

**ELIGIBILITY, ADMISSIONS AND PROGRAM POLICY  
SAULT STE. MARIE TRIBE OF CHIPPEWA INDIANS  
HOUSING AUTHORITY  
HOMEOWNERSHIP PROGRAMS**

NAHASDA Title II, Section 202 Eligible Affordable Housing Activities under this title are activities, in accordance with the requirements of this title, to develop, operate, maintain, or support affordable housing for rental or homeownership, or provide housing services with respect to affordable housing, through the following activities:

(2) Development – The acquisition, new construction, reconstruction, or moderate or substantial rehabilitation of affordable housing, which may include real property acquisition, site improvement and rehabilitation of utilities, necessary infrastructure, and utility services, conversion, demolition, financing, administration and planning improvement to achieve greater energy efficiency, mold remediation and other related activities.

(3) Housing Services – The provision of housing-related services for affordable housing, such as, housing counseling in connection with rental or homeownership assistance, establishment and support of resident organizations and resident management corporations, energy auditing, activities related to the provision of self-sufficiency and other services, and other services related to assisting owner, tenants, contractors, and other entities, participating or seeking to participate in other housing activities assisted pursuant to this section.

(4) Housing Management Services – The provision of management services for affordable housing, including preparation of work specifications, loan processing, inspections, tenant selections, management of tenant based rental assistance, the costs of operations and maintenance of units developed with funds provided under this Act, and management of affordable housing projects.

NAHASDA Title II, Section 203 Program Requirements, (a) (1) Establishments-Subject to paragraph, each recipient shall develop written policies governing rents and homebuyer payments charged for dwelling units assisted under this Act, including the methods by which such rent and homebuyer payments are determined; and (d) Eligibility for Admission-each recipient shall develop written policies governing the eligibility, admission, and occupancy of families for housing assisted with grant amounts provided under this Act.

**I. GENERAL DEFINITIONS**

**Affordable Housing:** Housing with the requirements for affordable housing under title II. The term includes permanent housing for homeless persons who are persons with disabilities, transitional housing, and single room occupancy housing.

**Family:** Includes an Applicant/Co-Applicant with or without children, an elderly Applicant/Co-Applicant, a near elderly Applicant/Co-Applicant, a disabled Applicant/Co-Applicant, and a single person.

**Head of Household:** The Applicant/Co-Applicant member who is held responsible and accountable for the family.

**HUD:** The United States Department of Housing and Urban Development.

**Indian Family:** A household which contains at least one adult member of Indian descent that is a recognized member of the Sault Ste. Marie Tribe of Chippewa Indians or another federally recognized tribe.

**Low-Income Family:** An Applicant/Co-Applicant whose income does not exceed 80 percent of the national median income for the area with adjustments for smaller and larger families.

**NAHASDA:** Native American Housing Assistance and Self-Determination Act of 1996.

**National Median Income Limits:** The greater of:

1. The median income for the Indian area, which the Secretary shall determine; or
2. The median income for the United States.

**Service Area:** The Sault Ste. Marie Tribe of Chippewa Indians has determined that seven counties in the Upper Peninsula of Michigan; Chippewa, Mackinac, Luce, Alger, Schoolcraft, Delta and Marquette counties comprise the service area.

**Tribally Designated Housing Entity:** The Sault Ste. Marie Tribe of Chippewa Indians Tribal Code Chapter 90 establishes the Tribally Designated Housing Entity (TDHE), a.k.a. Sault Tribe Housing Authority (STHA). The Authority works to remedy unsafe and unsanitary housing conditions in the Tribe's service area by providing affordable housing opportunities for low income Indian families.

## II. ELIGIBILITY FOR ADMISSIONS - GENERAL

- A. The Housing Authority reserves the right on who to select to receive housing assistance. All applicants must go through screening processes, are subject to selection criteria and must meet eligibility and desirability requirements as established.
- B. Applicants of Homeownership services shall be counseled to determine which program better suits their financial condition and need.

