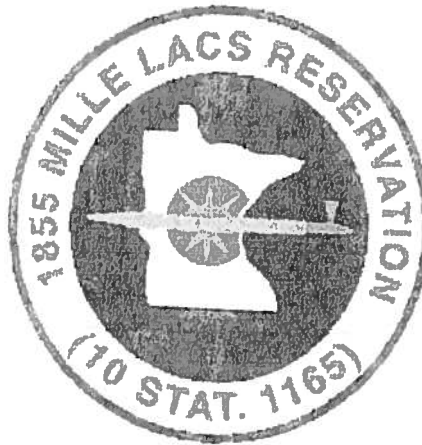


**MILLE LACS BAND OF OJIBWE
HOUSING DEPARTMENT**

**TRANSITIONAL HOUSING PROGRAM
POLICIES & PROCEDURES**



Adopted May 5, 2011

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1. INTRODUCTION

The Mille Lacs Band Housing Department (MLBHD) developed this Transitional Housing Program to assist Mille Lacs Band Member families in emergency housing situations.

2. GENERAL PROVISIONS

2.1. Primary Objectives

- To develop, maintain, and operate affordable housing in safe and healthy environments on the Mille Lacs Band reservation;
- To promote an environment of zero tolerance for the use or possession of controlled substances without a prescription;
- To promote an environment of zero tolerance for the use or possession of alcohol;
- To ensure better access to transitional housing markets for members of the Mille Lacs Band of Ojibwe;
- To promote self-sufficiency of the members of the Mille Lacs Band of Ojibwe;
- To coordinate activities to provide housing for the members of the Mille Lacs Band of Ojibwe with Federal, State, and local activities to further economic and community development for Indian tribes and their members;
- To plan for and integrate infrastructure resources with housing development for the members of the Mille Lacs Band of Ojibwe; and
- To promote the development of families and improve access to supportive services, thereby benefiting the members of the Mille Lacs Band of Ojibwe.

2.2. Purpose

- To provide guidelines enabling the MLBHD staff to administer the programs consistently and fairly;
- To provide training and orientation for newly hired staff;
- To educate MLBHD's clients and the public of the basis for MLBHD's decisions.

2.3. Adoption

The Transitional Housing Program Admissions and Occupancy Policy is adopted by, and may only be amended by an agreement between the Mille Lacs Band Housing Department, the Mille Lacs Band Housing Board, and the Mille Lacs Band of Ojibwe Band Assembly.

3. DEFINITIONS

- Dependent Child - Children under the age of 18; or between the ages of 18 and 23, who are full-time students; or an unborn child in the womb
- Drug-Related Criminal Activity – Includes but is not limited to a conviction for the following offenses: intent to sell/distribute; manufacture of methamphetamines; possession of controlled substance.
- Emergency Housing – Families who may have lost their home to a natural disaster, fire, flood or unexpected and immediate circumstances beyond their control and have no other housing options.
- Equipment - "Equipment" includes utility lines and piping, heating and plumbing equipment, pumps and tanks, ranges and refrigerators, and similar components.
- Family - Consists of at least one Mille Lacs Band Member adult and at least one dependent child of which is in the Head of Household's legal custody.
- Grounds - "Grounds" include lawns, roads, sidewalks, drainage, and similar physical features surround and part of the property.
- Head-of-Household – Adult family member, who must be a Mille Lacs Band Member or significant other of a Mille Lacs Band Member, whose Monthly Net Income will be used to calculate the Monthly Rent; and is the primary tenant signature on the Rental Agreement; and will have legal custody of all dependent children within the family.
- Home - As used in this policy, the term "home" includes roofs, attic spaces, windows, gutters, walls, porches, doors, foundations, floors, etc.
- Homeless Family – Families that are transient or possibly residing in shelters.
- Monthly Net Income – To calculate the monthly net income begin with the total monthly income of all adults that will be occupying the unit. From this total, the Department will deduct \$480 per dependent younger than eighteen (18) and per full-time student (the student should carry a subject load considered to be full-time by the educational institution attended). The Department will deduct \$400 for an elderly or disabled family member. Only one deduction (dependant, elderly, or disabled) will be allowed per individual family member. The result is the Net Income.
- Resident Overcrowding – Residents living with family in a dwelling where the number of bedrooms compared to the number of residents requires more than two people per bedroom.
- Significant Other – Adult family member, who must be a Mille Lacs Band Member if the Head-of-Household is not, whose Monthly Net Income, if any, will be used in calculation of the Monthly Rent; and will sign second on the Rental Agreement.

