe and adequate housing to homeless folks will rise sharply. I believe that to provide housing that allows for proper social distancing will mean a complete overhaul of the emergency shelter system. Housing 6 clients in a one bedroom will be inhuman and inherently dangerous. Providers will be forced to change their housing models from operating a single building with dozens of clients to scattered sites within the community with each having only one or two clients per bedroom. Without looking at all budget items and only considering the cost of rent verses the number of clients we serve, I estimate it currently cost about \$166.00 per client per month for emergency housing in Cheshire County. Housing clients in the community can and will double or triple that cost depending on the rental units we are able to obtain.

- (5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and





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explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

SCS is partnering with the Monadnock United Way and receives Covid19 relief funds through their fundraising efforts. This has been a very successful program, but available funds are sporadic and continued funding is not assured. As of today, we have received approximately sixty thousand dollars and have assisted more than forty families in only three weeks. It is a strong possibility that these funds will be fully expended in the next few weeks. We are also working closely with Housing Action New Hampshire which has provided thirty thousand to SCS. The goal of these funds has been to establish new housing opportunities for clients in our emergency shelters and to assist us in our decompression efforts.

- (6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:

Southwestern Community Services would like to use public relief funds to rent four apartment units in Cheshire and Sullivan County for twelve months. The new apartments would provide appropriate social distancing and allow us to transition from a single site shelter model to a scattered site shelter model. Providing adequate emergency housing is clearly a public benefit, but this will be a pilot program and will allow us to evaluate if a site based model can provide a healthier environment in which our clients can more quickly move from into permanent housing. Many of the clients served in our emergency shelters are the most vulnerable citizens of our state. For most of them, the possibility of stable housing and an economic future depends more on accessing subsidized housing than on gaining or increasing earned income. Funding for satellite shelters will provide a necessary resources for our operations moving forward. Covid19 has caused all of us to re-evaluate our budgets and this is honestly the hardest question to answer. With Covid19 we don't know how long it will last, what sectors of the economy will be hit hardest, and what direction should we take as far as being reactive or being pro-active. My expectation that covid19 will be an ongoing issue directly effects our budget and the health of our clients and so my expectation is that those two area will be significant ongoing challenges. The benefit of scattered sites is that it does not conflict with local or regional development plans and policies, or any other provision of state or federal law. It is recognized as a best practice clients and faces the least amount of resistance from community partners and other community stakeholders. The shelters in New Hampshire should be offering services to any household that poses as homeless and so the services we provide does help the state at large. The cost to provide emergency services far outweighs the contribution that the state or local municipalities contribute to SCS. As an example, it can cost a welfare department well over a thousand dollars to put a homeless resident up in a hotel. SCS charges \$465.00 for a month of services that includes



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heat, hot water, trash disposal, laundry, and kitchen and bathroom facilities, and case management.

The use of funds will be consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success. SCS is presently buying the two building it currently operates and this will free up funds in the future to make the program more financially self-sustaining. We have also been notified that funds will be made available through the Emergency Solutions Grant and this will also help to the continued operation of any new buildings or individual sites. SCS has only just begun to invoice towns for the life savings services it provides and although our sponsorship income is limited at this time, we will be growing this base of funding.

- (7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.
The public relief funds and activities would be segregated within our financial statement as a separate program following all Uniform Guidelines as with any other federal funds.
- (8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.
Quarterly income statements could be prepared as ongoing statements along with program narratives describing use of funds.
- (9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.
- (10) What would your business, agency, organization, sector do with the funds that cannot be done currently? This is a question that unfortunately relates directly to how long the pandemic lasts.
We have several funding sources that could cover just about every imaginable scenario, but we can't say for how long. Normally, we are faced with resources that are so tightly tied to various regulations that we have to think outside the box to fully utilize our funding. The situation has changed now for many of our funding sources, but the financial burden to nonprofits may not be seen for several months.
- (11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?
I believe that New Hampshire has to find a better midpoint between taking action at a state level and letting different regions spearhead crisis response efforts. At some point,





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whether right or wrong, we have to have a baseline to work from. I have spent countless hours looking into hotels to have them simply shut down or vacant community college building to have them just drag their feet. The responses to my requests may have been different if local hotels and community colleges were told to cooperate or face some serious future consequences.

Craig Henderson

Director of Housing Stabilization Services

Southwestern Community Services

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To: Dean Christon, GOFERR Stakeholder Advisory Board, NHHFA Executive Director

(1) Please identify your position and your organization.

From: Andrew B. Winter, Twin Pines Housing Executive Director

(2) Please identify what economic sector your enterprise operates within.

Twin Pines Housing is the primary developer and provider of permanently affordable housing in the Upper Connecticut River Valley region of New Hampshire and Vermont for individuals and families with low to moderate incomes. Founded in 1990, we currently house more than 1,000 people and own 500 rental units at sites in Enfield, Hanover and Lebanon, NH and in Hartford, South Royalton and Woodstock, VT, with another 39 units in various phases of development. Twin Pines Housing also has 51 shared-equity homeownership properties that are permanently affordable, with four new homes in development. We provide property management services for nearly three-quarters of our units, with the balance managed by others. In addition to developing housing, we provide resident support services, connecting our residents to existing social services, and providing support where there are gaps in services. Coordinating case management, social services, food programs, and other supports, we help ensure that our residents remain healthy and housed.

(3) Please describe how your enterprise and economic sector has been impacted by Covid-19.

In light of COVID-19, having a safe, stable home is more important than ever. During the COVID-19 pandemic, New Hampshire's affordable housing providers are working to house and care for thousands of low-income households. Our maintenance, property management, and supportive services teams have seen a shift in day-to-day operations, and an increased demand for services. Our maintenance team has shifted their focus to cleaning and disinfecting common areas and unit turnovers, with a reduction in in-unit work limited to emergency work orders. Our supportive services team is helping residents access Unemployment benefits and Economic Impact Payments, and performing weekly phone check-ins with more than 70 households with a focus on our senior residents.

Low-income renters are more likely to work in industries most hard-hit by Stay at Home orders such as retail and restaurant work, and many have lost jobs or seen dramatic cuts in hours. According to the Turner Center for Housing Innovation, UC Berkeley, it's likely that 39% of New Hampshire renter households have been impacted by COVID-19-related income or job loss.¹ Like many affordable housing providers, Twin Pines Housing saw a small increase in delinquencies during the month of April. As many

¹ Elizabeth Kneebone and Cecile Murray, *Estimating COVID-19's Near-Term Impact on Renters* (<https://turnercenter.berkeley.edu/covid-19-and-housing>), Appendix: State and Metro Area Data and Impacted Industry Codes)

people were working throughout March, many had income to cover April rents. We expect delinquencies to rise for the next few months, with lost rents potentially up to 30%, before gradually declining. We anticipate that many of our renters will not have jobs to return to, or will have reduced work hours, once the Stay Home orders are lifted.

(4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

As an affordable housing organization, we rely on revenues from property management, project development, and charitable contributions. We expect all three areas to be negatively impacted by COVID-19 over the next 12 months.

Property Management Fees: 40% of Twin Pines Housing's income for FY2020 (for the period 10/1/19 – 9/30/20) is from management fees and other reimbursements, such as for maintenance. Most of the management agreements state that the rent is first applied to debt, then to operating expenses and lastly to the management fee. As delinquencies increase, our property management fees will decrease. While we expect that investors and funders will allow us to access property Operating Reserves to receive our management fees, it is important to note that the purpose of these reserves is to provide long-term financial support to the properties, reducing the cushion they have later in their life-cycle when such funds are typically needed. In addition, we expect increased costs associated with legal fees for stayed evictions. We spent \$18,000 across our properties on legal eviction proceedings that were stayed in March. It is estimated that another \$9,000 will need to be spent to evict these same non-paying residents after the stay is lifted. In addition, our maintenance team will need to catch-up with non-essential work orders once Stay at Home orders are lifted.

Development Fees: 37% of Twin Pines Housing's income for FY2020 is from development fees. Of this amount, we expect delays of three months to a year in approximately 37% of fees, due to issues with the supply chain and reduced workforce (some of our subcontractors are VT companies, where Gov. Scott's Stay at Home order has greater restrictions on construction). We also believe that 14% of our FY2020 development fees are at risk due to changes in the credit market and an uncertain appetite for LIHTC's from investors. A continued soft credit market would cause significant delays to development fees projected to be received during FY2021. In addition, we expect increased carrying costs on our pre-development line of credit estimated at \$10,000, and a negative impact on the receipt of deferred development fees, estimated at \$250,000 to \$350,000, attributable to the delay in projects.

Charitable contributions: We're incredibly grateful for the support of the philanthropic community during COVID-19. We've received a number of significant grants and gifts that are intended to help our organization address the impacts of COVID-19. While unrestricted support for FY2020 is ahead of budget, and we expect to surpass our fundraising goals for the year, we also expect a decrease in charitable contributions for FY2021. There is likely to be a decrease in donations (both in the number of donors and the size of donations) due to the uncertain economy and donor fatigue. In addition, Twin Pines Housing has been planning a fundraising event for October 30 to celebrate our 30th anniversary.

The event will rely on corporate sponsorships, which are expected to be negatively impacted by COVID-19. Event planning is currently on hold until the situation stabilizes.

(5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

Twin Pines Housing received \$189,600 in PPP loan proceeds on Friday, April 10th. The funds are projected to cover payroll for 8 weeks and rent through October. There has been some debate about whether housing organizations are eligible for PPP proceeds, and we have not yet accessed the funds. We expect that the loan will be forgiven since these expenditures fit the PPP terms. In addition, we have received nearly \$39,000 in unrestricted gifts and grants in response to the COVID-19 crisis.