- C. The principal responsibility of the Sault Tribe Housing Authority is to provide housing services to members of the Sault Ste. Marie Tribe of Chippewa Indians. Accordingly, the Housing Authority will give preference in the selection to members of the Sault Ste. Marie Tribe of Chippewa Indians households.
- D. Applicant must be an adult member of the Sault Ste. Marie Tribe of Chippewa Indians at least eighteen (18) years of age.
- E. The family must be a low income family, in NAHASDA, Public Law 104-330 and as amended in Public Law 105-276, 106-568, 107-292 and 108-393, Section 210 (b)(1) to be eligible for admission. Total family income for admission shall not exceed the National Median Income Limits as published by H.U.D.
- F. Assets shall not exceed \$35,000 at the time of admissions. Exception: the value of the homeowner's principal residence shall be excluded from the calculation of Net Family assets when applying for home rehabilitation.
- G. Applications must be completed in its entirety with all documentation submitted in order to be placed on program waiting lists.
- H. Applications must be updated annually by applicant(s) in homeownership programs that are continually open (Lease to Purchase, Home Rehabilitation, etc.) or the application will be considered inactive, removed from waiting list and not considered for selection. Once deemed inactive a new application must be submitted with documentation required to return to the waiting list.
- I. Applications from previous grantees, tenants and homebuyers who still owe money to the STHA or any other federally subsidized housing program will not be considered for selection until all monies owed are paid in full and documented.
- J. Eligibility for Federal Housing assistance is limited to United States citizens and applicants with verified eligible immigration status.
- K. All applicants deemed eligible shall be placed on a waiting list. Placement on waiting list is determined by point systems and/or preference and any exceptions to preference.
- L. All the factors being equal, the applicant with the earliest date of application will be given priority over later dated applications.

The selection process will be handled in the proper manner and the application not given any preference over the others, unless it naturally falls into a preference category.

### III. USEFUL LIFE WITH BINDING COMMITMENT

The governing body of the Sault Tribe Housing Authority has established a useful life enforced by a binding commitment to ensure that the constructed or improved property remains affordable for a defined time period. The determination is required by Section 205 (a) of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) and 24CFR 1000.142. The Useful Life and Binding commitments ensures that the home remains affordable for the period listed below:

NAHBG Funds Invested	Affordability Period
\$8,500 and under	6 months
\$8,501 to \$15,000	5 years
\$15,001 to \$40,000	10 years
Over \$40,000	15 years
New construction or acquisition of new construction	20 years

Original Balance of NAHASDA Funds Invested	Repayment Amount Equals Original Balance Decreased By*
\$8,500 and under	Full Balance repayment during 6 month period
\$8,501 to \$15,000	20% of Original Balance each full year for five years
\$15,001 to \$40,000	10% of Original Balance each full year for ten years
Over \$40,000	6.67% of Original Balance each full year for fifteen years
New Construction or Acquired New	5% of Original Balance each full year for twenty years
	*all time periods calculated from date of execution of appropriate Agreement

*Example:* To determine the repayment amount under an Agreement which granted \$10,000 worth of assistance and was executed June 1, 2007, where the Home is being sold March 14, 2010.  $\$10,000 - ((20\% \times \$10,000) \times 2^* \text{ years}) = \$6000$  owed as repayment to Authority.

*\*Note:* The Agreement has not reached its third anniversary date, so only the first two full years are used to discount the repayment amount.

## LEASE TO PURCHASE PROGRAM

The Lease to Purchase Program gives the homebuyer an opportunity to achieve ownership of a home in return for fulfilling the homebuyer's obligations, to make monthly payments based on an amortization of the purchase price, to provide all maintenance of the home and to satisfy all other program requirements.

### I. GENERAL DEFINITIONS

**Administration Charge:** The amount budgeted by the HA for monthly operating expenses covering the following categories.

A. Administrative salaries, payroll, taxes, etc., travel, postage, telephone and telegraph, office supplies; office space, maintenance and utilities for office space; general liability insurance or risk protection costs; accounting services; legal expenses; and

B. General expenses, such as premiums for fire and related insurance, payments in lieu of taxes, if any, and other similar expenses.

**The administration charge is calculated based on actual expenses listed above. The Housing Board of Commission has the authority to change the administration charge as necessary and homebuyers will be given a 30 day notice of such change.**

**Drug-Related Criminal Activity:** The illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance as defined in Section 102 of the Controlled Substances Act.