4. ELIGIBILITY

4.1. Family Composition

A family must consist of at least one Mille Lacs Band Member adult and at least one dependent child of which is in the Head of Household's legal custody. Children between the ages of 18 and 23, who are full-time students, are considered dependent.

4.2. Eligibility Assessment

Eligibility will be determined by reviewing such factors as previous occupancy with the Housing Department, references, credit reports and criminal background checks. If unfavorable information is received, MLBHD considers the time, nature, and extent of the past occurrence and the reasonable probability of future favorable performance. Such factors as the length of time since the last evidence of such activities, the seriousness of the conduct, and the record of rehabilitation efforts will be relevant.

4.3. Disqualifying Factors

A family who has engaged in conduct, while in other housing programs, that is likely to diminish the health, safety, welfare, or quiet enjoyment of other tenants, or to adversely affect the project environment, the physical condition of the home or neighborhood, or the Housing Department's financial ability to operate the program and enforce tenant obligations without undue burden, will not be admitted. Specific disqualifying factors are discussed below.

4.3.1. Fraud with the MLBHD

No family will be admitted whose head of household or spouse or significant other has committed fraud as a participant or applicant in another Mille Lacs Band Housing Department Program.

4.3.2. Drug-Related Criminal Activity

A family who has a family member that will be residing in the home, with a history of engaging in drug-related criminal activity, will be disqualified from the program for the stated period of time.

- | | |
|---|------------------------|
| A. Intent to Sell/Distribute | 5 years |
| B. Manufacture of Meth | Banned for life |
| C. Possession of Controlled Substance | |
| a. First through Fifth Degree | 3 years |
| b. Importation | 3 years |
| c. Misdemeanor Drug Possession | 1 year |
| D. Eviction or Lease Termination for Drug-Related Criminal Activity | 5 years after eviction |

An applicant with drug-related convictions who submits proof of treatment, is in good standing with probation or parole, if applicable, and has not been involved in further drug or alcohol-related offenses may be eligible for housing assistance.

4.3.3. History of Criminal Activity

A family who has a family member that will be reside in the home, with a history of engaging in criminal activity, will be disqualified from the program for the stated period of time. A family who has a family member that will be reside in the home, who is in violation of any criminal probation or parole, will not be eligible while they are in violation.

A. Arson	
a. Of Band property	Lifetime Ban
b. Other	10 years
B. Assault on person	
a. Third degree	2 years
b. Second degree	5 years
c. First degree	7 years
C. Assault against property	1 year OR until damage is paid for
D. Burglary	3 years
E. False Imprisonment	3 years
F. Kidnapping	5 years
G. Homicide	
a. First Degree	Lifetime Ban
b. Second Degree	Lifetime Ban
c. Third Degree Murder	Lifetime Ban
d. First Degree Manslaughter	10 years
e. Second Degree Manslaughter	5 years
H. Sex Crimes	
a. Criminal Sexual Conduct	5 years
b. Registered Sex Offender	Banned for Life

4.3.4. Confirmed Gang Member

A family of which a member, who will reside in the home, is confirmed to be a gang member by the Mille Lacs Band Tribal Police Department will be disqualified from the program for life. An applicant who is a known gang member, but provides a written statement from his/her probation or parole officer that no further instances of gang-related activities have occurred within the previous two (2) years may be eligible for housing assistance.

