

NEW HAMPSHIRE HOUSING FINANCE AUTHORITY
Family Self-Sufficiency (FSS) Program Loan and Grant Rules
HFA 505

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NEW HAMPSHIRE HOUSING FINANCE AUTHORITY
Family Self-Sufficiency Program Loan and Grant Rules

HFA 505

HFA 505 PART ONE: Overview, Purpose, Applicability

HFA 505.01 Overview and Purpose

- (a) The Loan and Grant fund was established to provide loans and grants to Family Self-Sufficiency (FSS) Participants for various purposes related to the Participant's goal of becoming self-sufficient.

- (b) The philosophy of the program is to give loans and grants to Participants who do not have sufficient funds and are not able to obtain funds by other means or to qualify for a conventional loan. Loans and grants must be directly related to the Participant's goal(s) for self-sufficiency. Grants must be directly related to a Participant's ability to obtain or maintain employment. Loans may be used for employment-related expenses as well as expenses that are barriers to achieving self-sufficiency or the goals outlined on their Individual Training and Service Plan. Loans and/or grant funds may be used to achieve goals such as education and a better paying job, as well as to respond to emergency situations which prevent Participants from going to work (such as car repairs, dental work, and child care).

HFA 505.02 Applicability

The Loan and Grant fund is only available to Participants enrolled in the Authority's Family Self-Sufficiency Program.

HFA 505.03 Rulemaking

These Family Self-Sufficiency Program Loan and Grant Rules are adopted pursuant to RSA 204-C:9, which empowers the Authority to adopt rules relative to programs and operations.

HFA 505 PART TWO: Definitions

HFA 505.04 Definitions

The following words or terms shall have the following meanings in these HFA 505 Rules.

“Administration” means the day-to-day, application-by-application decisions and procedures required to administer the Family Self-Sufficiency Program Loan and Grant fund, including reviewing, processing, determining eligibility, establishing terms, and documenting program benefits to applicants.

“Application” means the application form and all Authority required supporting documents, as detailed in the Authority's application and supporting document checklist.

“Authority” means New Hampshire Housing Finance Authority.

“Complete Application” means an Application with all information and documents required by the Authority to apply to be a FSS Loan and Grant Participant.

“FSS Coordinator” as defined by HUD pursuant to 24 CFR § 984.301

“FSS Escrow” as defined by HUD pursuant to 24 CFR § 984.103

“FSS Loan” means a “Family Self-Sufficiency Program Loan” that is made under these rules and is evidenced by a note and any other Authority required documents.

“Funding Checklist” means the document used by the Authority to determine Participants’ eligibility in the FSS Program.

“Participant” means a person currently enrolled in the Authority’s Family Self-Sufficiency Program.

“Promissory Note” means a financial instrument used to secure an FSS Loan from the Authority to the Participant.

HFA 505 PART THREE: General Rules

HFA 505.05 Participant Eligibility

- (a) To be eligible to receive a loan or grant the Participant must:
- (1) Have a household income no greater than 80% of area median income using HUD’s most recent income guidelines;
 - (2) Not have exceeded the annual grant limit of \$750; the lifetime grant limit of \$1,500; or the \$4,000 cap on loan amount; and
 - (3) Be in good standing with the Authority’s FSS Program, including but not limited to:
 - (A) Maintaining contact with their case manager as required;
 - (B) Being employed, enrolled in an educational/vocational training program or actively seeking employment;
 - (C) Actively working on at least one interim goal of their Individual Training and Service Plan; and
 - (D) Being in good standing on any past grant or loan.
- (b) In addition, the Participant must have the concurrence of their FSS Coordinator (if applicable) that:

- (1) The grant or loan is directly related to the Participant's employability plan;
 - (2) The purpose for which funding is requested is necessary to fulfill the goal of self-sufficiency;
 - (3) No other funds are available to the Participant either directly or through an application process to another agency;
 - (4) The Participant has taken steps to develop money management skills; and
 - (5) The Participant has demonstrated that they have applied to other appropriate community resources or agencies for loan or grant funds when available.
- (c) The Participant applying for loans must also demonstrate that they have the financial stability and capacity to repay the loan within the lesser of four years or the length of time they have left in the FSS Program.