**Home:** The improved structure(s) and/or building(s).

**Homebuyer:** The person(s) who has executed Lease to Purchase Agreement and who has not yet achieved ownership or acquired title to the home.

**HB Contribution:** The monthly amount paid by the homebuyer that is applied directly to the principal of the loan.

**HA:** Sault Tribe Housing Authority. See Tribally Designated Housing Entity in Section I; General Definitions.

**HA Contribution:** The Housing Authority's monthly grant amount applied to principal of the loan to assist in achieving ownership.

**Lease to Purchase Agreement:** The Agreement between the HA and a homebuyer that constitutes a lease to purchase-option. The homebuyer is a lessee during the term of the Agreement

and acquires no equitable interest in the home until the option to purchase is exercised. The Lease to Purchase Agreement contains all material terms and obligations required by the lessee and HA.

**Maintenance Reserve Account:** The reserve established to protect the Housing Authority's investment and provide funds for homebuyers in the Lease to Purchase program to cover the cost of general repair and maintenance to their home.

**Purchase Price:** The sale price of the unit developed/assisted for Lease to Purchase program.

## II. ELIGIBILITY FOR ADMISSION - LEASE TO PURCHASE PROGRAM

The Housing Authority will deem an applicant(s) undesirable if whose habits and practices reasonably may be expected to have a detrimental effect on the residents of the community.

- a. It is the policy of the Housing Authority that conviction of an offense involving controlled substances felony within a ten year period or a misdemeanor within a five year period of conviction will be used in determining desirability.
- b. Any criminal sexual conduct convictions whether misdemeanor or felony by applicant or member of applicant's family precludes admission. Crimes of this nature are neither subject to time limit nor proof of rehabilitation.
- c. Crimes of violence including, but not limited to: homicide/murder.

Applicants determined to be undesirable at the time of application and shall be notified immediately of the reason(s) and stricken from the waiting list. If applicant chooses to exercise their right to challenge undesirability status, they must do so in accordance with the established HA Grievance Policy.

## III. DETERMINATION OF PURCHASE PRICE

The purchase price of all units in the Lease to Purchase program will be determined by an appraisal conducted by a licensed local appraiser whether the home is newly constructed or rehabilitated.

## IV. MAINTENANCE RESERVE

To protect the Housing Authority's investment and to provide available funds to homebuyers to cover the cost of general repair and maintenance to their home, a Maintenance Reserve Account (M.R.) will be established upon executing a Lease to Purchase Agreement. A minimum of \$2000.00 must be maintained in the account for the use of the funds to be considered.

The following constitute typical general repairs, maintenance and circumstances that fall under this policy:

- a) The repair and replacement of a heating unit, roof, hot water tank, appliance, and sump pump. Installation of water softener, rain gutters or items to assist the disabled.

Improvement, repairs and/or updates to electrical and plumbing systems, windows, insulation, entry and garage doors, and foundation.

- b) The payment of a utility account so not to cause damage because utility would be physically shut off. Payments of utilities will only be considered due to an extreme financial hardship approved by the Director.
- c) Utilized to provide down payment and/or closing costs to assist in securing a mortgage to purchase via conventional mortgage.

The cost of repairs, maintenance, parts or utility must exceed \$100.00 to be considered. Amount may be waived in the case of emergency at management's discretion.

All work is to be completed by a Licensed, Independent Contractor. All utility payments will be made directly to the utility company, crediting homebuyer's account.

A maintenance reserve payment in the amount of \$100.00 will be deducted from the homebuyer contribution portion of monthly payment until an amount of \$2000 is accumulated. This initial contribution will extend the actual amount of time needed to payoff home. After the \$2000 in maintenance reserve is reached, the \$100.00 will be credited directly to the payoff of the home. A balance of funds must be kept in the account for the duration of the Agreement.

Upon voluntary or involuntary termination, the Maintenance Reserve will be used pay all charges due (utilities, maintenance, monthly payments, damages to the home, etc.) to HA. The homebuyer will be entitled to refund if a balance remains after all charges are applied. Upon conveyance, the M.R. may be used toward principal reduction and/or closing costs. Any remaining balance refunded to the homeowner after conveyance of home.

## V. FINANCIAL HARDSHIP

When unforeseen and uncontrollable event results in a homebuyer the inability to make their monthly payment, the homebuyer may request a financial hardship and payment returns to administration charge only for specified period of time.