An applicant who has been denied eligibility because they have been a confirmed gang member and wishes to dispute this may do so according to the Mille Lacs Band of Ojibwe Housing Department Grievance Policy and Procedure. A copy of that policy is posted outside the Community Development Department and may also be obtained upon request.

4.3.5. Ability to Perform Obligations

Applicants to the Transitional Housing Program must demonstrate their ability and willingness to maintain the home. This includes the availability of financial resources for maintenance purposes and the physical abilities of the family members to perform this maintenance, or the ability of the family to access maintenance services. Past tenants' history will be considered by the Housing Department.

4.4. Tenant Training and Development

Applicants to the Transitional Housing Program must agree to participate in training and/or counseling. Failure or refusal to participate in any programs designated within the family's case management plan authorizes MLBHD to terminate the admissions process at any time. Tenant training may include:

- A. training on preventative maintenance;
- B. health care;
- C. vocational training; or
- D. counseling.

4.4.1. Pre-Occupancy Phase

Prior to occupancy, applicants will receive training in the following areas:

- A. orientation to the transitional housing program;
- B. the transitional housing tenants contribution; and
- C. community resources and services.

4.4.2. Post Occupancy Phase

After the family has moved in, tenants will receive training in the following areas:

- A. property care and maintenance;
- B. budgeting and money management;
- C. fire safety; and
- D. other training or counseling deemed appropriate by the Case Manager.

5. SELECTION PROCESS

5.1. General Provisions

The information collected in the Certification Process will be reviewed to verify the eligibility of the applicants selected. At least three of the Housing Administration staff listed below will review the Transitional Housing Program Applications received.

- A. Director of Housing
- B. General Manager of Housing
- C. Property Manager
- D. Resident Services Coordinator
- E. Transitional Housing Coordinator

5.2. Order of Selection

Vacancies are filled in the following order:

1. Homeless families
2. Emergency housing
3. Resident overcrowding

Preference shall be given within each category first to those families that have proven to have already applied for assistance through Mille Lacs Band programs on their own accord; and second by the date of their application filing with the Housing Department.

5.3. Waiting List

A waiting list will be established for each bedroom size. The applicants are ranked according to the order of selection listed in Section 5.2. The waiting lists will be maintained by the Property Manager. The updated waiting lists will be posted during the first week of each month in the Government Center according to the code assigned to each applicant.

6. CERTIFICATION PROCESS

Families participating in the Transitional Housing Program will complete a certification process to ensure that they meet the eligibility requirements and that such families are paying the appropriate required monthly payment and complying with the zero tolerance for use or possession of controlled substances without a prescription and use or possession of alcohol rule. Reexamination will occur on a quarterly basis at a minimum. Families are required to provide full cooperation in this process.

6.1. Initial Certification

Prior to signing a Transitional Housing Program Agreement, all families must certify their income, and family status through a certification process. All adult applicants will also be subject to a urine analysis test to be conducted at the Ne- Ia-Shing Clinic.

6.1.1. Income Verification

The head-of-household and spouse or significant other, if applicable, are required to execute a Release of Information form. The release authorizes any depository or private source of income, or any Federal, State, local or tribal agency to release to MLBHD such information as MLBHD determines to be necessary. The use of information obtained pursuant to this release shall be limited to purposes directly connected with the administration of the program for which the family has applied.

6.1.2. Determination of Rents

Monthly Rent shall be the highest of the following:

- Thirty (30) percent of Monthly Net Income. To calculate the monthly net income, begin with the total monthly net income of all adults that will be occupying the unit. From this total, the Department will deduct \$480 per dependent younger than eighteen (18) and per full-time student (the student should carry a subject load considered to be full-time by the educational institution attended). The Department will deduct \$400 for an elderly or disabled family member. Only one deduction (dependant, elderly, or disabled) will be allowed per individual family member. The result is the Net Income.
- If applicable, welfare assistance received by the family, from a public agency, that is specifically designated by such agency to meet the family's housing costs.

