

HOUSING ASSISTANCE POLICIES AND PROCEDURES

March 22, 2001



M'CHIGEENG FIRST NATION

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Subject: Preamble

As Chief and Council of the M'Chigeeng First Nation, we recognize our foremost duty to serve our membership with the highest degree of compassion, fairness and trust, in the language of our community.

Given the above ideals, we formulated these policies and procedures with full consideration of the backlog need for quality housing requested by our membership and the limited financial resource we have available to keep pace with such obvious demand. Similarly, we gave due consideration to the employment opportunity and socio-economic benefit that housing construction provides to our community. Subsequently, we arrived at these following guiding statements to help us manage responsibly, be accountable and gain greater utility of existing resources for the greatest benefit to our membership.

The policies and procedures defined herein will give direction and provide a verifiable process in our administration of housing assistance for our membership.

This policy was amended at a special housing meeting of Chief and Council and was approved in its entirety on April 08,2002.

HOUSING ASSISTANCE POLICIES AND PROCEDURES

POLICY NO. H.A.P. 101

Subject: Members Profile

Policy: It is the policy of the Chief and Council of M'Chigeeng First Nation to profile each member's request with particular attention given to the following procedural information requirements.

- Procedure:**
1. Determine member's family information.
 2. Determine member's current housing/shelter situation.
 3. Determine member's land ownership or land acquisition capability and willingness to assign land as security.
 4. Determine member's indebtedness to Band and financial capability to repay loan.
 5. Determine member's willingness to contract for local labour and building supplies.
 6. Determine member's willingness to enter into leasing arrangement in the event that he/she relocates.
 7. Determine successor arrangements to house and property.
 8. Housing assistance application form (Form H.A.P. 101).

HOUSING ASSISTANCE POLICIES AND PROCEDURES

POLICY NO. H.A.P. 102

Subject: Members Requests

Policy: It is the policy of the Chief and Council of M'Chigeeng First Nation to accommodate the receipt of our members requests for housing assistance.

- Procedure:**
1. Profile all outstanding requests according to a standardized application form.
 2. Profile all verbal requests made at Council meetings according to a standardized application form.
 3. Profile all written requests received according to a standardized application form.

4. All requests must satisfy our standardized application form before consideration by Council.
5. Housing assistance application form (Form H.A.P. 101).

HOUSING ASSISTANCE POLICIES AND PROCEDURES

POLICY NO. H.A.P. 103

Subject: Members Personal and Family Information

Policy: It is the policy of the Chief and Council of M'Chigeeng First Nation to maintain and hold in confidence the most current information on each member applicant for housing assistance.

Procedure:

Name of each ADULT applying for Housing	Band Number

Name of each CHILD	Age

Statement of Band Membership of Family

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POLICY NO. H.A.P. 104

Subject: Members Housing/Shelter Situation

Policy: It is the policy of the Chief and Council of M'Chigeeng First Nation to document the member applicant's housing or shelter situation to confirm need.

Procedure:	1.	Renting off Reserve	Yes π	No π	
	2.	Renting from M'Chigeeng	Yes π	No π	
	3.	Renting from M'Chigeeng Band Member	Yes π	No π	
	4.	Own house, year built _____	Yes π	No π	
	5.	RRAP, year _____	Yes π	No π	
	6.	Previous Housing Assistance	Yes π	No π	
	7.	Permission to inspect site	Yes π	No π	
			Structure	Yes π	No π
			Electrical	Yes π	No π
			Plumbing	Yes π	No π
			Health and Safety	Yes π	No π
			Overcrowding	Yes π	No π
	8.		Copy of inspection report on file.	Yes π	No π

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POLICY NO. H.A.P. 105

Subject: Land Transfer for Security

Policy: It is the policy of the Chief and Council of M'Chigeeng First Nation to accept and hold member applicant's house and land as security for housing assistance loan guarantee.