The following events constitute a hardship, including, but not limited to;

Divorce, resulting in a substantial decrease of household income; Death; Medical illness; Termination of employment (through no fault of their own); Lay off for indefinite time; Other catastrophic event affecting financial obligations.

## DOWN PAYMENT ASSISTANCE PROGRAM

Down Payment Assistance Program (DPA) makes buying a home affordable to low-income tribal families. The DPA will assist Sault Tribe members become first-time homeowners by providing them with funding assistance to cover down payment and closing costs and financial counseling to help them succeed as homeowners, as well as, becoming owners of structurally sound homes. The program is open year around until all funds are exhausted and the program operates on a FIRST COME, FIRST SERVE basis subject to the availability of funds.

### I. GENERAL DEFINITIONS

**Affordability:** Down payment assists in the lower the cost of buying a home that result in a lower mortgage amount and lower monthly payments.

**Counseling:** Homebuyer education class and credit counseling designed to assist new homeowners understand and fulfill the responsibility of homeownership.

**Credit:** Requirements of a mortgage lender that applicants can demonstrate that they have stable income and the ability and willingness to meet financial obligations.

**First-Time Homebuyer:** Anyone in the household not owning a qualified home within the last three years.

**Home in Standard Condition:** A dwelling in a condition which is decent, safe, and sanitary so that it meets the following minimum standards.

- (a) the general construction conforms to all applicable building codes and standards;
- (b) heating system has the capacity to maintain a minimum temperature of sixty-five (65) degrees in the dwelling during the coldest weather in the area, it must be safe to operate and maintain and deliver a uniform distribution of heat and meets all applicable codes and standards;
- (c) plumbing system includes a properly installed system of piping and fixtures in accordance with all applicable codes and standards; and
- (d) electrical system includes wiring and equipment properly installed to safely supply electrical energy for adequate lighting and for the operation of appliances that conforms to all applicable codes.
- (e) Homes constructed prior to 1978 shall be inspected for Lead-Based Paint. The dwelling unit must comply with the lead-based paint rules of 24 CFR Part 35 (i.e., no cracking, peeling, scalding paint).



**Modular Home:** A form of housing in which construction of the unit takes place at a factory, followed by assembly of the house on the building site and which meets applicable Building Official and Code Administrators standards.

**Manufactured Home:** A housing unit primarily constructed in a factory prior to transporting it to the lot where it is placed and which meets applicable United States Housing and Urban Development Standards.

**Support:** Trained staff provides assistance to eligible applicants in successfully working through the process of making an application to a bank/lender for a mortgage loan; as well as assistance throughout the home buying process.

## II. ELIGIBILITY FOR ADMISSION – DOWN PAYMENT ASSISTANCE

The applicant must qualify as a first-time homebuyer. Several exceptions to the first-time homebuyer rule apply, and include:

- a) An applicant who has not owned a home within the (3) three-year period immediately prior to the current proposed home purchase.
- b) An applicant who may have owned a home within the above period but legally separated from his or her spouse and has one (1) or more minor children for whom he or she has joint or sole physical custody; and has lost interest in the home through divorce proceedings. Legal documentation is required to verify this situation.
- c) An applicant who already owns, as their principal residence, a dwelling unit not in compliance with building codes and standards and the cost to repair would exceed the price of purchasing or building a new home.
- d) An applicant, who has not owned a home within the above period, but has entered a lease for a mutual help unit or a Lease to Purchase agreement. MEPA accounts are not considered assets.
- e) An applicant who has previously received assistance under this program with his or her spouse but has subsequently divorced and the applicant did not receive the home in the divorce. Legal documentation is required to verify this situation.
- f) An applicant who has owned a manufactured home within the above-mentioned period, but the home is not affixed to a permanent foundation in accordance with applicable construction codes.

The applicant's income must not exceed eighty percent (80%) of the Median Income for the Area and must be no less than \$25,000 per annually.

The total Housing Cost, at the time of selection, for the home must not exceed more than thirty percent (30%) of the applicant's income.

The applicant shall be eligible to receive the grant under this program no more than one (1) time, except as otherwise stated in the definition of II.B.