The minimum monthly rent for a unit will be \$ 200.00. Any amount remaining within the 30% Monthly Net Income, less utility expenses; and above the Monthly Rent based on family size, will be saved in an account set aside for the family to utilize at the time of move out.

6.1.3 Management of Family's Savings Account

The MLBHD will deposit ten percent (10%) of Monthly Net Income into a savings account at the Woodlands Bank. These funds will only be accessible by the MLBHD. At the time of move-out, the family will receive the amount of funds deposited in the family's account, less the cost of any damages or repairs determined to be the tenant's responsibility, as defined in Section 11.3.2. The purpose for creation of the savings account is so that the family may use the funds for payment of rent deposit and first month's rent, upon completion of the Transitional Housing Program.

6.2. Re-examination

Reexaminations for all families are conducted not less than once every quarter (ninety (90) days).

6.2.1. Scheduling

Reexaminations are scheduled by the MLBHD seven (7) days before the monthly date of the Rental Agreement. When the reexamination is due, the family will be notified by letter of the date and time of the appointment. The family will be requested to provide information necessary for recertification prior to the time of the appointment.

6.2.2. Adjustments

After eligibility and income have been determined, any adjustments in the Monthly Rent required by this section shall be made.

6.3. Testing for Drug or Alcohol Use

Adult tenants may be asked to report to the Ne Ia Shing Clinic for a urine analysis test as deemed necessary by the assigned Case Manager.

7. LEASING PROCESS

A Transitional Housing "Rental Agreement," will be entered into between MLBHD and each tenant. The Rental Agreement shall be kept current and reflect the obligations of the tenant, participant family and MLBHD. The following will be included in the Rental Agreement:

- Reasonable terms and conditions;
- The owner or manager is required to maintain housing in compliance with applicable housing codes and quality standards;
- Pets will be prohibited on the premises;
- The owner or manager is required to give adequate written notice of termination of the lease, as described in Section 6.4 of this policy;

- A resident shall be informed of the opportunity to examine any relevant documents, records, or regulations directly related to any eviction or termination;
- The owner or manager may terminate the lease for serious or repeated violation of the terms or conditions of the lease, violation of applicable Federal, State, Tribal, or local law, or for other good cause; and
- The owner or manager may terminate the lease for any activity, engaged in by the resident, any member of the household, or any guest or other person under the control of the resident, that:
 - threatens the health, safety or right to peaceful enjoyment of the premises by other residents;
 - threatens the health, safety or right to peaceful enjoyment of the premises by persons residing in the immediate vicinity of the premises;
 - is engaging in criminal activity (including drug-related criminal activity) on the premises;
 - proven use or possession of controlled substances without a prescription;
 - proven use or possession of alcohol on the premises; or
 - non-compliance with Transitional Housing case management plan.

7.1. Execution of Rental Agreement

The Head of Household, spouse or significant other, if any, shall execute the Rental Agreement prior to admission. A copy shall be given to the family and the original shall be kept in the family's file.

7.2. Participant Family Change

If for any reason an original signer to the Rental Agreement ceases to be an occupant, MLBHD may require execution of a new Rental Agreement by the remaining occupant, and, where feasible, execution of a relinquishment by the absent occupant. MLBHD may also require amendment of the Rental Agreement to reflect a change in the Head of Household, in order to accurately represent the interest and identity of the tenant, spouse or significant other. The remaining Head of Household may be an adult Mille Lacs Band Member family member who agrees to the terms of the Rental Agreement.

7.3. Amendments to Rental Agreement

If the MLBHD desires to change, amend or waive any provision of the Rental Agreement with respect to any individual or group of tenants, an appropriate addendum or amendment shall be prepared, signed by the family and MLBHD's representative, and attached to the original Rental Agreement.

7.4. Principal Residency Requirement

Throughout the term of the Agreement or Rental Agreement, Tenants must use the home as their principal place of residence.

