

## 99-346 MAINE STATE HOUSING AUTHORITY

## Chapter 28: TEMPORARY HOUSING ASSISTANCE PROGRAM RULE

Summary: The Temporary Housing Assistance Program provides emergency assistance in obtaining housing to persons who are homeless or who are in danger of becoming homeless. This rule sets forth the basic criteria for determining eligible sub-grantees and the terms governing the provision of assistance under the Temporary Housing Assistance Program.

## 1. Definitions.

- A. “Act” means the Maine Housing Authorities Act, 30-A §4701, et seq. as amended from time to time.
- B. “Authority” means the Maine State Housing Authority.
- C. “CAA” means Community Action Agency established pursuant to 22 M.R.S.A. §5321 et seq. and selected by the Authority to be a Sub-grantee.
- D. “OMB Poverty Guidelines” means 150% of the poverty level for Maine as calculated under the federal government’s official poverty income guidelines.
- E. “Sub-grantee” means the CAA receiving THAP funds.
- F. “THAP” means the Temporary Housing Assistance Program established in 30 M.R.S.A. §4761 et seq.

## 2. Eligible Sub-Grantees.

To be eligible to receive THAP funds, a Sub-grantee must:

- A. be a CAA;
- B. timely pay any payments due to the Authority and promptly remedy any issues cited by the Authority.
- C. timely submit any and all reports as required under this rule and any contract document with the Authority.

- D. have the administrative and financial management capacity necessary to account for the use of THAP funds in accordance with the Act and this rule.
- E. comply with all applicable federal, state and local laws and ordinances, as may be amended from time to time, including without limitation the Act and this rule.

### 3. Use of Funds.

THAP funds generally may be used only for the following purposes:

- A. Payment of security deposits, rent arrearages and forward rent payments;
- B. Payment of other expenses necessary to prevent eviction or to establish a person in a residential rental unit.
- C. No more than 10% of the grant may be used to pay the administrative costs of the grant.

### 4. Forms of Assistance.

- A. THAP funds used to provide assistance to eligible applicants may be made in the form of loans or grants. Sub-grantee shall use THAP funds repaid to the Sub-grantee for the purposes set forth in Section 3 of this rule.
- B. Loans may be made for a period based on the applicant's ability to repay the loan, not to exceed twelve (12) months. Interest may be charged on loans based on the applicant's ability to repay the loan, not to exceed three percent (3%). When an applicant cannot repay the loan in full within the twelve (12) month period, the repayment period may be extended if the loan can be repaid during the extension period. Payment of interest or principal on any loan or portion of a loan may be deferred or waived if that payment creates an undue hardship.
- C. Grants may be provided only when:
  - 1. The grant is essential to securing a decent, safe and sanitary rental unit for the applicant;
  - 2. The income of the applicant is insufficient to repay any loan or portion of the loan;

3. All available resource alternatives have been exhausted;
4. The applicant has satisfied any other program priorities and requirements established by the Authority.

5. Priorities of Assistance

Priority must be given to applicants who meet the following criteria.

- A. Applicants whose household income does not exceed 150% of OMB Poverty Guidelines.
- B. Applicants who demonstrate a need for assistance.
- C. Applicants who have the ability to repay a loan. Applicants whose household income is less than 125% of OMB Poverty Guidelines shall be considered unable to repay a loan. Applicants whose household income exceeds 125% of OMB Poverty Guidelines may be considered able to repay a loan as determined by the CAA.

6. Funding Formula.

The funds shall be distributed to CAA's based on:

- A. 20% of funds will be evenly distributed; and
- B. 80% of the funds will be distributed based on the total number of households in poverty in each CAA's region, as updated from time to time by data sources including the U.S. Census.

7. Reporting Requirements.

The Sub-grantee must submit an annual report to the Authority, in a format supplied by the Authority, on the expenditure of THAP funds on a date set by the Authority.

8. Monitoring.

The Authority may copy and examine all of the Sub-grantee's records and any other material pertinent to the grant at reasonable times. The Sub-grantee will maintain records sufficient to meet auditing requirements of the Authority.

9. Rule Limitations.

- A. Other Laws. If this rule conflicts with any provision of federal or state law, the federal or state law shall control.
- B. Pool of Eligible Sub-grantees. This rule establishes a pool of eligible sub-grantees and does not confer any rights to funding on the eligible applicants.
- C. Availability of Funds. Assistance under this rule is conditioned on the availability of funds.
- D. Waivers. Upon determination of good cause, the Director of the Authority or the Director's designee may, subject to statutory limitations, waive any provision of this rule. Each waiver shall be in writing and shall be supported by documentation of the pertinent facts and grounds.

STATUTORY AUTHORITY: 30-A M.R.S.A. §§ 4741(1), 4762

EFFECTIVE DATE: March 11, 1998

NON-SUBSTANTIVE CORRECTIONS: April 28, 1998 - minor spelling.