(6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:

- a) The funds will serve a public use and provide a public benefit.
- b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens.
- c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.
- d) The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.
- e) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.
- f) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.
- g) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.

There are a number of ways that public relief funds could be provided to help low and moderate-income residents of New Hampshire with housing. Ensuring stable housing for all residents of New Hampshire will provide an important public benefit and promote the general welfare of citizens by helping to reduce the spread of COVID-19.

- Construction of new housing and the renovation of existing housing is one of the greatest economic multipliers that the state can put in place for a long-term recovery. [Studies have been done that show that construction projects have a 10:1 economic impact]. We currently have three construction projects in various stages of development in Lebanon and Hanover. Funds that support these projects, whether it be in the form of payroll assistance to support the project management team, incentives to the tax credit investors to motivate them to close

pending transactions, or support to the construction teams in progress including hazard pay and PPE supplies, would all benefit not only the low income residents at the end of the project, but provide jobs and opportunity during the construction period.

- While New Hampshire's eviction moratorium is helpful to renters and homeowners in the short-term, many will need continued assistance once the moratorium is lifted. Eviction and foreclosure prevention funding through December 2020 will be essential to help keep people who are unable to pay rent due to COVID-19 related job loss safely housed. According to a recent New York Times article, even with the \$600/week payment through the CARES act, average unemployment benefits for New Hampshire workers are less than their wages from working. And while the CARES act extends state unemployment benefits for 13 weeks, the additional \$600/week payment is currently scheduled to expire at the end of July.² Increasing subsidy through programs such as Project Based Rental Assistance and Housing Choice Vouchers will ensure that those who are most vulnerable to the long-term economic impacts of COVID-19 can obtain housing or retain existing housing. This will be especially important if Stay at Home orders need to be reactivated before a vaccine is widely available. Ensuring stable housing for all residents of New Hampshire will provide an important public benefit and promote the general welfare of citizens by helping to reduce the spread of COVID-19.
- Funding for resident supportive services and supportive housing for those transitioning from homelessness will also be important. Affordable housing providers and other nonprofits will need to increase their supportive services to meet the increased need of current residents, and to support homeless households transitioning to permanent housing. Affordable housing has proven to be a very efficient and effective delivery system of services to vulnerable households and should be utilized at this time to help address health and welfare needs. Our own experience with Parkhurst Community Housing in Lebanon, NH is a good example. The property opened in August, 2018, to provide homes for the chronically homeless. A combination of rental assistance and enhanced case management provided by The Upper Valley Haven homeless shelter has proven effective. In November, 2019, two of Parkhurst's original residents accessed housing choice vouchers and moved to other apartments within Twin Pines Housing's portfolio. Parkhurst was funded through a combination of private donations, Housing Trust Fund dollars, and loan funds through the NH Community Loan Fund. Stimulus funds could be used to repeat this model in other locations.
- Additionally, many homeowners are facing troubles paying their mortgages. "According to the Mortgage Bankers Association, forbearance requests jumped 1,270% between March 2 and March 16 and another 1,896% between March 16 and March 30."³ As in the Great Recession a

² Ella Koeze; "The \$600 Unemployment Booster Shot, State by State," *The New York Times*, April 23, 2020: <https://www.nytimes.com/interactive/2020/04/23/business/economy/unemployment-benefits-stimulus-coronavirus.html>

³ Aly J. Yale, "Mortgage Relief Requests Skyrocket As Homeowners Feel The Impact Of COVID-19," *Forbes*, April 8, 2020, <https://www.forbes.com/sites/alyjyale/2020/04/08/mortgage-relief-requests-skyrocket-as-homeowners-feel-the-burn-of-covid-19/#5be12d245ecb>

dozen years ago, the State's Homeownership Centers are needed to support people in avoiding foreclosure. Additional staffing for these regional organizations will be necessary.

The nonprofit and public housing sector acts as the front line of support for our most vulnerable populations. In these times increased communications and outreach, safety precautions, and new systems and procedures have been needed that were unexpected and not budgeted. In order to operate in the long-term where remote work is the standard, we need to upgrade our office IT systems to allow for more efficient access to our files, better support our employee's work at home infrastructure, increase access for maintenance supplies, and improve remote communication with our residents. This may include things as basic as supplying internet capabilities in all of our properties, which is not currently funded. This is sure to happen in the future. A dedicated capacity fund should be established to support these existing and emerging needs. These funds will contribute significantly to the continued operation of affordable housing providers throughout the state. Such funds can be accounted for separately in the Annual Financial statements of these organizations.

(7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.

Public relief funds contributed to Twin Pines Housing would be accounted for as a contribution which is either donor restricted or unrestricted. Such accounting is standard procedure for a non-profit that follows GAAP such as Twin Pines Housing. In addition, each restricted contribution is tracked to ensure that the funds are used as required. For example we are currently tracking all COVID-19 related expenditures with their own COA code.

(8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.

Twin Pines Housing is audited annually. Auditors review the accounting for gifts and the release of funds to ensure that the transactions are handled in accordance with GAAP.

(9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.

Twin Pines Housing is reliant on a number of organizations and sectors in New Hampshire to accomplish our work. Construction firms and subcontractors are essential to the creation of new housing units, as well as renovations to existing housing. Financial institutions and banks, including Northern New England Housing Investment Fund, Mascoma Bank, Ledyard Bank, People's United Bank, New Hampshire Housing, the Community Development Finance Authority, the New Hampshire Community Loan Fund, and the New Hampshire Charitable Foundation, provide vital funding. Social Service agencies, both government and nonprofit, provide services that help our residents remain healthy and housed.

(10) What would your business, agency, organization, sector do with the funds that cannot be done currently?

Prior to the COVID-19 pandemic, there was a lack of housing at all price points in New Hampshire. This was especially the case for affordable housing, as market demand drove an increase in rental costs. This lack of affordable housing has added to the public health crisis, as emergency shelters and housing organizations throughout the state have scrambled to provide safe living arrangements for the state's homeless population. Funding of the construction, rental assistance programs, and supportive services mentioned above through the CARES Act can be used to create long-term housing solutions. These solutions will clearly benefit the households affected by homelessness and financial instability, but will also benefit the general population by reducing opportunities for COVID-19 to spread. Congregate living facilities like homeless shelters, and crowded living conditions that occur when households double-up reduce the ability of residents to quarantine and social distance. These emergency funds have the ability to create long-term, systemic change for low-income residents of New Hampshire.

(11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

Our greatest concern is for our low-income residents who do not receive subsidies. These residents don't have the safety net of a subsidy, and have insufficient savings to fall back on. For example, we have a resident who has lived in one of our LIHTC properties for nearly three years. When we began reaching out to all of our residents in the middle of March, she was doing well and still had her job as an administrative assistant in a healthcare practice. Two weeks later, she had been furloughed. One of our Resident Services Coordinators has been assisting her with recertification paperwork and applications for unemployment benefits, fuel assistance, and an electricity discount. The resident has needed to file taxes so that she can receive an Economic Impact Payment. She is worried about paying her May rent.

One additional issue of concern for the affordable housing community in New Hampshire and elsewhere is the applicability of the Payroll Protection Program (PPP) to nonprofit housing organizations. PPP provides financial support to small businesses to meet payroll and other funding needs. Twin Pines Housing and a number of housing nonprofits in the region have applied for and received funding in the form of a low-interest loan from the Small Business Administration, which administers PPP, with the expectation that the loans will ultimately be forgiven. SBA staff at the regional level has raised the issue with national SBA staff that housing organizations are NOT entitled to participate in the program. We are working with national advocates to address this with SBA staff, as well as a potential legislative fix with Congress. However, if we are not successful then this creates a significant hit for Twin Pine Housing (nearly \$200,000) and other organizations that the CARES funding could also help address to support the viability of the affordable housing delivery network.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

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Because the Covid-19 crisis has impacted almost everyone and every institution across New Hampshire, SAB expects to gather a substantial amount of information from many sources. In order to accomplish this task effectively and efficiently, SAB requests that all persons who submit information (including those persons who are scheduled to provide oral comments before a SAB meeting) please follow these guidelines.

The SAB is hopeful that many interested persons will submit information and ideas on how the State can best allocate federal emergency relief funds. We plan to read all comments, and for those who make oral presentations to the SAB, we intend to ask questions based on the written submissions.

There is no particular format for the comments, and but we request that you focus your comments as efficiently as possible, and try to limit the number of pages to less than 10.

In order to help the SAB members to the greatest extent possible, we request that you try to address each of the information items listed below. The SAB members have identified these information items as highly relevant to their overall task. While some commenters are likely to provide additional information, and others may not be able to address each item, we request that you try to address the following items in your submission:

- (1) Please identify your position and your organization.
Triangle Club Inc
- (2) Please identify what economic sector your enterprise operates within.
Service Sector/Nonprofit Sector
- (3) Please describe how your enterprise and economic sector has been impacted by Covid-19.
We have been forced to temporarily suspend in person meetings. We have cancelled our major fundraising event as well as other fundraisers in the upcoming months. The closure of our facility along with other recovery facilities has left attendees isolated without the needed peer support that is critical to sobriety. This impacts approximately 250 attendees a day as well as their families. We are part of an overall collapse in the critical social services in the state.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

- (4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19

Our attendees will emotionally and mentally be one of the hardest hit groups by the pandemic. Individuals who suffer Substance Use Disorder (SUD) are emotionally fragile. Fear, stress, and the isolation caused by the stay at home order will be damaging to their recovery. Self-isolation can be deadly in terms of addiction recovery. Symptoms of traumatic stress, confusion, and anger can be exacerbated by fear of infection which can lead to increased alcohol or drug relapse. People with SUD are at risk for decreased access to health care, housing insecurity and the likelihood of incarceration. Limited access to healthcare places people with SUD at greater risk for many illnesses, but if the hospitals and clinics are at their capacity, it could be that people with SUD , who are already stigmatized and underserved experience even greater barriers to treatment. We could see an increase in the number of those diagnosed with SUD after this life altering pandemic. This will mean an increase demand for services such as recovery meetings and support groups.