7.4.1. Prior Notice and Approval of Absences

All absences from the home, in excess of five (5) consecutive days require prior written approval from the Housing Department and the family's assigned Case Manager. Absences will be approved for Mide'win ceremonies; incarceration for

crimes committed prior to Transitional Housing admission; treatment required by the family's case plan; medical reasons; or other circumstances deemed appropriate to the family's continued participation in the Transitional Housing Program. The length of absence should not be in direct conflict with the goals set to be accomplished by the family.

In the event that a temporary caregiver is required for childcare during an approved absence, the caregiver is subject to the certification process identified in Section 5 of this policy.

7.4.2. Abandonment

A family's absence from the home which has not been approved per Section 7.4.1, for a period exceeding seven (7) consecutive days may be deemed abandonment by the MLBHD; and may result in termination of the Rental Agreement.

7.5. Visitor Restrictions

Any guest residing within the home for more than three (3) consecutive days must receive written preapproval from the family's Case Manager. No one guest shall reside within the home for more than three (3) days within a thirty (30) day period without receiving written preapproval. No individual guest visit will be approved for a period of more than five (5) consecutive days; or for more than one (1) guest at a time. Tenants will be permitted to have visitors for no more than five (5) days per month. Upon verification that a family has allowed a guest(s) to stay within their home for a period of time exceeding approval, a Notice of Breach will be issued.

8. CASE MANAGEMENT

All tenants of the Transitional Housing Program will be referred to the Mille Lacs Band of Ojibwe's Health and Human Services Department for an evaluation. Areas of concern identified in the evaluation and screening process may become a part of the tenant's Case Plan. Tenants may be referred to services, including but not limited to:

- general health and dental services;
- substance abuse (alcohol or drugs);
- family counseling; or
- mental health counseling.

Tenants may also be referred to TANF for vocational and training needs; or budget management training.

8.1. Memorandum of Understanding

Tenants are responsible, per the Rental Agreement, for compliance with the transitional housing case plan, including all other applicable services identified in the plan (i.e. TANF, human services case plans, etc). The Transitional Housing coordinator will maintain ongoing compliance with all aspects of the transitional housing case plan. To verify tenant involvement, the Mille Lacs Band of Ojibwe's HHS and TANF

departments will periodically report each tenant family's program participation and progress to the Transitional Housing Coordinator, as outlined in the signed Memorandum of Understanding (MOU).

9. INSPECTIONS

Tenants are required to participate in inspections, intended for the MLBHD to determine whether the family is complying with all maintenance and replacement responsibilities (See Maintenance, Section 11).

9.1. Initial Inspections

An initial inspection of the home is required before the family moves in. Families shall not be permitted to occupy a home until the home is suitable for occupancy.

9.1.1. Participants

The inspection shall be conducted with both the Head of Household, spouse or significant other, if any, and the MLBHD representative.

If the tenant is not present at the scheduled appointment time, the MLBHD may conduct the inspection of the unit without the tenant's presence. A video camera will be used for verification purposes.

Where tenants fail to cooperate with inspections or associated counseling, the MLBHD may document the non-cooperation for the file and for follow-up counseling.

9.1.2. Counseling Opportunity

During the inspection, the tenant will be advised of their maintenance, and replacement responsibilities. A copy of each inspection report will be provided to the tenant and the family's Case Manager.

9.1.3. Documentation of Condition

The pre-occupancy condition of the home, as well as any deficiencies, missing items, necessary repairs, and similar facts shall be entered on the inspection report form prescribed by the MLBHD.

9.1.4. Use

The report shall be signed and dated by both the Head-of Household and the MLBHD. Because the report serves as the official record documenting the condition of the home at the time of occupancy, and may form the basis for move-out charges, the Head-of Household shall be encouraged to read the report carefully before signing. The original inspection form shall become a part of the family's file. A copy of the report shall be provided to the family. In the event that the tenant is not present at the time of inspection, a copy of the video recording will be available for the tenant to review with the MLBHD.

9.2. Follow-Up Inspections

A special interim inspection of the home shall be scheduled approximately one (1) month after initial occupancy. Subsequent routine inspections will be conducted at least once per quarter and annually.

