

CHAPTER 12

HOMELESSNESS PREVENTION PROGRAM

Authority

N.J.S.A. 52:27C-24, 52:27D-280.

Source and Effective Date

R.1995 d.56, effective February 6, 1995.
See: 26 N.J.R. 4248(a), 27 N.J.R. 483(a).

Executive Order No. 66(1978) Expiration Date

Chapter 12, Homelessness Prevention Program, expires on February 6, 2000.

Chapter Historical Note

Chapter 12 formerly contained material concerning State aid for urban renewal projects, which was filed and became effective prior to September 1, 1969, was repealed by R.1981 d.180, effective June 4, 1981. Subsequently, this chapter contained rules concerning plain language review of consumer contracts which were filed as R.1981 d.424, and became effective on November 2, 1981. See: 13 N.J.R. 473(a), 13 N.J.R. 782(b). Emergency new rule was adopted, effective November 29, 1984 to expire January 28, 1985 as R.1984 d.570. See: 16 N.J.R. 3497(a). This chapter was readopted effective January 29, 1985 as R.1985 d.74. See: 16 N.J.R. 3497(a), 17 N.J.R. 577(b). Chapter 12, Homelessness Prevention Program was readopted by R.1990 d.62, effective December 27, 1989 (amendments effective February 5, 1990). See: 21 N.J.R. 2845(a), 22 N.J.R. 336(b).

Pursuant to Executive Order No. 66(1978), Chapter 12 expired on December 27, 1994, and subsequently was adopted as new rules by R.1995 d.56. See: Source and Effective Date. See, also, section annotations.

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SUBCHAPTER 1. GENERAL PROVISIONS

5:12-1.1 Title; purpose

(a) The regulations in this chapter shall be known and may be cited as the "Homeless Prevention Program Regulations".

(b) The purpose of these regulations is to implement the "Prevention of Homelessness Act (1984)" and, in so doing, to provide temporary assistance to persons who are homeless, or face imminent loss of their homes by eviction or foreclosure, because they are without adequate funds for reasons beyond their control.

Amended by R.1988 d.521, effective November 7, 1988.
See: 19 N.J.R. 1777(a), 20 N.J.R. 2752(a).

Added "temporary" to "assistance" in (b).

5:12-1.2 Administration

The Homelessness Prevention Program shall be administered by the Bureau of Housing Services of the Division of Housing and Development.

SUBCHAPTER 2. PROGRAM ELIGIBILITY

5:12-2.1 Eligibility

(a) To be eligible for assistance under the Homelessness Prevention Program, a person or household must be either homeless or in imminent danger of losing their home as a result of eviction for non-payment of rent, or mortgage foreclosure, or some other cause which the Bureau of Housing Services determines to be comparable.

1. A person shall be deemed homeless if he involuntarily is without a place of residence for reasons beyond his control.

2. A person shall be deemed to be in imminent danger of losing his home if he is unable to make rental or mortgage payments for reasons beyond his control and he has been served with a summons and complaint for eviction or for mortgage foreclosure, as the case may be.

3. "Mortgage foreclosure" shall include, without limitation, foreclosure for taxes or other municipal liens. In the case of a tax or other municipal lien foreclosure, a person shall be deemed to be in imminent danger of losing his home if he has been served in any legal manner with notice of foreclosure.

(b) No person or household shall be eligible for assistance if their annualized current income (that is, 52 times current weekly income) exceeds the upper limit of "moderate income" as defined in guidelines published annually by the United States Department of Housing and Urban Development.

(c) No person or household shall be eligible for assistance unless all other available financial resources have first been exhausted. Concealment or transfer of assets to become eligible for assistance shall result in immediate and permanent disqualification.

(d) No person or household having a delinquent loan with the Program or which has caused the Program to forfeit a security deposit shall be eligible for additional assistance unless the Bureau of Housing Services finds that the delinquency or forfeiture was due to a cause that was either beyond the control of the person or household receiving assistance, or constituted a violation of the rights of that person or household by another person, and that the cause of the delinquency or forfeiture is not likely to recur.

(e) No person or household found in any administrative or legal proceeding, in which notice and an opportunity to be heard have been given, to have committed fraud or abuse in another governmental assistance program, including, without limitation, other programs providing rental subsidies, or to have made a false or misleading statement or a material omission in any submission to the Program, shall be eligible for assistance.

(f) No person or household already receiving an equivalent housing subsidy under any other program shall be eligible for assistance.