The Triangle Club will also have difficulty raising funds to support the current demands and increasing attendance. People will have less funds to donate due to the current economic state. Those that were typically “relied” on to give annually may not be able to do so in the foreseeable future.

The Triangle Club cancelled the 5K, our largest fundraising event for the year, out of COVID -19 concerns. We will suffer from lost income from meetings and additional fundraisers and individual and corporate contributions.

- (5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

The Triangle Club received Federal Funds through The Small Business Association (SBA) Paycheck Protection Program (PPP) as well as a Grant through the New Hampshire Charitable Foundation from the Thomas W. Haas Fund.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

- (6) Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:

- (a) The funds will serve a public use and provide a public benefit.

The funds will be used to support no-cost addiction recovery meetings that are open to the public. Established in 1984, the Triangle Club, a peer-supported recovery community, has been helping people stay sober and maintain various forms of recovery from addiction for 35 years. Our mission is to provide a welcoming and safe environment to promote the spiritual, physical, and mental health of people in recovery from addiction to alcohol, heroin, and other substances. New Hampshire is at the epicenter of a major crisis ranking second in the nation for deaths related to opioid abuse and ranking in the top five states with the highest rates of binge drinking and alcohol misuse. Estimates indicate that Strafford County may have close to 10,000 people over the age of 18 with a substance use disorder.

Our doors are open 365 days a year, with up to 250 people coming to us each day. They come from multiple generations and the most underserved socioeconomic groups in our community. We host approximately 60 meetings each week, serving more than 70,000 people annually from the Seacoast region. Meetings include, but are not limited to, Heroin Anonymous, Alcoholics Anonymous, Nicotine Anonymous, Marijuana Anonymous, Overeaters Anonymous, GRASP, and AI-Anon.

We are the only organization in the State of New Hampshire to deliver the breadth and depth of programming that our unique model provides. The Triangle Club has been growing and evolving to meet the needs of the recovery community. In 2015 we were the first in the State of New Hampshire to respond to the opioid crisis by establishing programming for Heroin Anonymous (HA) meetings. In 2017/2018, through volunteer efforts, we funded and built a second story addition of 1,680 sq ft to meet the demand for meeting space and completely renovated the existing rundown facility.

- (b) The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens.

The successful treatment of those with substance use disorders (SUD) plays a significant role in the general welfare of both the state and its citizens.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

Right now, we are facing a major crisis in our state the number of people dying from substance misuse has increased drastically since 2011. According to the NH Office of Chief Medical Examiner drug death skyrocketed in 2018. Fewer deaths from overdose experienced in 2019 may be related to an increase availability of Narcan which is provided by many of the social service institutions. Deaths from alcohol, predominantly uncited, occur in epidemic numbers.

***Workforce Stabilization:** Sobriety means a stronger, healthier, NH workforce. Employers experience decreased absenteeism, higher productivity, and expanded safety in the workplace. More people become employable since they can pass drug tests. Fewer accidents and sicknesses lower healthcare costs to employers.

***Criminal Justice System Costs are lowered:** Violent crime, arrests and homelessness are all reduced with successful treatment programs which means safer communities. Backlogs in the courts are reduced, correctional facilities see lower incarceration rates which means lower costs to taxpayers. Recidivism is also reduced.

***Healthcare costs to employers and institutions are lowered:** One Medicare survey cites 70 conditions requiring hospitalization were attributable in whole or in part to substance abuse and that substance abuse as a primary or secondary diagnosis increases hospital stays. Substance abuse has a significant impact not on pregnancy and birth outcomes and drives up the costs of emergency room and ambulance services to our healthcare institutions.

*** Human Costs lowered:** less quantifiable and more serious are the human costs of SUD which are lowered by maintaining sobriety: loss of life and limb, loss and bereavement of loved ones, medical and psychiatric treatment, the scarred life that results for an individual who has killed or injured others.

- (c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.
- (e) The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

The funds will ease the burden of declined and declining revenues due to COVID-19. Net revenue shortfalls are projected to continue through the end of this fiscal year, November 31, 2020. Projected losses include budgeted donor giving of \$67, 482. The future success of the Triangle Club relies on maintain a facility, facilitating programs and services for our patrons seeking recovery.

- (f) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.
 - (g) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.
 - (h) The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.
- (7) Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.

This not for profit organization would have specific designations for funds applied for; such as wages and salaries, insurance, or repairs and maintenance for example. Given our plan for spending those funds we would add specific sub accounts in our chart of account and allocate our expenses to those accounts. Our financial statements would include the identification of specific grant funds for this program.

- (8) Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.

Given the mission of this organization to offer recovery programming for those with substance use disorder, our reporting would include numbers of recovery meetings held, and numbers of people attending those meeting.

- (9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.

Mental health and rehabilitation services for people suffering from SUD. Access to these organizations supports long-term recovery of those suffering with addiction.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

- (10) What would your business, agency, organization, sector do with the funds that cannot be done currently?

The service/nonprofit sector will be able to use the funding help those most vulnerable community members receive the services needed to be well and productive members of our community. This allows for the betterment of our entire society. The Triangle Club will be able to continue to provide this critical link in the continuum of care.

- (11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

Families of those with Substance Use Disorder during stay the at home order. The people that live with those in recovery need support as well. Living with a person diagnosed or undiagnosed brings on its own set of challenges. Whole family and community support are what helps people stay in recovery. We have heard stories about the people in recovery needing support but so do the families of those same people. Some of these people are financially supporting their loved one with SUD as well as managing their mental and physical health need demands. SUD is a community issue that impacts all of us in one form or another.

* * * * *

SAB anticipates that its members will be reaching out to diverse interests and persons to request submission of comments, and we thank you in advance for considering these requests. We are all in this together, New Hampshire!

Please check the GOFERR website for current information on how to submit comments. All recommendations and information submitted in response to this request will be available for public inspection and copying in their entirety. For further information, please contact Joe Doiron at the GOFERR offices.

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- (1) Please identify your position and your organization.**
 - a. Todd Leach, Chancellor, University System of New Hampshire

- (2) Please identify what economic sector your enterprise operates within.**
 - a. Public Higher Education

- (3) Please describe how your enterprise and economic sector has been impacted by Covid-19.**
 - a. All USNH campuses moved to remote learning in March. Consequently, institutions disbursed \$41.6 million in prorated room, board, and fee refunds to students in April. As a result, it is projected the University System will end the fiscal year with a \$25 million deficit, the first time the system has ever run an annual deficit.

We have invested to improve our ability to offer classes remotely in order to ensure progress towards degree completion. We have closed research facilities and may have to cancel revenue-generating summer programming geared towards our regional communities.

All residential campuses have partnered with the National Guard to outfit recreational facilities with hundreds of overflow beds for recovering COVID-19 patients and readied dorms and cafeterias to serve first responders and healthcare workers for respite care and isolation and the ability to rest without the concern of infecting their families.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

We have devoted research equipment and other resources to combat the virus, producing and donating significant amounts of PPE, as well as respirator parts, and other medical materials. Costs for these efforts are anticipated to be reimbursed 75% by FEMA and 25% by the State.

(4) Please provide an assessment of how you project your organization and economic sector will be impacted over the next 12 months by Covid-19.

- a. Conservatively, USNH can project more than \$100 million in lost revenues and new expenses over the next 18 months. Actual costs could reach two to three times that amount.

A majority of the shortfall is directly attributed to lost revenues from room and board (estimated at \$84 million per semester of nonresidential learning), as well as the anticipated need for additional financial aid to students and their families to help mitigate new financial hardships

As the emergency continues to unfold, the potential impacts on enrollment, limitations on on-campus housing, remote learning requirements, philanthropy, grants, and the need to support the delivery of health care in the state make it incredibly difficult to properly estimate the full cost of the pandemic.

(5) Please explain whether your enterprise or economic sector has or is receiving, or may possibly receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address Covid-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

- a. The third federal stimulus bill (CARES Act) provided important financial support for higher education but falls far short of meeting institutional needs. USNH institutions will receive ~\$18 million from the CARES Act. Of that, ~\$9 million must be directed towards emergency student aid (these dollars cannot be used by universities to cover institutional costs, even those in support of students, such as refunds), while the other ~\$9 million can be used at the discretion of the institution to offset costs incurred to respond to COVID-19. This obviously falls far short of meeting even the spring institutional COVID-19 expenses of \$41.6M.

As stated previously, it is expected the costs incurred by our residential campuses to stand up surge facilities for local hospitals will be reimbursed with FEMA and State funding.

While it is possible further federal stimulus will be forthcoming USNH cannot rely on these funds as we plan for the future.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

- (6) **Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your enterprise and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:**

Requests of the State

- i. Support to ensure rapid and repeated coronavirus testing (supplies and administration) and tracing of students, faculty, and staff, and for planning for isolation and care for those who become infected: **\$5 million**
- ii. Support to equip 50% of academic spaces and build out the infrastructure to strengthen and expand our ability to consistently deliver remote, online learning and degree programs. These efforts will also allow us to support students' mental health and better engage them in extracurricular activities: **\$10 million**
- iii. Fiscal Year 2021 appropriations have frozen tuition for New Hampshire students and helped to support the Granite Guarantee, a program that covers the cost of tuition for low-income (Pell Grant-eligible) New Hampshire students. USNH institutions are fully committed to delivering on the freeze and will work to increase aid to New Hampshire students. The continuation of state funding is critical to our ability to provide the support we anticipate students and families will need.