9.2.1. Notification

The family shall be given written notice of the date and time of the inspection, as well as an explanation of the reasons for the inspection.

If the tenant is not present at the scheduled appointment time, the MLBHA representative will conduct the inspection of the unit without the tenant's presence. A video camera will be used for verification purposes.

9.2.2. Report

An inspection report shall be completed and signed by the Head-of Household, spouse or significant other, if any, and the MLBHD representative. Deficiencies shall be discussed with the family.

9.2.3. Inspection Results

If the inspection shows adequate care by the family, the next inspection will be conducted in accordance with Section 9.2. If inadequacies are revealed, an interim inspection, as set forth in Section 9.4., shall be scheduled.

9.2.4. Deficiencies

If deficiencies are observed during the inspection, the MLBHD will note them on the inspection report and write a plan of action. A follow-up inspection will be conducted approximately thirty (30) days following the inspection to insure the work has been completed.

9.3. Quarterly Inspections

The MLBHD will conduct quarterly inspections to note items in need of repair, general trends of family neglect, and any deficiencies in the appearance or upkeep of homes.

9.4. Special Inspections

A special inspection will be conducted where deficiencies are noted at the follow-up inspections or when damages or other violations are suspected. If the interim inspection reveals inadequate care of the home, the tenant shall be advised of the breach. A letter listing the deficiencies shall be sent to the family stating that corrective action must be taken by a certain date and setting a re-inspection date. This shall constitute the tenant's plan of action unless the tenant agrees to a modified plan, with the Housing Department's approval. If the breach is not cured, MLBHD shall enforce the Rental Agreement by appropriate action, including termination of the Rental Agreement if necessary.

9.5. Vacate or Move-out Inspection

An inspection of a home being vacated will be required.

9.5.1. Scheduling

The vacate inspection will be scheduled when the family has removed all personal items and completed all repairs and cleaning.

9.5.2. Instructions

Families will be mailed the vacate instructions in order to facilitate the move-out and to promptly determine whether any charges may be due.

9.5.3. Participants

If possible, the inspection will be conducted with the Head-of Household present. The inspection report will be signed by both the Head-of Household and the MLBHD representative. Where families have vacated without notice or have been evicted, and are not available for the inspection, two MLBHD representatives will be present to document the condition of the home through the inspection report, and if possible, through the use of photos or videotape.

9.5.4. Charges

A list of potential charges shall be summarized on the appropriate section of the report. The vacate inspection report shall be compared with the initial inspection to evaluate any damages beyond normal wear and tear.

9.5.5. Dispute

Any disagreement by the family regarding vacancy charges shall be resolved in accordance with the MLBHD's Grievance Procedure. A copy of that policy is posted outside the Community Development Department and may also be obtained upon request.

10. COLLECTIONS

The proper operation of the Transitional Housing Program depends on the money generated by family payments. MLBHD will take diligent action to collect payments, in a manner consistent with the tenants' Case Plan.

10.1. Amount of Monthly Rent

Families will be informed of the amount of their Monthly Rent, and how the payment was calculated. MLBHD will advise families of their obligation to make regular payments in accordance with the Rental Agreement. The method of payment shall be by postal money order or assignment of Per Capita bonus distribution.

10.2. Collection Process

MLBHD applies the following guidelines in enforcing the financial obligations of the tenant(s) in collecting payments:

10.2.1. Payment Due Dates

Payments are due on the 7th day of each month; and are late on the 8th day of each month. On the 8th day of the month, the tenants who have missed their payment and who have not signed an approved Payment Agreement covering the breach shall be sent a reminder notice.

10.2.2. Issuance of Notice of Delinquency

If after 15th day of the month the family has still not cured the breach or agreed to a written plan of action, MLBHD is authorized to send a Notice of Delinquency, which shall state:

1. any requirement by MLBHD that the family execute a Payment Agreement;
2. the tenant's opportunity to receive counseling assistance to assist in resolving the payment problem; and
3. the amount owed.