- Procedure:**
1. Does the member own land to be assigned?
As security to the Band for housing assistance
Loan guarantee? Yes π No π

 2. Can the member applicant acquire land from
Family for the purpose of security? Yes π Noπ

 3. Is the member applicant willing to purchase
Land for security purpose? Yes π Noπ

 4. Building lot description

Survey Plan (R.S.O. No)	Yes π	No π
Location _____		
Site Inspection	Yes π	
		No π
Source of Water _____		
Waste Disposal System _____		
Electricity	Yes π	No π
Road Access	Yes π	No π

 5. Does the member applicant understand the
Conditions of foreclosure in the event of
Default of loan repayments? Yesπ No π

 6. Certificate of transfer Form H.A.P. 105

HOUSING ASSISTANCE POLICIES AND PROCEDURES

POLICY NO. H.A.P. 106

Subject: Financial Profile

Policy: It is the policy of the Chief and Council of M'Chigeeng First Nation to secure and maintain accurate financial information of each member applicant.

Procedure:

1. Determine that the member applicant is clear of debt to the Band.
2. Deductions will be made for arrears from assistance allocation to clear indebtedness to the Band.
3. Determine that the member applicant is able to repay any loan guarantee.
4. Hold member applicants' land and house as security for loans.
5. Receive and hold in confidence a copy of the member applicants' mortgage.

HOUSING ASSISTANCE POLICIES AND PROCEDURES

POLICY NO. H.A.P. 107

Subject: Hiring Local Labour and Buying Local Supplies

Policy: It is the policy of the Chief and Council of M'Chigeeng First Nation to expect patronage return from each member applicant who has secured housing assistance by retaining local labour and buying local building materials.

Procedure:

1. The member applicant is required to retain the services of local labour and skilled trades.
2. All contracted Trades/Sub Trades are required to be Licensed according to M'Chigeeng First Nation by-law.
3. The member applicant is required to purchase building supplies from U.C.C.M. Building Supply, which are competitive in price and quality.
4. Quotations for the above will be remitted for the record.

HOUSING ASSISTANCE POLICIES AND PROCEDURES

POLICY NO. H.A.P. 108

Subject: Leasing Arrangements

Policy: It is the policy of the Chief and Council of M'Chigeeng First Nation to be signatory to leasing arrangements of member's house and property for which the Band still holds as security.

- Procedure:**
1. The member shall inform the Band in advance of the likelihood for the leasing of house and property.
 2. As a stakeholder in the house and property the Band will approve the recommended lease.
 3. The minimum rent charge shall equal the monthly loan repayments of the member leaseholder.
 4. It is advisable that the member leaseholder secures the first and last months rent payments as initial rent payment.
 5. To ensure timely payments for mortgage and utilities the Band may serve as administrator for the above arrangements for an additional ten percent (10%) administrative charge.
 6. M'Chigeeng Rental Agreement (Form H.A.P. 108)

HOUSING ASSISTANCE POLICIES AND PROCEDURES

POLICY NO. H.A.P. 109

Subject: Successor Arrangements

Policy: It is the policy of the Chief and Council of M'Chigeeng First Nation to determine the successor rights or sale of house and property in case of family break up or death of mortgager.

- Procedure:**
1. The member mortgager shall state by will or by other executable documents the successor rights to house and property.
 2. The successor ownership of house and property shall only be transferred to another family member who is a member of M'Chigeeng.
 3. In the event of a family breakup, the successor right will favour the Band member who is an immediate family member of the mortgager.
 4. In the event of unavoidable sale of house and property by a mortgager, the Band shall have first right to purchase.

5. The sale price of a house and property shall include the retirement of the outstanding loan and the recovery of the Band grant portion by the Band.
6. Any amount exceeding the repayment of the above shall be issued to the member/family.
7. Any failure to meet these conditions shall constitute a breach of loan guarantee agreement.
8. Sample Will (Form H.A.P. 109)

HOUSING ASSISTANCE POLICIES AND PROCEDURES

POLICY NO. H.A.P. 110

Subject: Insurance Coverage

Policy: It is the policy of the Chief and Council of M'Chigeeng First Nation to require member recipients of housing assistance to have adequate house replacement insurance coverage.

Procedure:

1. In all cases, adequate house replacement insurance shall cover retirement of loan and the recovery of Band grant portion.
2. Costs for such insurance coverage shall be part of the mortgage repayments and confirmation provided.
3. In the event of property loss, the insurance claim shall first repay the outstanding mortgage and Band grant portion.
4. The insurance coverage shall be required for the duration of the mortgage.
5. It is advisable that the member recipient of housing assistance carries additional insurance coverage for household contents.

Subject: Applications Scoring Systems

Policy: It is the policy of the Chief and Council of M'Chigeeng First Nation to update and Re-score each active application according to a set criteria.