Items i. and ii. will be critical to our ability to open campuses in a meaningful way this fall and to ensure the resumption of regular classes, research and other programming.

- (a) **The funds will serve a public use and provide a public benefit.**
- a. USNH institutions and our graduates will be essential to a post-pandemic economic rebound. College graduates benefit the State with greater tax revenues and lower incidences of poverty, unemployment, and crime, plus increased volunteerism and charitable giving. Our campuses are significant economic engines for the geographic regions of the State where they are located.

Support for the USNH requests will allow for the continuation of our mission in a manner that is conducive to the broad public health of the state.

Moreover, specific to the request for testing and tracing support, USNH institutions stand ready to be part of a broader, statewide network of testing facilities that will help to ensure residents across the state have access to the health information they, and they state, will need to allow us all to move towards a safe reopening of our economy.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

- (b) **The funds will preserve or increase the social welfare or economic prosperity of the state, and will promote the general welfare of the state's citizens.**
- a. USNH is charged by statute to provide educational programs “which serve the needs of the state and the nation; for research which contributes to the welfare of mankind, to the development of the faculty, and to the educational experience of students; and for its faculty and staff to bring educational resources and professional experience to the benefit of the state and its people.” (RSA 187-A:1). We are committed to meeting those responsibilities despite the challenges presented by the pandemic.

Residential college and university campuses provide significant programming open to regional residents as well as economic support for local restaurants and other businesses. Programming geared towards economic development and various business sectors is highly sought after by industries across the state. USNH serves as one of New Hampshire's most significant economic drivers, generating more than \$2 billion each year in direct and indirect economic activity each year.

- (c) **The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.**
- a. These initiatives will be critical to our ability to resume operations in the fall, preferably on campus but also in a continued remote environment if necessary. The state’s need for a highly trained workforce will continue on the other side of this crisis and a strong public university system with fully enrolled classes is necessary to meet that demand. Additionally, the University System is a large employer in the State. Our ability to reopen in the fall directly impacts the hundreds of jobs associated with serving over 25,000 students and \$120 million in research funding.

- (d) **The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.**
- a. The coronavirus pandemic is fundamentally altering the business and financial models of the University System of New Hampshire and of colleges and universities throughout the country. Experts project a significant number of closures and consolidations of higher education institutions in response to this unprecedented situation. While USNH was in a strong financial position before the pandemic, the challenges of the last two months have stressed finances significantly.

Support for these requests will allow USNH institutions to build out the infrastructure to enable consistent, long term solutions to serving our students, on campus or off, to ensure we can continue to enroll classes, meet our educational

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

mission, and graduate students into the workforce or help to advance the careers of the state's incumbent workforce.

- (e) **The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.**

a. Confirmed.

- (f) **The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.**

a. Beyond the economic need for a highly skilled workforce, USNH institutions are economic anchors of their regions both as large employers as well as bringing students and families to the area to support local businesses.

Our programs wrap resources around communities to progress on Opioid prevention and treatment, educate social and foster care workers, advance the learning of National Guard members and police and fire professionals and provide EMS training assessments. Additionally, these funds will further strengthen the USNH/CCSNH public higher education partnership as our systems will integrate more effectively to move students towards degree completion and into the New Hampshire workforce.

- (g) **The use of funds is consistent with the one-time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.**

a. Yes, one-time support will allow USNH to develop these capabilities for permanent use.

- (7) **Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.**

a. The University System will establish separate accounts in its general ledger to report how relief funds are being used and for what purpose. USNH can provide reporting at any level requested by GOFERR. We have established a separate three-member team to ensure we are evaluating, monitoring, complying and reporting on various COVID-19 funding and programs. We are happy to provide briefings to staff as well.

- (8) **Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.**

a. USNH is eager to work with GOFERR from the outset to establish baselines, reporting expectations, and other guidelines for public reporting. We want to partner and provide all information that will be useful in helping Granite Staters live with COVID-19 and to evaluate our response to this pandemic.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

Specific to USNH's two major requests:

- i. Remote learning: USNH can report periodically on the number of classrooms outfitted, the number of faculty trained, the number of students using the classrooms outfitted, the number of courses being shared across the system, etc. When the equipment is installed and operational, we would invite GOFERR staff to visit classrooms to see the impact of the investment.
- ii. Testing and tracing: USNH will be able to provide reporting of types of testing being conducted, the volume of that testing, tracing results, and any other information that is legally appropriate and available.

(9) Please identify other important organizations or functions in the State that have an important impact on your organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.

- a. We would encourage GOFERR to consider the K-16+ workforce pipeline. In the post-COVID era, we do not yet know how changing relationships with K12 and CCSNH could enhance NH's workforce pipeline and economic impact. More work is needed in this area and USNH welcomes the opportunity to partner with the State, K12 and CCSNH to leverage public relief funds to bolster opportunities.

Relatedly, we would encourage GOFERR to consider the needs of college going high school graduates and their families. While USNH institutions do offer among the lowest cost four-year (and beyond) degree options in the state, there is no doubt that this crisis will have a considerable impact on family and student finances as high school seniors are making their college decisions. Direct support for students could allow students to pursue a degree during this uncertain time, helping the state progress towards our 65x25 goals and also supporting the students long-term economic outlook, while also providing additional incentive to stay in state for higher education, significantly increasing the likelihood those students will live and work in New Hampshire after graduation.

(10) What would your business, agency, organization, sector do with the funds that cannot be done currently?

- a. We believe it is imperative to the economic health of the state that USNH institutions be open for some level of in-person instruction in the Fall. The only way to do that while also ensuring public health is with the most robust testing and tracing regimen available. We are focused on ensuring we have the testing capacity as well the necessary modifications to our learning and living environments in place to meet this goal.

Guidelines for Written Comments to the GOFERR Stakeholder Advisory Board

USNH has instituted austerity measures to limit spending and preserve resources while planning for multiple revenue and operational scenarios this Fall. In order to address these evolving needs, USNH is requesting supplemental state and federal assistance to assist with the two most critical needs related to our ability to resume classes in person. Given significant pressures on revenue as well as myriad other new costs associated with the pandemic, any support to address these critical needs will free up resources to meet other pressing items.

(11) We consistently hear different stories of what is occurring and what is needed; given the opportunity, please comment on what do you think should be said or considered that hasn't received much attention?

- a. Our students appreciate the resources that have been provided for remote learning allowing them to obtain credits and complete their degrees. However, they overwhelmingly desire to return to their campuses, faculty members and NH cities and towns and recapture their community experiences.

It is critical to stand up a world class online learning experience in order to support a teaching approach that keeps pace with the return of COVID-19 and also have robust and repeated testing capabilities if any students have a hope of returning to campuses. Without either, USNH runs the risk of losing significant amounts of students to online only universities and NH loses the future integration of high-quality graduates into the workforce, tax base, business and non-profit communities that will grow our economy.

* * * * *

SAB anticipates that its members will be reaching out to diverse interests and persons to request submission of comments, and we thank you in advance for considering these requests. We are all in this together, New Hampshire!

Please check the GOFERR website for current information on how to submit comments. All recommendations and information submitted in response to this request will be available for public inspection and copying in their entirety. For further information, please contact Joe Doiron at the GOFERR offices.



24 April 2020

Governor's Office for Emergency Relief and Recovery

Dear Committee Members:

Introduction

The Yankee Fishermen's Cooperative (YFC) in Seabrook, NH thanks the GOEFERR Stakeholder Advisory Board for allowing us the opportunity to participate in requesting COVID 19 emergency relief funds. The commercial fishing industry has been a mainstay industry in NH for the last 400 years and has been a vital element to our local economy. YFC, which was founded in 1989, is a member owned fishing cooperative, representing seventy (70) members within the commercial fishing industry. Since that time, it has been our mission to offer our fishermen members and non-members an organization that provides processing, marketing and support services for the seafood products they land at our facility and at other NH harbors. We provide a voluntary and open ownership to local commercial fishermen who accept the responsibilities of ownership and are willing to provide consumers with the highest quality seafood possible.

1. Please Identify Your Position and Organization.

Linda Hunt, General Manager
Jim Willwerth, Vice President, F/V Best Catch
Lou Nardello, Secretary, F/V Miss Fortune
Norman Moore, Director, F/V Sadie Amelia
Randy Gauron, Director

Jim Titone, President, F/V Flygirls
Tom Lyons, Treasurer, F/V Marion J
David Goethel, Director, F/V Ellen Diane
Pete Lagerstrom, Director, F/V Miss Maura

2. Please identify what economic sector your enterprise operates within.

YFC is involved in the commercial fishing industry which is a producer and harvester of seafood products supplied to both wholesale and retail markets and to the general public.

3. Please identify how your enterprise and economic sector have been impacted by COVID-19.

The main impact to our organization brought on by the COVID-19 pandemic has been the loss of our wholesale business to restaurants, seafood dealers and large seafood processors. This loss amounts to approximately \$3.2 million or 83% of our gross sales. Additionally, employees have been either furloughed or in quarantine thereby stressing our already diminished workforce. All budgeted capital equipment projects and facility improvements have either been cancelled or put on hold due to the uncertainty of our future revenue stream.

Yankee Fisherman Cooperative, 725 Ocean Boulevard, P.O. Box 2240, Seabrook, NH 03874 Tel: 603-474-9850, Fax: 603-474-9584, Email: yankeecoop@myfairpoint.net



4. Please provide an assessment on how you project your organization and economic sector will be impacted over the next 12 months by COVID-19.