The applicant must be eligible and qualify for a primary mortgage loan that allows for a second mortgage upon that property.

Approved applicants must attend Homebuyer Education curriculum prior to release of funds.

In the event that the Housing Authority determines that an applicant does not qualify for the down payment assistance, the Housing Authority will promptly notify the applicant of such grant denial and will explain the basis of denial

### III. WAITING LIST

A waiting list of qualified eligible applicants will be maintained based on an approved point system. Applicants are responsible for keeping the information on their application current so they remain on the waiting list.

The Housing Authority will determine whether an applicant qualifies for the down payment assistance for the purchase of a home prior to placement on the waiting list.

### IV. PROPERTY ELIGIBILITY

The home must be located in the seven (7) county service area of the Upper Peninsula of Michigan.

The home must be a site-built wood frame home, a Modular Home or a Manufactured Home. The home must be on land which the applicant owns or a land lease on tribal trust land.

A title insurance company must be willing to issue a satisfactory title insurance policy for the property, if applicable.

In the event that the home is a pre-owned manufactured home, it must meet the Housing Quality Standards guidelines to ensure that the home is structural sound and safe.

Existing homes must be attached to a structural sound foundation system.

The home must be a home in Standard Condition and must meet any inspection requirements of the Housing Authority. Ineligible homes or properties include, but are not limited to vacant land, rental or commercial property, mobile homes which are not permanently attached and travel trailers.

The home must be the principal residence of the owner; the land upon which the home is located must be legally zoned for residential purposes; the participant shall not sub-lease the home or use the home as a rental property for investment purposes.

This information is verified by consulting with the real estate agent, the local zoning department, the financial institution and/or an annual review conducted by STHA Homeownership staff.

If any found to be in violation of the above requirements, STHA may pursue legal action to recapture grant funding.

## V. GRANT REQUIREMENTS

The grant award amount shall not exceed 20% of the home purchase and closing costs up to \$9,500.

The applicant must contribute five hundred dollars (\$500) of their own cash funds toward the purchase of the home.

DPAP funds will be in the form of a Note applied as a lien against the property. No monthly payments apply; the amount is gradually reduced by a set percentage each year and forgivable after five years.

The grant amount shall be applied towards closing costs, to buy down interest rates, down payment assistance and other similar costs, such as, home inspection costs approved by the Housing Authority.

The grant is intended to apply to property subject to conventional mortgages only, not to land contracts or seller financing.

The applicant will be required to have the home inspected by an independent home inspector. The applicant shall pay for such home inspection. The inspection must indicate that the home is in standard condition to be eligible for a grant award.

The applicant must maintain the home as the primary residence for a minimum of five (5) years after the receipt of the grant.

The STHA must be provided a copy of the HUD settlement statement to review closing costs and fees associated with mortgage. If review finds unjust and/or excessive costs, the STHA reserves the right to cancel grant.

The applicant must execute a Note, which shall require the applicant to repay the adjusted Grant amount in the event that the applicant defaults under the Note or Mortgage based on an amortization of reduction of grant 20% each full year for five years. The applicant must execute a Mortgage, which will secure the Note.

The mortgage executed between the Housing Authority and the homeowner will be subordinate to the homeowner's primary mortgage.

In the event that an applicant defaults under the Note or Mortgage, the Housing Authority shall be entitled to exercise all available remedies.

The applicant shall maintain Homeowner's Insurance in accordance with the covenants and agreements of the Mortgage. The applicant shall maintain the insurance until such time as the Mortgage is discharged in according with its provisions.

#### VI. FUND RESERVATION

Funds will be reserved for each participant once the grant application is complete and applicant is selected from waiting list.

The participant must purchase a home or enter a purchase commitment within 90 days of Notice of Funding issued.

In the event that a participant fails to comply with the 90-day requirement, the participant shall forfeit the grant.

Extenuating circumstances allow for an extension to the 90-day requirement with written statement from participant and Director or designee approval.

The Housing Authority will release grant awards to an appropriate third party closing agency or other entity after all obligations are met and at time of closing.

#### VII. Miscellaneous

The Housing Authority retains the right to decide whether an applicant is eligible for grant assistance under the program and to deny an applicant for grant assistance under the program.