- Procedure:**
1. Housing assistance application's are required to be in receipt of the Band one year prior to a subsequent May 1St Housing start.
 2. The Scoring of each application shall follow:
 - a) Five points if the applicants present living conditions are a hazard to their health and safety.
 - b) One point for each Band member or dependant the exceeds
 - One bedroom for each adult or couple
 - One bedroom for dependant 16 years of age or older,
 - One bedroom for two children of the same sex up to 16 years of age.
 - One bedroom for two children of the opposite sex to 5 years of age.
 - Two points if the applicant is currently living in M'Chigeeng
 - Two points if applicant can retire loan,
 - One point for each year the applicant has an active application on file up to five years,
 - One point for approved of house plans,
 - One point for ownership of Unserviced building lot,
 - One point for agreement to leasing arrangements
 - One point for agreement to retain local contractor,
 - One point for agreement to purchase local building supplies,
 - Two points for ownership of fully serviced lot,
 - Two points for disability access and accommodations
 3. Recommendations for Band Council approvals will be based on aggregate score.
 4. The decision of the Chief and Council to whom housing assistance is granted shall be final

Subject: Option 1: Section 95 CMHC Housing

Policy: It is the policy of the Chief and Council of M'Chigeeng First Nation to access Section 95 CMHC Housing Assistance for our members. Section 95 CMHC Housing Assistance criteria are defined as the following procedural conditions.

- Procedure:**
1. Design for Social Services recipients.
 2. Loans guaranteed by Minister of INAC through CMHC with CMHC specifications.
 3. Loan repayments and operating costs recovered through rent and CMHC subsidy for the duration of mortgage.
 4. Band capital or labour subsidy may be included as Band contribution.
 5. All Section 95 housing are presently Band rentals with option for long term tenants to apply for rent to own for the last Ten years of Mortgage.
 6. House replacement insurance is maintained through rent payments and insurance for contents remains the responsibility of the tenant.
 7. For rent to own a \$1.00 purchase fee for the house and \$500.00 purchase fee for the lot will confirm buy out.

Subject: Option 2: Section 10 New Housing/ Renovation and Additions

Policy: It is the policy of the Chief and Council of M'Chigeeng First Nation to help access Section 10 CMHC Housing and Renovations assistance for our members. Section 10 CMHC New Housing and Renovations assistance criteria are defined as the following procedural conditions.

- Procedure:**
1. Designed for employed members.
 2. Loan guaranteed by Minister of INAC through CMHC with CMHC specifications.
 3. Maximum Ministerial Guarantee is set at \$150,000.00 for newly constructed houses which includes Water and Field Bed Systems.
 4. Maximum Ministerial Guarantee is set at \$75,000.00 for major additions and \$ 40,000.00 for major renovations.
 5. Transfer of land and house to Band is required for security.
 6. House replacement insurance cost is required to be paid as part of mortgage repayments and proof of such must be filed with the Band.
 7. Heat exchange systems are mandatory for newly constructed houses.
 8. Successor rights to house and property needs to be documented and filed with the Band.
 9. The use of local contractors and purchase of building materials must also be clearly understood by recipient.
 10. Copies of mortgage must be filed with the Band.
 11. Recipient shall understand foreclosure conditions and procedures.
 13. Payment disbursements shall be made according to construction and inspection schedule.

Subject: Options 3: Band Built 24'X32'

Policy: It is the policy of the Chief and Council of M'Chigeeng First Nation to subsidize 24'X32' house with balance to be secured from a Band revolving loan. The Band built 24'X32' option is defined with the following procedural conditions.

- Procedure:**
1. Designed for members who can retire loan portion, but cannot secure Bank financing.
 2. Loan guaranteed by Band Council and repayable to the same.
 3. The Band will do all Option 3 construction.
 4. Approved 24'X32' design and specifications.
 5. Strict adherence to loan repayment schedule.
 6. Applicants must submit their request one year in advance.
 7. Loan portion shall command the prime interest rate at the signing for the loan.
 8. Insurance costs are part of the repayment.
 9. Subsidy limits are set at:

construction	\$26,700.00
Water/plumbing	1,500.00
Septic system	<u>3,000.00</u>
Total	\$31,200.00
 10. The balance may be secured form band revolving loan.
 11. Use of local labour and building materials are required.
 12. Land and house must be transferred to Band for security.
 13. Payment disbursements shall be made according to construction and inspection schedule.