Through the harvesting of seafood products landed at YFC, we estimate that approximately \$6,000,000 (six million dollars) is put back into the State and local economies. Over the next twelve months our business will be facing many challenges. First, the loss of the wholesale market will require the creation of a robust retail market for the seafood products landed at YFC. The next eight months are our prime commercial fishing and harvesting months, where the majority of our sales and income are earned. Without sufficient funds to implement a significant marketing and advertising campaign to sell our seafood products in a retail marketing environment we face the potential of curtailing fishing activity by our members, thereby creating a reduction of income not only to YFC and our members but also to the local economy. Second, along with the increase in fishing activity, there is also the requirement to hire new seasonal employees to get us through our busy season. With the uncertainty in business conditions over the next twelve months, hiring of new employees will be either eliminated or limited to essentials only. Third, another large segment of our business is dependent on export sales to the Far East, Europe and sales to NY markets. The uncertainty of the Far East/European and NY markets will be felt through the saturation of domestic markets from other countries such as Canada.

5. Please explain whether your enterprise or economic sector has or is receiving, or may possible receive in the future, any other governmental support (federal, state or local) or charitable funds specifically intended to help address COVID-19 impacts; and explain whether the identified need might be covered by other governmental or charitable sources of funding or support programs.

In March and April of this year, YFC applied for disaster relief loans through the Payroll Protection Program (PPP) and the Economic Industry Disaster Loan (EIDL) programs. We have been notified that due to oversubscription and exhaustion of funds, our applications were not considered or approved for funding. Once congress passes a relief package to replenish these programs, it is our intent to re-apply for loans under these programs. Under the CARES legislation, the National Marine Fisheries Service (NMFS) was allocated \$300 million in disaster relief funds for distribution within the commercial fishing industry. To date NMFS has neither released any of the allocated funds nor established a determination on how these funds are to be distributed.

6. Please provide comments on one or more ideas on how some portion of public relief funds could be provided to your organization and economic sector (including, if possible, an estimate of the amount of funds), and please comment on how these ideas would achieve the following important public goals:

(a) The funds will serve a public use and provide a public benefit.

Like farming, commercial fishing can also be categorized as an industry that feeds America.

Currently, 90% of the seafood consumed in the U.S, is imported, and often from countries with

*Yankee Fisherman Cooperative, 725 Ocean Boulevard, P.O. Box 2240, Seabrook, NH 03874 Tel: 603-474-9850,
Fax: 603-474-9584, Email: yankeecoop@myfairpoint.net*



little or no safety standards or regulations. New Hampshire consumers have rapidly learned that food security is of paramount concern and short supply chains lessen the risk of food insecurity. At YFC, we are proud that the seafood products we harvest provide a safe, valuable and nutritious food product to the people of NH in a “Boat to Plate” manner. American fishermen are stewards of the sea and would relish the opportunity to increase the domestic share of seafood consumed by the American and New Hampshire consuming public.

(b) The funds will preserve or increase the social welfare or economic prosperity of the state, and promote the general welfare of the state’s citizens.

YFC is situated on the scenic NH seacoast in the picturesque fishing village of Seabrook. Conveniently located on Route 1A, YFC has become a frequent must stop for tourists visiting NH, anxious to experience a true working waterfront and to witness fishing vessels unloading their catch of fish, lobsters or even a giant Atlantic bluefin tuna. This gives the public a chance to connect the seafood they consume with the fishermen catching this great fresh locally harvested product. Tourists can actually see for themselves how big a giant bluefin tuna can be or what a cod or haddock looks like before it is filleted. This builds a connection with the seafood industry and the consumer. Also, through our wholesale and retail operations the state will benefit from funds captured through the Business Enterprise Tax (BET) programs. In addition, our retail business, would provide tax revenue to the state through the Rooms and Meals tax program.

(c) The funds will promote the orderly development of economic and social activities, create or preserve employment opportunities, or protect the physical environment.

As stated earlier, the next eight months will be the prime operation time for seafood product landings at YFC. To meet the high business levels associated with this time period, we would be hiring additional employees to meet this peak business demand.

(e) The funds will contribute significantly to the continued operation, competitiveness and future success of the organization and the economic sector, and will enhance the resiliency of the organization to survive future economic or health challenges.

The main thrust of our use of funds would be to create a comprehensive marketing and advertising plan promoting locally harvested seafood products to not only provide for the future success of YFC but also for the success of the entire statewide commercial fishing industry. Then through this program it would allow YFC to continue its operation at full strength to assure a steady supply of the beneficial food source for New Hampshire.

(f) The use of funds is not in conflict with local or regional development plans and policies, or any other provision of state or federal law.

Yankee Fisherman Cooperative, 725 Ocean Boulevard, P.O. Box 2240, Seabrook, NH 03874 Tel: 603-474-9850, Fax: 603-474-9584, Email: yankeecoop@myfairpoint.net



To the best of our knowledge and belief, should YFC receive funding under this program, there would be no conflict with any regional development plans or violation of any laws or regulations.

(g) The funds are structured in a way that will help the community and the State at large, and not just the particular private business or organization.

Any funds received by YFC would allow continued operation and income to the business which will provide employment opportunities to individuals, tax revenues to the State and local municipalities, a steady supply of sustainable locally caught seafood products and a general spending on goods and services from local businesses.

(h) The use of funds is consistent with the one time availability of the public relief funds and will not require future continuing operational support from the public sector in order to maintain success.

Despite the business impact over the years from over reaching federal fishing regulations, YFC has been able to adapt to the changing business climate. However, the COVID-19 has created unprecedented business conditions which seriously threaten the existence of this organization. We anticipate that eventually business conditions will return to normal but the timeframe for this happening is unpredictable. In the meantime, with the use of relief funds to assist in a campaign to expand markets and shift from our heavily weighed wholesale business, we should not require any continuing operational support.

7. Please describe how the receipt and use of the public relief funds described in question 6 could be accounted for in your organization's financial statements.

YFC will establish a separate banking account for segregated tracking of any funds received under this program. Secondly, our accounting program does allow for implementation of separate accounts to accurately track specific expenditure of the funds received from this program.

8. Please describe specific measures for public reporting on the receipt and use of the public relief funds, so that the State may satisfy any public reporting obligations that may be imposed with respect to such funds.

Presently, YFC and the town of Seabrook have established a reporting dialogue whereas financial as well as tax information is disclosed to the town. With the specific accounting program we will have in place for tracking any disaster relief funds, financial statements to report the exact expenditures of funds can be provided to any state agency.



9. Please identify other important organizations or functions in the State that have an important impact on you organization or economic sector, and, if possible, provide ideas of how those organizations and functions may be assisted by public relief funds in a manner that would help your organization or economic sector.

During our fiscal year we occasionally contribute funds to local charitable organizations. There may also be occasions where financial assistance is provided to a YFC member who might be facing major repair expenses to their fishing vessel or equipment. With the current economic conditions charitable donations and financial assistance will be discontinued.

10. What would your business, agency, organization, sector do with the funds that cannot be done currently?

In order to increase public awareness to a retail oriented market business, we currently lack sufficient funds to increase advertising/marketing of our products. A portion of any funds received would be earmarked to adapt to a new business model to cater more to retail and private markets. This would require a substantial increase to advertising/marketing budgets and funding for additional transportation assets to assure deliveries to local businesses and private customers. At this time we estimate that the funds required to sustain current business standards and to adjust business practices and models to reflect the changing market environment would be \$250,000.

11. We consistently hear different stories of what is needed; given the opportunity. Please comment on what do you think should be said or considered that hasn't received much attention.

Besides the COVID-19 pandemic currently upon us, the commercial fishing industry faces many challenges. Commercial fishing is one of the most regulated industries in this country. In addition, the industry is under constant attack by various groups for fear of overfishing, damage to the ocean's environment and for the loss of adequate working waterfront. Further, the industrialization of the oceans by wind farms, offshore aquaculture, deep sea mining and oil exploration threatens to wipe out vast areas of ocean to any type of fishing activity. Fishermen are known to be world class problem solvers and will solve these challenges as well as others that will develop. Yankee Fishermen's Cooperative asks for assistance in making New Hampshire's fresh, locally caught seafood more available to our local consumers.

Thank you again for this opportunity to participate in this program. We look forward to further discussing this subject. Should you have any questions or if you require additional information, please do not hesitate to contact either Linda Hunt, General Manager or Jim Titone, YFC Board of Directors.



Families in Transition

Providing a Home. Building Hope.

April 27, 2020

RE: Comments to the Governor's Office for Emergency Relief and Recovery's Stakeholder Advisory Board

Dear Members of the Governor's Office for Emergency Relief and Recovery's Stakeholder Advisory Board,

Thank you for your tireless work and commitment to provide resources to New Hampshire communities as we work together to respond to COVID-19. My name is Cathy Kuhn, Chief Strategy Officer and Interim Team Leader of Families in Transition-New Horizons. Families in Transition-New Horizons is a nonprofit entity providing a range of services to people experiencing homelessness across New Hampshire. We operate three emergency shelters, including two family shelters in Manchester and Wolfeboro, NH as well as the largest shelter in the state for single individuals in Manchester. We also own over 200 units of transitional and permanent supportive housing for individuals and families who face significant challenges to wellness and need intensive supports to maintain housing stability. Our services include intensive case management, therapeutic services, substance use disorder treatment, a food pantry for people the community who are food insecure, and a daily food support for people residing in our 24/7 shelters.