10.2.3. Response to Notice of Delinquency

The tenant must respond to the Notice of Delinquency in accordance with the Notice, by making payment acceptable to MLBHD, executing an approved Payment Agreement, or fully securing the debt by wage deduction agreement or other valid method within thirty (30) days of its issuance.

10.2.4. Notice of Termination

If after an additional 30 days from when the delinquency arose (a total of 45 days after payment due) the tenant fails to respond to the Notice of Delinquency, MLBHD is authorized to send or serve a Notice of Termination per Section 12.

10.3. Failure to Meet Financial Obligations

Delinquent tenants are required to cooperate in financial and family budget counseling as directed by the MLBHD, to insure that the tenant understands the importance of making payments when due. Counseling may include discussion of assignment of direct deposits and payroll deductions. Financial counseling will be provided by TANF, as agreed upon in the MOU between Housing and Administration. Refusal or failure to participate in counseling is considered by MLBHD in determining whether stricter collection action is appropriate.

10.4. Inability to Make Full Payment Due to Hardship

Although payments are originally established at amounts within the financial reach of eligible families, financial hardships can arise (such as death of a family member or loss of a job) where the tenant, despite their best efforts, is unable to make full payment on the due date.

10.4.1. Conditions

MLBHD's policy is to provide reasonable accommodations to families suffering legitimate financial hardship. Accommodations may be provided to families provided that the hardship is of a temporary nature, the family complies fully with all other requirements of the Rental Agreement, and the family communicates the problem to MLBHD in a timely manner.

10.4.2. Family to Provide Notice of Problem/ Hardship

Families with a legitimate and justifiable inability to make the required payment on the due date must contact MLBHD:

- to explain the circumstances;
- to request and describe the financial extension needed; and
- to make arrangements for entering into a written Payment Agreement, if the extension is needed for longer than 30 days. Partial monthly payments are generally required for Payment Agreements.

10.5. Partial Payment

Families with legitimate financial hardships are required to make partial payments rather than pay nothing. Partial payments show the family's continued commitment to the Rental Agreement. Where partial payments are being made, MLBHD will hold-off on an immediate termination action if the family's payment history is good, it appears that the past-due balance will be repaid in the near future, and the family is complying with all other requirements of the Rental Agreement. If the inability to make full payments is expected to exceed 30 days, the family must promptly sign a written Payment Agreement, which states the reason for the extension or partial payment and specifies the date(s) when the payment(s) will be made. Generally, extensions will not exceed 90 days absent good cause.

10.6. Payment Agreements

To maximize a family's compliance, achieve the goals of the Transitional Housing Program, and avoid evictions, families with delinquencies or a pattern of late or inconsistent payments, must enter into a plan of action, and Payment Agreement.

10.6.1. Short Term Basis Only

Payment Agreements are made available to families in recognition of unavoidable or unexpected financial problems, and are intended to be of a temporary and short-term nature. Unless otherwise authorized by signature of the Director of Housing, the term of the Payment Agreement shall not exceed twelve months.

10.6.2. Requirements of Payment Agreement

The Payment Agreement shall provide:

- Minimum monthly payments shall be one half (1/2) of the amount owed, or \$150.00; whichever is greater. The minimum monthly payment may be reduced, in the MLBHD's discretion, so that the monthly payment plus the Monthly Rent Payment does not exceed fifty (50%) percent of the Family's Gross monthly income.

- The monthly payment shall be set at an amount which will result in the most prompt possible repayment, and may be higher if the Director of Housing determines that the Tenant can afford a higher payment.
- Payment Agreements shall be due and payable in the same manner as Monthly Rent Payments.
- In no event shall a Payment Agreement exceed three years.

10.6.3. Signed Document

Payment Agreements must be executed by the Head- of- Household. Where the Payment Agreement requires financial commitments from other family members; those members are also required to sign the Agreement.