1. A housing subsidy shall be deemed to be "equivalent" for purposes of this subsection if it provides a level of compensation sufficient to ensure that the recipient is required to spend no more than 30 percent of gross household income on shelter costs.

(g) No person or household determined by the Program to be unlikely to pay shelter costs after the period of assistance has ended shall be eligible for assistance.

1. Program staff will work with each applicant in the preparation of a budget that will be of use in determining the applicant's ability to carry shelter costs.

2. No person or household shall be eligible for assistance with back rent unless they have resided in the housing unit for at least three months prior to falling into arrears.

(h) To be eligible for assistance, a person or household must have experienced an uncompensated loss of income or increase in expenses, for a limited period of time, that are necessarily incurred for the preservation of human life. Applicants must submit documentation verifying that one or more of the following caused the inability to pay housing costs:

1. Loss of employment;
2. Medical disability or emergency;
3. Loss or delay in receipt of other benefits;
4. Natural or man-made disaster;
5. Substantial and permanent change in household composition;

6. Any other condition which, in the judgment of the Bureau of Housing Services, constitutes a severe hardship comparable in its effect to the causes listed in (h)1 through (h)5 above.

(i) Assistance to any person or household facing foreclosure as a result of mortgage or property tax arrearages shall be in the form of a loan which shall be secured by a recorded mortgage.

1. No person or household shall be eligible for a mortgage loan unless the home is an owner-occupied single family dwelling (which may be an attached or detached house or a condominium unit) that shall have been owned and occupied by the applicant for at least one year prior to falling into arrears on the mortgage loan or property taxes.

2. No person or household shall be eligible for a mortgage loan in the event of initiated or ongoing bankruptcy proceedings or in the event that the property is encumbered by more than one mortgage.

3. The total amount of any mortgage loan shall not exceed an amount equal to 600 percent (six times 100 percent) of the monthly "Fair Market Rental" as defined for the Section 8 Existing Program for the region in which the property is located as determined in accordance with guidelines published annually by the United States Department of Housing and Urban Development.

Amended by R.1988 d.521, effective November 7, 1988.

See: 19 N.J.R. 1777(a), 20 N.J.R. 2752(a).

Substantially amended.

Amended by R.1990 d.62, effective February 5, 1990.

See: 21 N.J.R. 2845(a), 22 N.J.R. 336(b).

Excluded from mortgage loan eligibility anyone who has filed for bankruptcy; clarified language regarding maximum loans.

Amended by R.1992 d.433, effective November 2, 1992.

See: 23 N.J.R. 3439(a), 24 N.J.R. 4035(a).

Eligibility provisions specified further.

Amended by R.1995 d.56, effective February 6, 1995.

See: 26 N.J.R. 4248(a), 27 N.J.R. 483(a).

Case Notes

Vacating judgment for possession in summary dispossess action for nonpayment of rent was warranted. Housing Authority of Town of Morristown v. Little, 135 N.J. 274, 639 A.2d 286 (1994).

Homelessness prevention assistance was not available absent a failure of resources beyond applicant's control. C.N. v. Bureau of Housing Services, 95 N.J.A.R.2d (CAF) 49.

Assistance under Homelessness Prevention Program was not available absent a failure of resources beyond applicant's control. Cardello v. Department of Community Affairs, 95 N.J.A.R.2d (CAF) 42.

Assistance under the Homelessness Prevention Program; alleged governmental assistance abuse. S.P. v. Bureau of Housing Services, 94 N.J.A.R.2d (CAF) 65.

Single adult male sharing a three bedroom apartment was not eligible for rental assistance pursuant to the Homelessness Prevention Program. B.T. v. Department of Community Affairs, 93 N.J.A.R.2d (CAF) 29.

Homeless woman was not eligible for emergency assistance. A.M. v. Essex County Welfare Div., 93 N.J.A.R.2d (DEA) 21.

Failure to pay rent made tenant ineligible for the homeless prevention program. *Lemar v. Department of Community Affairs*, 93 N.J.A.R.2d (CAF) 7.

Absence of imminent danger of losing home precluded temporary housing assistance. *Groux v. New Jersey Dept. of Community Affairs*, 92 N.J.A.R.2d (CAF) 70.

Eligibility for mortgage assistance under Prevention of Homelessness Act. *Hahin v. Bureau of Housing Services, Department of Community Affairs*, 92 N.J.A.R.2d (CAF) 29.