At Families in Transition-New Horizons, for the past 9 weeks, we have been laser-focused on creating immediate solutions that will best protect the very vulnerable population that we serve. Some of this has included working to quickly stand up two separate sites to allow for decompression of crowded shelters and for quarantine locations for people without homes when it is needed. Standing up these sites has meant hiring approximately 40 additional workers, while also providing the operational expenses associated with operating two new facilities, for a total estimated expense of approximately \$650,000. We have currently invested \$150,000 of our own funds into this response, and anticipate receiving additional support from the State of NH to cover the outstanding costs. We are also working ensure that people who

are living outside have the resources that they need to be safe and remain healthy where they are so that they are not having to move around the city to get their needs met. At the same time, we are working to continue our core services including case management to the over 600 people who live in our housing across the state and ensure that they have the resources that they need to successfully comply with the stay-at-home order or quarantine or isolation if needed. Some of this has meant developing a new food/supply delivery system, setting up telehealth services for our SUD programs, and connecting to people electronically for basic case management services. These additional services are anticipated to cost approximately \$47,000. We are still confronting new challenges every day and are pivoting our plans based on the need that is in front of us at any given moment.

It is critical that we recognize the incredible work that is being done by our staff during this time. Our emergency shelters are 24/7 operations and staff are risking their lives to be on the front line and continue to serve this very vulnerable population during this uncertain time. We have been fortunate to provide them with additional hazard pay and bonuses to help incentivize them to continue to provide the essential services that they do, which has created an additional \$250,000 unexpected expense in the budget. We anticipate that these funds will eventually be reimbursed while the pandemic lasts, however, we feel that it is critical that we have resources available to continue to provide these incredible frontline workers with a living wage that allows them to adequately provide for themselves and their families even after the crisis ends.

Over the past 8 weeks, we have been fortunate to receive new funding from a variety of sources including private foundations and individual donors. We were also successful in acceding a PPP Loan which has been critical in keeping our staff employed during this time. While we anticipate additional support coming from the CARES Act to support the response, those funds have not yet come to fruition as of yet.

At the same time that we have received some unexpected funding to support the COVID-19 response, we also have had a loss of revenue in three key areas: 1) Loss of rent revenue – overall rents have dropped 7% since January and we anticipate the trend to worsen as this continues; 2) Closure of our Thrift Store, which provided approximately \$60,000 per year towards the agency's mission; 3) Potential loss of revenue due to a change in format from an in person fundraising event to a virtual event.

Even in the midst of this immediate crisis, we are beginning to think more deeply about the longer term implications of this crisis. We know that once the eviction moratorium is lifted, many low-income people will be facing months of arrearages and will need financial assistance to ensure that they do not lose their housing. Even with the increased assistance that is expected to come from new federal ESG and CDBG funds, we know that those limited funds will not be enough to prevent everyone from an eviction, and that we will need to be prepared for a potential surge of individuals and families coming into homelessness when the moratorium is

lifted. Before COVID-19, every shelter across the state was full and we anticipate needing to scale emergency shelter solutions for those facing an immediate housing crisis while at the same time obtaining more resources to help families return to permanent housing as quickly as possible.

Ensuring that homelessness does not increase after this immediate crisis ends also means supporting landlords to maintain their housing stock safely and affordably. We know that landlords are facing increased expenses associated with maintaining a safe living environment for their tenants during COVID-19, at the same time that rent revenue is declining. At FIT-NH, we own over 200 units of housing throughout NH, and we are currently experiencing a 7% loss of revenue due to a reduction in rental payments. We anticipate that this reduction in rental payments will continue to grow as this crisis continues. Furthermore, we also recognize that there will be additional expenses associated with preventative maintenance work that is being deferred during this time of crisis. Deferring this work will create additional expense both in labor costs as well as in the complexity of the work that will be required once we are able to work more regularly in the buildings.

Finally, one of the biggest challenges that we will face as we work to recover from this crisis is the lack of affordable housing in almost every community in the state. Vacancy rates in NH are astoundingly low and low-income people have been struggling to find affordable housing in our state for a long time. With more people facing increased hardship due to the economic fallout from Covid-19, the supply of affordable housing in the state will be under even greater pressure than it was before. It is clear that the creation of new affordable housing is a critical part of any economic recovery and we would be remiss if we did not include funding for the construction of new housing as an essential part of the response plan.

Again, we thank you for your leadership and for the work that you are doing to ensure that New Hampshire communities have the resources that they need to adequately respond to this crisis and protect all citizens, including those who are most at risk for severe short- and long-term consequences as a result of this virus.

Thank you for taking the time to read these comments and do not hesitate to contact me if you have any questions.

Sincerely,

Cathy Kuhn, PhD
Chief Strategy Officer
ckuhn@fitnh.org
603-325-1686

April 27, 2020

TO: GOEFERR Stakeholder Advisory Board

Grace House of Windham
Residential Care for the Elderly

The long-term care industry has not suffered a loss of jobs during this pandemic as have so many other New Hampshire businesses, but we have faced immense challenges in other ways.

Over ten thousand residents and staff in long term care homes in the U.S. have died from COVID-19, accounting for as much as 50% of the reported deaths in some cities. This has put enormous stress and anxiety on long-term care employees, families and owners.

Shortages of Licensed Nursing Assistants (LNA's) have long been an issue here in New Hampshire and nationwide. This problem has proven to be dangerous throughout the crisis as without proper staff-to-resident ratios, patient care suffers as well as the health and well-being of our healthcare workers. Consequently, it becomes more difficult for senior housing facilities to prevent and mitigate an outbreak.

Senior housing facilities must keep staff out of work as a result of exposures, symptoms or after a positive testing. These employees need to be paid while they are kept out and facilities need to fill these vacant shifts, often by employees at an overtime pay rate. These costs have placed a financial burden on many homes here in New Hampshire.

Stipends being offered to those health care workers employed at Medicaid-funded facilities, and not to private pay homes, greatly harms employee retention and recruitment at these facilities. Unemployment reimbursement also creates obstacles for homes. If a health care worker can earn as much or more while staying home vs. being employed, how does a facility compete with government incentivized unemployment?

Licensed Nurses Assistants are the lifeblood of a long-term care facility. I have long believed that if all nurses and administrative staff were to walk out of a long-term care home, not much would change. However, if all nurse's assistants were to walk out, who would dress, feed, toilet and meet the daily needs of our elderly? They are

BY FAR THE MOST IMPORTANT element in long-term care and our elderly population are enormously dependent upon them.

Wages for these employees are often quite low. A recent study showed nearly 6 in 10 Long-term care workers are in the bottom two wage quintiles for earners, defined as workers earning less than \$30,000 in 2018. Many employees hold positions at more than one facility to increase their income. This proved problematic during the outbreak in Washington State. It was found that positive staff from one facility were spreading the virus to other facilities in which they were employed.

Agency Staff hold a similar risk. Outsourcing workers is a risk many facilities must take due to the difficulty in finding employees. Agency workers also pose a financial burden on employers, often costing them as much as double the hourly wage of a house employee.

I realize the job of this taskforce is to evaluate and effectively allocate the funds assisting business through this critical recovery period, and that some of the issues I have brought forward may seem outside the scope of the board. The long-term care industry has been dealing with many of these problematic issues for years. Tragically, this outbreak has exacerbated many of these long-standing problems.

This industry will be the LAST industry to get back to “normal”. It is very likely we will forever have a “new normal”. How do we continue to keep this population safe during this journey back to our new normal? What resources will we require? And what assistance can this board play in helping us get there?

Sadly, this will likely not be the last crisis our New Hampshire long-term care homes will face. How can we better prepare for the next? We need to figure out a safe way to move forward through this crisis while we prepare for the next, and I believe we must be able to do this while businesses reopen.

While we need to continue to protect the elderly and those with predisposed conditions, Americans need to get back to work. According to the US Census Bureau in 2017 there were 7.7 million elderly living at or below the poverty level. They are the population that most depends on government funded programs for care when they can no longer care for themselves. This is the very same population we have been working so hard to keep safe, yet they will be the very ones that will stand to suffer the most from economic fall out.

As a nurse I must continue to restrict visitors to my long-term care home and my staff must continue taking full precautions to keep our residents safe. We must all take safeguards to protect those around us, make careful decisions on our behavior, and follow the guidelines put forth by the medical experts. However, we need to do this while getting Americans back to work.

FUNDING NEEDS:

-PPE- Most homes in NH used up their Emergency stock pile of supplies during the first few weeks of this outbreak. This has created a financial and procurement burden and most of us have had to depend on what the state can supply, as well as pay an increased price for products on line. It would be extremely beneficial for some of this funding to go towards replenishing facilities stock supply of PPE. This would help us prepare for any future outbreaks and assist with the financial loss we suffered with supplies. This amount should be based on the average staff size, not by the amount of residents that reside. Staff size is an important factor because homes have residents with very different needs and staff- to-resident ratios can differ dramatically.

-Address the discriminating stipends being offered to health care workers in Medicaid funded homes. Allocate funds for ALL healthcare workers.

-Funds being allocated for an **“LNA Apprentice Program”** that would allow facilities the ability to train, teach and test new employees. This would allow an employee to earn a paycheck while they train to become a Licensed Nurses Assistant. Currently, programs are costly and only offered in time slots that can be difficult for some that need to earn a wage. This would open up more opportunities for some that may think they don’t have the time or the funds to start a career in the health field. Skills that are taught “hands on” in the work place prove more valuable than what is learned sitting in a classroom and this program can take a more practical approach, allowing increased training with direct patient care.

-Allocate funding for ALL long-term care homes to have access to COVID-19 at home test kits. These have been approved by the FDA and will prove much more useful than a one time swab test. If an employee is sent to a clinic for a one-time swab and tests negative, they could within hours or days be exposed. This virus could pose a threat to our industry well into the New Year and we MUST not be short sited with this fragile population.