## **DOWN PAYMENT ASSISTANCE/LEASE TO PURCHASE POINT SYSTEM**

Point System is used to aid in the selection for Down Payment Assistance and Lease to Purchase Program participants.

- Sault Tribe Member 10 points
- Service Area 10 points
- Other Native 5 points
- Full Time Child 5 points
- Credit Score
  - 711 to 850 10 points
  - 640 to 710 5 points
  - 639 and below 0 points
- Length of Employment
  - 5+ years 10 points
  - 2 to 5 years 5 points
  - Less than 2 years 0 points
- Length of Time at Address
  - 5+ years 10 points
  - 2 to 5 years 5 points
  - Less than 2 years 0 points
- Debt to Income Ratio
  - Less than 30% 10 points
  - 30% to 40% 5 points
  - 40% and above 0 points
- Lease to Purchase Only
  - 2 satisfactory landlord references  
or one long term landlord of five  
or more years. 10 points
  - Combination: one landlord  
and/or three personal reference 5 points

\*All the factors being equal, the applicant with the earliest date of application will be selected.

## **INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAM**

Zhaabwiiigedaa – Let’s Save

An Individual Development Account (IDA) program, is a slow track homeownership program, designed to help participants that may not be able to be finance a home in the immediate short term due to credit issues. Participants in the program will make monthly savings deposits of \$75.00 for 12– 36 months. Participants’ savings deposits are matched at a rate equal to \$10,000 with the maximum match of \$7300 per participant.

### **ELIGIBILITY – INDIVIDUAL DEVELOPMENT ACCOUNTS**

Participate in developing a plan to repair and build credit preparing for homeownership.

Make monthly savings deposits.

Attend Native Financial Skills, Homebuyer Education and other peer support meetings and trainings.

Use savings for homeownership.

Follow polices for leave of absence, emergency withdrawals, and regular withdrawals.

- Meetings and classes will be conducted by staff of Sault Tribe Housing Authority and Community partners who have expertise in the areas of money management, homeownership, home repair and other applicable topics.

- Participants may make deposits in the following ways:

- (1) In person at the local participating bank.
- (2) Through payroll deduction, if offered by their employer.

- If a participant fails to make two (2) monthly deposits in a row and fails to respond to attempts to contact, participation in the program will automatically be terminated. If the participant responds, the participant will be given one month to resume depositing in the account. After a one month period, participant fails to make a monthly deposit, participant will be automatically terminated from the program.

Sault Tribe Housing Authority will account for all matching funds. Matching funds are not available for an emergency withdrawal. The matching funds will only be disbursed upon completion of training, once savings goal is met, and at the closing to purchase the asset. Matching funds will not be paid directly to the Participant, except in cases that warrant direct pay.

### **I. HARDSHIP**

Participants may, from time to time, be faced with circumstances that make regular IDA savings impossible for a limited period.

**Qualifying for Leave** - leave of absences must have prior approval by Director or designee. An acceptable reentry plan must be developed in order to reenter the program.

**Status while on Leave** - participants who are on leave will not accumulate match funds during leave..

**Duration** - may be for as little as one calendar month and as long as four full calendar months.

**Leave End without Program Reentry** - participants who do not qualify for reentry into the program before the scheduled end date of their leave will be dismissed from the program and will forfeit any accumulated match funds.

0Withdrawals of funds from the IDA account cannot be made for any purpose until six months after the date when the Participant first deposits funds into the IDA account. The unauthorized withdrawal of any funds from their IDA account by the participant prior to six months from the date of the initial deposit shall cause the participant's withdrawal and termination of the client's participation in the IDA Program.

Participants may use their IDA savings and match funds for the following expenses:

- ✓ First Time Home Purchase

### **Form of payment**

Qualified withdrawal requests will be filled in the form of a vendor check made payable to businesses or institutions providing elements of participants' asset goals; IDA funds will be issued directly to participants only in cases that warrant direct pay.

Participants in Zhaabwiiigedaa – Let's Save are strongly discouraged from taking emergency withdrawals from their IDAs; however, if a financial emergency arises, participants may take emergency withdrawals according to the following:

**Eligibility** - In order to be eligible for an emergency withdrawal, participants must have been enrolled in *Let's Save* for at least six (6) months and have made savings deposits consistently for at least six (6) consecutive months.