Subject: Option 4: Band Council Resolution Loan Guarantee - FNMHF

Policy: It is the policy of the Chief and Council of M'Chigeeng First Nation to help Band member to access housing loans by issuing Band Council resolution for support.

- Procedure:**
1. Design for proven income earners.
 2. Land and house to be held by Band for security.
 3. Member must secure Band Council resolution with full conditions prior to applying for a loan from a lending institution.
 4. Maximum loan limited up to \$ 150,000.00 is set for new construction which includes Water and Field Bed Systems.
 5. Maximum loan limited up to \$ 75,000.00 is set for renovations.
 6. Replacement insurance coverage is mandatory for the duration of loan.
 7. Successor rights must be clarified and documented.

Subject: Option 5: Senior Elders Housing Assistance Grants

- Procedure:
1. Applicant must be a member of M'Chigeeng First Nation.
 2. Applicant must be are 65 years of age and/or Disabled.
 3. The housing unit for repairs must be a permanent residence of the applicant.
 4. The applicant must have a difficulty with daily living activities due to diminishing abilities brought on by aging and/or a disability.
 5. The Maximum total assistance will be up to \$10,000.00.
 6. The Applicant can only access this assistance once every five (5) years, except for unforeseen circumstance in emergency situations.
 7. Repairs that qualify for this assistance must meet Health Building, safety and Fire Protection Codes as well as repairs/maintenance items that will extend the life of the Housing unit.
 8. All repairs must fall in one of the following categories:
 - Health Related
 - Safety/Fire Safety
 - Structural Soundness
 - Electrical Systems
 - Plumbing System
 - Heating System/HRV Unit
 - Environmental Issues

Additions:

- House must be located on M'Chigeeng First Nation
- Applicant must reside at the housing unit in which assistance is requested. Must not be an income property.
- Must submit application in writing to the housing department.
- Applicant must be on pension or receiving income assistance.
- Total household income must not be over \$44,000.00 per year.
- M'Chigeeng First Nation will not provide any assistance to any applicant who is financially indebted to M'Chigeeng until such arrears are paid in full.
- Where deemed necessary and if an emergency nature, it shall be considered a priority.
- An application must be supported by a qualified inspector's work order with cost estimate for repairs.
- Work must be completed by a qualified tradesperson.
- A final inspection must be completed by a qualified inspector once repairs are completed.
- The housing unit must be 5 years old.

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POLICY NO. H.A.P. 117

Subject: Option 6: \$10,000.00 and \$15,000.00 Renovation Loans

- Procedure:
1. Applicant must be a member of M'Chigeeng First Nation.
 2. This loan is not for cosmetic upgrades.
 3. The housing unit for repairs must be a permanent residence of the applicant.
 4. The maximum total assistance will be up to \$15,000.00.
 5. The applicant can only access this assistance once every five (5) years.
 6. Repairs that qualify for this assistance must meet Health, Building, Safety and Fire Protection Codes as well as repairs/maintenance items that will extend the life of the housing unit.
 7. All repairs must fall in one of the categories:
 - 7.1 Health Related
 - 7.2 Safety/Fire Safety
 - 7.3 Structural Soundness
 - 7.4 Electrical Systems
 - 7.5 Plumbing Systems
 - 7.6 Heating System/HRV Unit
 - 7.7 Environmental Issues

HOUSING ASSISTANCE POLICIES AND PROCEDURES

POLICY NO. H.A.P. 118

Subject: Inspection Schedule

Policy: It is the policy of the Chief and Council of M'Chigeeng First Nation to assign inspection requirement to determine the process of house construction and that specification are met.

- Procedure:**
1. Prior to construction start an inspection schedule will be assigned and Standards set to be satisfied according to M'Chigeeng First Nation By-Laws.
 2. Site inspection must be completed and any upgrade work must not Add to the extraordinary cost of house construction or renovation.
 3. Any changes to blueprints plans first satisfy required specifications.
 4. Any substitution of materials shall not exceed originally quoted prices and must be according to specifications.
 5. All contractors are charged with the responsibility of maintaining their workmanship to the highest stands and are responsible for deficiencies caused by their work.
 6. Any early occupation of a house prior to final inspection assumes satisfaction by the owner and exempts the Band from any claim.