-Allocate funds to all facilities for antibody testing. This testing could prove useful if the medical experts find that one cannot be re-infected by the same virus.

-For Homes that did NOT apply for the PPP funds, allocate funds to assist with payroll increases created by COVID-19 (overtime, keeping employees out due to suspected or positive testing, hazard pay and use of agencies help)

I want to thank you for the opportunity to present the current issues facing long-term care in New Hampshire. I look forward to addressing you by phone in the near future.

Sincerely,

Susan A. Pike- Owner/Administrator
Grace House of Windham
Office 603-889-1800 / Cell 603-490-6601

NEW HAMPSHIRE HOUSING AUTHORITIES CORPORATION

DATE: April 27, 2020

TO: The Governor's Office for Emergency Relief and Recovery (GOFERR)
Stakeholder Advisory Board ("SAB")

FROM: Craig W. Welch, President, NH Housing Authorities Corporation
Executive Director, Portsmouth Housing Authority

RE: Emergency Relief to New Hampshire Affordable Housing Providers

Thank you for seeking comment regarding the distribution of federal Covid-19 Emergency Funds.

Please let me first stress that it is absolutely imperative that we have the funding and equipment we need to assure the health and wellness of our front line maintenance workers and property managers who are highly essential to our operations and care for our residents.

New Hampshire's seventeen Housing Authorities own and operate nearly 6,000 housing units and provide housing assistance payments to an additional 10,000 households statewide. Approximately 80% of the 22,000 family members, seniors and people with disabilities that we serve, survive on income less than 30% of the Area Median Income (AMI), or what HUD identifies as Extremely Low Income. Here in Portsmouth, that is the equivalent of a family of four making approximately \$30,000 per year.

While the COVID-19 pandemic is impacting New Hampshire citizens of all income levels, the impact of this crisis is being most acutely felt by the poorest among us, as well as all the agencies and organizations that serve our most economically vulnerable citizens.

The state's lowest income citizens are being disproportionately impacted due to very high levels of job loss, impeded access to both physical and mental health care, exacerbated learning loss for students who have less supports, technology, services and food which they count on being provided in a school setting, and many other areas.

Housing Authorities and other affordable housing providers are feeling these impacts through dramatic declines in rental revenue, while bracing for a potential surge in evictions and the operational challenges of housing thousands of people with mental illnesses who have not been accessing services during the State of Emergency. We also recognize that demand for affordable

housing, which exceeds the supply in times of growth, will expand exponentially for years as COVID-19's impact ripples through our economy.

Over the next 12 months, we anticipate our residents will be impacted through cancellation of youth and senior programs, increased mental health problems related to uncertainty, isolation, and impediments to care, longer waitlists, and decreases in the number of Section 8 vouchers we will be able to issue.

While the federal Department of Housing and Urban Development has issued more operating funding, Section 8 funding, and regulatory waivers to help reduce costs, we do not see these extra funds being sufficient to make up for the revenue shortfalls nor will they do anything to address the increased need for affordable units that we undoubtedly see.

Our suggestions for one-time emergency funding include:

- Create a short-term eviction aversion program to keep renters experiencing COVID-19 related economic hardships from losing their homes. This program could be modeled after HUD's Disaster Housing Assistance Program, which is made available to eligible households after natural disasters including hurricanes Katrina and Sandy.
\$25 million and \$1 million for program administration.
- Provide one-time capital funding, including a significant infusion of funds into the State's Affordable Housing Trust Fund, to encourage and accelerate the development of new affordable units. It is imperative that the body responsible for administering the funds be given broad latitude to deploy them as flexibly as possible so that funded projects meet the precise needs of the communities in which they are being built.
\$100 million.
- In order to capitalize on opportunities to permanently preserve existing affordable housing, provide one-time capital funding specifically for non-profit housing developers to purchase "expiring use" or distressed multifamily properties.
\$15 million.
- In order to continue to provide supports and services to our low-income residents, establish an affordable housing innovation program to help housing providers improve their organizational resiliency. The program would help organizations invest in training and technology to easily transition to remote work environments, establish administrative consortia, and provide residents access to services remotely, including telehealth, online training, and coordinated applications and recertifications for housing and other support services.
\$1 million

- In order to help organizations like ours develop comprehensive emergency response and management plans, including pandemic preparations, funding for professional services and coordination of these efforts with Fire, Police, Health care and other agencies is timely and essential.

\$250,000

- In order to assure housing and other projects funded by the NH CDFA, but for which businesses are not able to purchase tax credits for, provide a 1-2-year credit to cash conversion of these funds.

Equivalent of two years actual CDFA credit allocation.

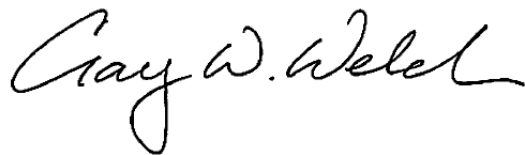
Housing Authorities are already highly regulated, with the strict accounting practices, audits, and public notification and transparency requirements of a public organization. We are accustomed to and adept at public reporting and tracking of routine and emergency funding and will easily be able to comply with public reporting requirements.

Other important organizations that we rely on are the New Hampshire Housing Finance Authority for capital subsidies, grants and loans for the preservation of existing affordable housing or construction of new affordable housing, and the NH Community Development Finance Authority that can also provide resources, although limited, to further the development of new affordable housing.

Our residents also count on access to affordable health care, and most notably, mental health care. The quality and efficacy of our mental health area agencies is critical to providing supports for our residents and has a direct impact on our organizations.

Without additional funding, we cannot seize on the opportunities for cost saving technology, preserve and develop affordable housing, facilitate opportunities for telehealth or other services to improve health care accessibility for our residents, prevent rent payment related evictions, plan for future emergencies, or provide the best possible protection for our front line workers.

Sincerely,

A handwritten signature in black ink, reading "Craig W. Welch". The signature is fluid and cursive, with the first name "Craig" and last name "Welch" clearly legible.

Craig W. Welch
President, New Hampshire Housing Authorities Corporation
Executive Director, Portsmouth Housing Authority

To Governor's Office for Emergency Relief and Recovery Stakeholder Advisory Board:

On behalf of our three HUD Housing Counseling organizations, NeighborWorks Southern New Hampshire/HOMEdteam, The Housing Partnership and AHEAD: Affordable Housing Education and Development, we are thankful for the opportunity to contribute recommendations for the allocation of federal Covid-19 emergency funds to address fundamental needs of the State of New Hampshire. All of us have experience in the past working collaboratively through HomeHelpNH, assisting NH residents through the previous foreclosure crisis with great success.

We respectfully submit the attached recommendations for consideration. Please feel free to contact any of us for additional comments or questions.

Paul McLaughlin
Homeownership Director
NeighborWorks Southern New Hampshire/HOMEdteam
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Renee Woodard
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GOFERR

Homeownership

Statement of Importance and Call for Action: Single-family homeownership matters to New Hampshire's homeowners and economy, and homeownership matters to the businesses and individuals who work in housing finance and supporting homeownership like contractors. This sector has been significantly impacted by COVID-19. Any "relief and recovery" efforts must include funding for the homeownership sector.

Data:

- 71% of occupied housing units in New Hampshire are owner-occupied. (Think of this as a 71% homeownership rate.)

- There are 378,742 owner-occupied units/households with approximately 992,304 people living within. This is approximately 73% of the NH population. 64% of owner-occupied units have a mortgage.
- Owner-occupied median household income is \$91,608 (approximately the median household income for New Hampshire).
- Approximately 67% of loans are considered federally backed (according to the latest 2018 HMDA data).

Source: U.S. Census Bureau, 2018 American Community Survey 1-Year Estimates

Recommendation: Create a Homeowners Assistance Fund that provides sufficient flexibility to allow New Hampshire Housing and others to address the COVID-19 challenges and also provides sufficient agility to change the use of funds as the relief and recovery continues. The needs will likely change over time. If things get worse, current homeowners will need relief. If things improve, then recovery will be the focus, including recovery help for current homeowners (keep the home) and for new homebuyers (buy a home). The goal would be to map out permitted uses, including these uses (detailed below):

- Education and Counseling
- Outreach, intake and referral
- Forbearance assistance
- Foreclosure avoidance
- Recovery efforts to provide homeownership opportunities and help stabilize the housing market

Note: Many people impacted by COVID-19 are workers who have provided essential services during the pandemic. Helping them stay on track would show appreciation for their efforts. This group includes lower income people, New Americans, healthcare workers, employees at grocery stores and pharmacies. A recurring suggestion was: a significant downpayment and closing cost program to essential workers with certain income limits (or other “nonessential” workers who did not get to work).

Homeowners Assistance Fund Options:

Education and Counseling: Provide homeownership counseling based on the need of the homeowners, the type of mortgage and the state of the economy.

- Forbearance counseling.
- Credit repair following re-employment.
- Foreclosure prevention strategies.
- This could be modeled on HomeHelpNH, which helped borrowers during the great recession.
- For recovery: homebuyer education

Communication: Lots of misunderstanding and even misinformation is out there. Outreach could provide resources and referral information to get homeowners to the right place for unbiased counseling. This could include simple messages about forbearance and what to consider.

- Ads, search engine optimization for certain phrases, online video or training that is focused on COVID-19 issues.
- The outreach could, as was done with HomeHelpNH, include info that the funds were provided by State of New Hampshire etc.

Intake and Referral: Utilize 2-1-1 NH to provide intake and referral.

- Existing system that works well for this type of work.