**Emergency Withdrawal Uses** - Emergency withdrawals will only be approved when, IDA funds are necessary to:

1. to prevent the eviction of a participant or a participant's family from their residence,
2. to pay for critical health care services for a participant or a participant's family member, or
3. to pay for critical living expenses, such as food supplies or heating expenses, following a participant's loss of employment.

**Amount of Withdrawals** - Approved emergency withdrawals may be made in any amount up to a participant's entire account balance. However, participants must maintain a \$50 balance in their account to ensure that the account is kept open for future program participation. Withdrawals will not include matching funds.

**Forfeiture of Match** - Participants who make emergency withdrawals will forfeit any match money earned on the withdrawn funds. These match monies may be earned again if a participant makes future IDA deposits, including the amount of the emergency withdrawal.

**Alternatives to Emergency Withdrawals** – If a participant applies to make an emergency withdrawal and *the request is not* approved, that participant may choose:

1. To make do without the emergency withdrawal and continue participating in *Let's Save*,
2. To withdraw from the program and receive a full refund of all IDA deposits and interest, but jeopardize any possibility of future program participation, or
3. To apply for a leave of absence, which would not provide access to IDA funds but would provide a planned respite from the obligation to make monthly IDA deposits.

**Repayment of Emergency Funds** - Funds withdrawn for purposes of an Emergency Withdrawal must be replaced as soon as possible and no later than 12 months after the date of the emergency withdrawal. Failure to replace withdrawn funds shall constitute the participant's withdrawal from the IDA Program and the Participant will be ineligible to receive match funds.

If a participant decides to terminate their participation in the program, they must submit their request in writing to STHA. The Participant understands that once they terminate prior to the end of the savings period, they forfeit any match from the pooled parallel account.

Sault Tribe Housing Authority does not expect that any participant will need to be terminated from the program. However, in the event that any of the following does occur, Sault Tribe Housing Authority will need to terminate a participant from the program:

- (1) Withdrawing funds from the IDA savings account without prior approval from IDA Program staff.
- (2) Failure to attend at least 75% of meetings and classes.
- (3) Failure to make monthly deposits in IDA account.
- (4) Two missed deposits in a row.



- In the event of termination, a letter notifying the participant of termination will be sent and the participant forfeits any program match funds.

## **HOME REHABILITATION PROGRAM**

The Home Rehabilitation Program provides rehabilitation services for Sault Ste. Marie Tribe of Chippewa Indians members who privately own homes on and off reservation.

### **I. OBJECTIVE AND INTENT**

- a) The primary objective of rehabilitation standards is to assist low income families maintain affordable, decent, safe, and sanitary housing, and suitable living environments. Enable elders to remain in their homes. Improve the housing stock in the seven (7) county service area for Tribal members: that is not due to the fault of the applicant;
- b) that impedes or threatens the safety of the household;
- c) in which the household is not able to resolve the substandard weatherization with their own funds

**Repairs** available through any Home Rehabilitation Program administered by the Housing Authority are limited to those necessary to:

- a. protect the health, safety, and security of the occupant and his/her family,
- b. to preserve or restore the structural integrity of the building to assure its continued fitness for use as a single-family dwelling, and
- c. to improve the energy efficiency of the dwelling in a cost-effective manner
- d. Related repairs deemed necessary to accomplish work items identified under Level I, Level II, or Level III as stated below.
- e. Repairs normally eligible for Program funding, provided that in each particular case the repair requested meets one or more of the above guidelines, are described below.

### **II. Standard of Assistance**

#### Level I

Not to exceed \$10,000.00 per applicant/household; eligible applicants may receive assistance no more than every 5 years.

Weatherization – Improvements allowed are:

1. Installation of insulation to finished walls, attics, rim joists, water heaters and floors above unheated areas;
2. Installation of storm windows/doors, and replacement of broken glass;
3. Replacement of entry doors as necessary to insure weather tight and secure entrances to the dwelling;
4. Installation of insulation or heat tapes as necessary to protect water and drain pipes against freezing;
5. Caulking and weather-stripping as necessary to reduce air penetration of the dwelling.
6. Venting (bathroom fans, dryers, range hood exhaust fans)
7. Replacement of windows

## Level II

Not to exceed \$15,000 per applicant/household; eligible applicants may receive assistance no more than every 10 years.