HFA 505.06 Participant Obligations

- (a) Eligible Participants requesting loan or grant funds must submit:
- (1) A Complete Application;
 - (2) A completed Savings and Spending Plan;
 - (3) A business plan if the funds are to be used for a small business venture;
 - (4) Three written estimates for non-emergency requests. If the funds are for an education session/program, a vehicle purpose, or there are extenuating circumstances, the requirement for three estimates may be reduced by the Authority; and
 - (5) A receipt or copy of a receipt for emergency or pre-paid expenses.
- (b) Once approved for a loan, the Participant must sign and return a Promissory Note and make timely payments until the loan has been satisfied.

HFA 505.07 Loan and Grant Awards

- (a) Each FSS Loan and Grant Application will be reviewed by the Participant's FSS Coordinator for completeness, accuracy, eligibility, and relevance in meeting the Participant's goal of self-sufficiency and compliance with these rules. The FSS Coordinator will complete the FSS Loan and the Authority's official Funding Checklist before forwarding for review by appropriate staff.

- (b) The Authority shall review the FSS Loan and Grant Application and then determine whether to grant or deny the Application based on the following:
 - (1) Staff recommendation;
 - (2) Compliance with the program rules; and
 - (3) The availability of funds.
- (c) The Authority shall send the Participant a written letter of approval or denial.
- (d) If the Authority denies an FSS Loan and Grant Application, the Participant has a right to an informal review of their file consistent with the Housing Choice Voucher Program as contained in the Authority's Housing Choice Voucher Administrative Plan.

HFA 505.08 Payments

Proceeds from approved loans and grants will be disbursed within fifteen days of receiving vendor information in the case of a grant or a signed Promissory Note in the case of a loan. Checks will be made out directly to any vendor(s) if applicable.

HFA 505.09 Loan Forbearance

- (a) If Participants are unable to pay their monthly amount due, they may contact their FSS Coordinator and request forbearance. The FSS Coordinator will work with the Participant to develop a plan to address their financial problems and to determine which of the following options will work best given their current circumstances.
 - (1) Lowering the monthly payments by:
 - (A) Extending the loan term; and
 - (B) Applying a portion of their FSS Escrow funds towards the principal.
 - (2) Suspending payments for two to three months until the Participant's circumstances change, (i.e., they find new employment or their financial crisis has resolved).
- (b) The Executive Director has final approval of all forbearance plans.
- (c) Repeated refusal to work with Authority staff to develop a plan to repay the loan or to follow through on agreed upon repayment plans may result in the Authority reducing the Participant's FSS Escrow funds, if any, by the amount owed and/or beginning the collection process according to the Housing Choice Voucher repayment policy as set forth in the Authority's administrative plan.

HFA 505.10 Delegation

- (a) Unless otherwise specified in these HFA 505 Rules, the Authority's Board of Directors delegates to the Executive Director, the Administration of the Family Self-Sufficiency Program, including approving or denying loan and grant applications.
- (b) In the Administration of programs and the approval of Participants, the Executive Director has the authority to vary from these rules to accomplish program and participation goals, provided such variances are consistent with any applicable statutes and other program rules, and will help to ensure fair treatment of Participants.
- (c) Pursuant to the Authority's operating policies, the Executive Director may delegate the Administration and approval authority to appropriate staff.

HFA 505.11 Board Waiver

The Authority's Board of Directors may waive any rule when such waiver is warranted by good cause and when such waiver shall not be inconsistent with applicable law and regulation. The Board may delegate waiver authority to the Multi-Family Housing Committee.

HFA 505.12 Amendments

Program requirements, including these FSS Program Loan and Grant Rules and all program documents, may be amended from time to time based on the Authority's sole discretion.