Forbearance Assistance:

Two groups:

1) Borrowers with federally backed loans. (67% of mortgages in New Hampshire) Under the CARES Act, they have an immediate way to get help with the forbearance. BUT they will have the challenge at the end of the forbearance period.

- Counseling for borrowers as they decide if forbearance is right for them.
- Counseling for borrowers in forbearance so borrowers plan ahead for the end of forbearance period.
- Counseling and financial help for borrowers as they come out of forbearance (lenders' #1 concern; confirmed by housing counselors). This could include help negotiating with servicer, help with making a lump sum payment with repayment financed over time.

2) Borrowers without federally backed loans (33% of mortgage in New Hampshire). Not covered by the CARES Act, and so, these borrowers lack an immediate way to get relief. This could include helping borrowers with the New Hampshire Community Loan Fund's MH lending program and borrowers with loans in portfolio with community banks.

- Provide some type of payment relief to make a certain number of mortgage payments. Likely secured by second mortgage of some type.

Foreclosure Avoidance: Loss in income/employment and reduction in savings will impact current borrowers and their ability to pay their mortgage. Keeping people in homes, if they can afford the home long term, helps homeowners, communities and the overall economy.

- Counseling.
- Payments to allow borrowers to catch up on mortgage payments, which could include a second mortgage for eventual repayment.
- This would include homeowners in manufactured homes.
- Could include a loan purchase strategy where a nonprofit buys nonperforming loans and restructure them so borrowers can afford payment, stay in the home and eventually pay off/back the full loan.
- Some homeowners may only need assistance with a few months of mortgage payment. Create a small dollar, easy-to-access small grant program for these homeowners.

Community Stabilization for Resident Owned Manufactured Home Cooperatives (ROCs):

New Hampshire 132 ROCS with 8,200 residents who live across the state in manufactured homes. In these ROCS, residents pay the ROC a monthly ground rent. With the COVID-19 impacts, some residents will be unable to pay the ground rent. Providing the ROCs with access to a fund to cover shortfalls, provide TA will help preserve one of New Hampshire's most affordable homeownership option.

Recovery: Households, communities, the state's economy, real estate professionals and housing finance companies will need support coming out of the economic and personal impacts of COVID-19. The best way to do this is direct help to homebuyers, which then helps ensure the real estate market recovers along with those who work as lenders, real estate professionals, contractors and other housing related industries.

- Downpayment and Closing Cost Assistance for Homebuyers: Many low- and moderate-income borrowers who were impacted by COVID-19 will have spent their savings, making it impossible to buy a home. Providing downpayment assistance will hasten their return to the market and help the overall economy.
- Addressing Credit: Hard for the state to address the credit issues that COVID-19 will have caused, but perhaps some funds to help improve credit or provide DPA would improve ratios and make it easier for borrowers to qualify even with the credit challenge.



29 April 2020

Mr. James Key Wallace, Executive Director
New Hampshire Business Finance Authority (BFA)
2 Pillsbury St., #201
Concord, NH 03301

Dear James:

On behalf of the Alliance of Regional Development Corporations (RDCs), we appreciate your request to open a dialogue on collaboration related to our respective proposals before the GOFERR Stakeholder Advisory Board (SAB). As you know, the RDCs collectively requested \$50 million for small business lending that we are convinced we can quickly and effectively deploy within our respective regions. We know that you have read our proposal so we will not restate the details of it here.

Please understand that the RDCs would have been happy to collaborate on the proposals had we known that BFA was submitting a comprehensive proposal of its own. As you know, each RDC has been reaching out in various capacities and to various agencies to express the needs of the businesses within our respective regions. We felt it a dereliction of our duties had we not expressed the needs of New Hampshire through the SAB process and to seek lending capital to do the work we do. More importantly, perhaps, we were asked to do so by several members of the SAB.

We discussed with you previously, an earlier plan devised by the RDCs for an \$100 million investment in New Hampshire small business lending before we knew the SAB process would take place. Within that early plan – and through various discussions between you and some of the RDCs – we made it clear that BFA was the likely lead agency for any recovery efforts that dealt with small business lending. But, we always envisioned the RDCs as playing critical roles as regional service delivery partners. As you know, we are a network of non-traditional small business lenders that, over 25 years, have made thousands of loans within our regions, we know of no other network that can match our ability to reach and serve small businesses in every region of the state.

It is for this reason we include the BFA as a critical partner in our proposal to the SAB. We believe the comments from the SAB, throughout our respective presentations, makes one important point clear: we should be working together to ensure any funding can be used wisely, expeditiously, and impactfully.

Our initial ideas for collaboration with the BFA focus on three overriding principles: delivery, impact, and accountability:

Delivery

The BFA is not currently staffed to take on what might amount to thousands of small business loans through this program. A network of 10 RDCs can provide depth to engage businesses and close loans in all parts of the state. Several RDCs have successfully deployed emergency loans (REDC and MWVEC approved 42 emergency loans in the last few weeks alone) during this crisis. The RDCs have established

service delivery systems, audited fiscal controls, and the local knowledge that can reliably extend the state's reach and expand the state's deal volume.

Impact

It is critical, perhaps now more than ever, that the impact of small business lending be felt across the State. Businesses in the North Country should have as uniform access as possible to these funds as businesses on the Seacoast do. We understand the BFA has statewide reach, but we do not believe any State agency – BFA or otherwise - knows the small business community within our regions better than the RDCs themselves. This is because RDCs collaborate with our Chambers of Commerce and help implement the economic development plans drafted by our Regional Planning Agencies. We believe we made that point clear during our presentation and we appreciate your acknowledgement of this during yours.

Accountability

Much like the BFA, the RDCs have been accountable to several State and federal agencies over the years – dealing with several different programs. We would have no issues dealing with any accountability requirements related to these funds. We would note, however, that the banks are not accustomed to these particular types of requirements, and – for this reason – banks will be challenged to respond quickly and at scale.

In addition, we are ready to engage with all small businesses impartially and without reference to prior relationships. We have all seen how the Paycheck Protection Plan (PPP) has played out in the media and within the business community. Its effectiveness has been impacted by many variables; but one of those involves the perception that some banks were inclined to assist favored clients, leaving smaller businesses with no viable alternative to access the PPP. Some banks (and some State agencies) went so far as to recommend businesses use Fintech lenders to access the PPP. The effectiveness and long-term impacts to businesses using that strategy will no doubt be analyzed in the months ahead.

To tie the principles of the RDCs expressed above to the two primary avenues that you expressed to the SAB, where RDCs could access lending capital through the BFA, we would offer the following comments:

Lines of Credit

It is true that several of the RDCs have established lines of credit (LOC) with BFA and that access to capital has been a valuable tool for us. But, as you know, it comes with risk to the RDCs. Because of that, RDCs are using those funds on the strongest of our deals – where collateral and strong evidence of debt service capacity is evident, but where a gap nevertheless exists.

The loans envisioned in both the RDC and BFA plans before the SAB are far riskier, as they focus on helping businesses survive these extraordinary times. As such, the RDCs should not be expected to incur extraordinary risk in the use of these funds.

Access to the BFA Capital Access Program

This proposal was a surprise to us, as it has never been discussed with the RDCs in the past. Though we would like to hear what you have in mind along these lines, it does seem that designing a program that can be used both by the banks and RDCs in the same fashion, would confuse the historical purpose of RDC financing - to fund the portion of a project (gap or otherwise) that the banks will not do. Unless they were structured differently, it would confuse both the banks and the borrowers. In essence, there would be no gap – there would be a choice by the borrower for two sources of the same funds – the bank or the RDCs. We continue to believe the banks should finance the deals (or portions thereof) that they will do,

and that the RDCs should focus on the gaps or the projects the banks will not do. At this time, the difference between the two should be tested before any financing is approved.

What we believe was the focus of our presentation remains a critical tool for New Hampshire's businesses: a direct loan from the RDC to the business within our region – the business we know and the businesses that know us; where the credit relationship is solely between the RDC and the business. We understand and appreciate that certain Statewide guidelines must be set, and where our plans differ, we believe there is middle ground.

For reasons expressed above, we also believe that the banks should not be funded through this process to make direct loans to businesses. There are plenty of ways that BFA can enhance credit facilities that the banks would agree to do using those enhancements. Funds provided to the banks for direct lending is, in our opinion, a questionable approach – ripe with potential problems - and we would hope that that approach is not under serious consideration.

In closing, every RDC has expressed a willingness and a heightened level of resolve to help during this crisis. We have – through hundreds of existing loan forbearances and new emergency financing – already put this resolve into meaningful action. We look forward to working with you to keep that momentum going.

Best wishes,

Members of the New Hampshire Alliance of Regional Development Corporations

(Roster listed in Appendix A)

CC:

GOFERR Legislative and Stakeholder Advisory Boards

New Hampshire Department of Business and Economic Affairs

New Hampshire Community Development Finance Authority

Appendix A

Justin Slattery, Executive Director
Belknap Economic Development Council (Belknap EDC)

Stephen Heavener, Executive Director
Capital Region Development Council (CRDC)

Daniel Gray, President
Coastal Economic Development Corporation (Coastal EDC)

Lise Howson, Executive Director
Coos Economic Development Corporation

Anne Duncan Cooley, Chief Executive Officer
Grafton Regional Development Corporation (GRDC)

Arthur Robert, President
Monadnock Economic Development Corporations (MEDC)

Jac Cuddy, Executive Director
Mount Washington Economic Development Council

Laurel Adams, President
Regional Economic Development Center of Southern New Hampshire (REDC)

Dennis McCann, Executive Director
Strafford Economic Development Corporation (SEDC)

Denise Roy Palmer, Executive Director
Wentworth Economic Development Corporation (WEDCO)