1. Roof repairs/replacement

## Level III

Structural Rehabilitation not to exceed \$60,000 – Repairs allowed are:

1. Electrical repairs needed to correct defects in wiring or fixtures, remove or reduce hazards, or bring the property into compliance with local codes applicable to existing housing.
2. Plumbing repairs needed to assure availability of hot and cold running water and sanitary disposal of waste, including replacement and installation of hot water tanks.
3. Repair or proper installation of furnaces or other space heating equipment or systems needed to insure adequate heating.
4. Installation of flooring in baths and kitchens when the surfaces have deteriorated and cannot be adequately cleaned.
5. Repair of floor structures, stairs, and porch decks, where hazardous; and repair or installation of handrails and guardrails where insecure or missing.
6. Installation of locks and window sash locks.
7. Installation of smoke detectors.
8. Installation of wheelchair ramps, grab-bars, and other safety devices required by a handicapped occupant.
9. Correction of hazardous lead-based paint.
10. Repairs to or installation of kitchen base and wall cabinets, including countertops, when necessary to provide adequate space for sanitary food storage and preparation.
11. Replacement of the roof of the dwelling when deteriorated or near the end of its service life and exceeds Level II repairs.
12. Exterior carpentry repairs as required to provide weather protection, or restore architectural details.
13. Exterior painting of the dwelling when necessary to restore protection of exterior surfaces against the weather, or re-siding of the house when the existing siding can no longer provide an effective weather barrier.

## Non-Allowable Improvements

The following improvements will not be financed with NAHASDA funds:

1. conversion of a single-family dwelling to a two-or more- family dwelling;
2. erection of new structures on the site;
3. construction of new additions to the home;
4. installation of central air conditioning systems or heat pumps;
5. provision of or repairs to moveable appliances;
6. use of materials, fixtures, or equipment which exceeds in cost that customarily used in the locality for properties of similar type;
7. construction of driveways or carports;

8. Demolition of detached accessory buildings when hazardous may be required as a condition of participation but program funds may not be used for this purpose;
9. Landscaping;
10. No repairs shall be made to accessory buildings with program funds except for materials applied at the owner's expense.

Repairs that exceed the set funding amounts will be the sole responsibility of the applicant/household. If the applicant cannot pay the additional cost, staff will assist in working with contractor to reduce the amount of bid or may leverage grant toward home improvement loan to finance full cost of repairs.

## FURNACE AND WATER HEATER REPLACEMENT PROGRAM

### **PURPOSE**

The Furnace and Water Heater Replacement Program provides energy conservation and moderate rehabilitation to those homeowner members of the Tribe faced with costly repairs and replacement of substandard heating systems and water heaters.

### **OBJECTIVE:**

The objective of the Housing Authority Owner Occupied Rehabilitation Service shall be to serve tribal families with energy conservation moderate rehabilitation in the form of new heating systems and water heaters.

### **STANDARD OF ASSISTANCE**

To remove issues of substandard heating systems and water heaters;

-that is not due to the fault of the applicant;

-that impedes or threatens the safety of the household;

-in which the household is not able to resolve the substandard heating system and water heater with their own funds;

The funds will be distributed to eligible applicants who meet the eligibility criteria and who have demonstrated a need based on an emergency situation and it has been determined that providing assistance will remedy or eliminate the emergency situation.

Funds are distributed directly to subcontract vendors providing services.

The Standard of Assistance shall not exceed eight thousand five hundred dollars (\$68,500) per household.

This program may be accessed by tribal homeowners every twenty (20) years. Each applicant may be served once.

**DIRECTOR AUTHORITY**

In situations where STHA has determined that substandard heating systems or water heaters currently exist in the dwelling, the determination will be in writing from a licensed contractor stating need for replacement and itemized cost of replacement. Three (3) quotes will be required. Based on the recommendation of the licensed contractor, the STHA Director will authorize replacement. The Housing Authority Commission provides authority to the STHA Director to provide furnace or water heater replacement not to exceed six thousand five hundred dollars (\$6,500.00). In situations identified by STHA Director, additional funding may be necessary.