10.6.4. Application of Payments

Payments made by a family with a Payment Agreement shall be made in the following order:

1. Current monthly payment.
2. Past due monthly payments.
3. Other charges not included in a Payment Agreement.
4. Repayment Agreement.

10.6.5. Breach of Payment Agreement

Failure to make payment is a breach of the Payment Agreement and authorizes termination of the Payment Agreement at the election of the MLBHD upon notice to the family. Failure of the family to make two consecutive payments under the Payment Agreement will result in automatic termination of the Payment Agreement. Breach of a Payment Agreement also authorizes termination of the Rental Agreement.

10.6.6. Reinstatement of Payment Agreement

The MLBHD may reinstate a terminated Payment Agreement upon appropriate payment and assurances from the tenant. A terminated Payment Agreement that has been reinstated shall not count against the family as indicated in the table below. After termination of a Payment Agreement, the MLBHD may require the family to enter into a new Payment Agreement.

10.6.7. Restrictions Where Payment Agreements Have Failed

For families who breached their last Payment Agreement, a substantial lump sum payment, on the balance of the original Payment Agreement, is required before a new Payment Agreement will be accepted. The minimum lump sum payment is a percentage of the balance due, determined by the following table:

Breached Agreements	Down Payment Required
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1	25%
2	50%
3	75%
4	100%

Families who have breached four (4) Payment Agreements during the term of their Rental Agreement must pay their balance in full, and are not permitted to enter into another Payment Agreement. A lump sum payment will be required to correct the balance owed. Only the Director of Housing, for good cause shown may waive this restriction.

10.7. Collection After Move-out

Following a voluntary move-out, abandonment, or eviction, MLBHD will make reasonable efforts to collect all past due payments and any debts arising from damages or non-maintenance from former tenants. Collection actions may include: deposit capture; legal proceedings; referral to a collection agency; and garnishment.

10.8. Referral to Legal Counsel

At any time a debt is owed, whether before or after move-out, the MLBHD Attorney may file legal action against responsible parties in order to collect debts owed to the MLBHD. If the tenant and family fail to vacate the premises after termination of the Rental Agreement, the file will be referred to the Housing Department's attorney for appropriate action.

10.9. Reservation of MLBHD Rights

This policy shall not limit MLBHD's right to:

- require additional assurances, reimbursement or payment from the tenant as a condition of any reinstatement, settlement, or settlement documentation;
- require security for the debt owed or agreed to be paid by the tenant;
- reject the tenants' attempted cure or request to cure; or
- seek judicial relief.

The MLBHD will seek garnishment of Tribal Bonus' at a percentage determined by the Mille Lacs Band Statute Title 24, Section 3351 et. seq., and the Court of Central Jurisdiction.

11.MAINTENANCE

Maintenance in Transitional Housing is the process of keeping the home, equipment and grounds from declining in usefulness and appearance.

11.1. Objectives

MLBHD's objective is to provide decent, safe and sanitary housing. Realization of this objective, including the following goals:

- Keep the home, equipment and grounds from deteriorating and/or failing before the end of their useful life;
- Remove detected conditions that may lead to injury or accident to occupants and others;
- Identify potential problems and provide maintenance to prevent the need for future emergency maintenance or major structural or system failures in and around the home, commonly known as "preventive" maintenance; and
- Keep the necessity of major repairs or improvements to the home or equipment, or the replacement of the item, commonly known as non-routine maintenance to a minimum.

11.2. Types of Maintenance

Maintenance is divided into Routine Maintenance and Preventative Maintenance.

11.2.1. Routine Maintenance

Routine maintenance is the ordinary maintenance of structures and equipment that have deteriorated through normal wear and tear. It includes responding to service needs when items are not functioning correctly; making minor repairs to systems and equipment; and replacing component parts of systems and equipment.

MLBHD Maintenance will be responsible for completion of these types of repairs. Examples of routine maintenance include, but are not limited to, the following:

- minor mechanical equipment repairs;
- repairing or replacing hose bibs and water/sewer lines;
- repairing or replacing electrical outlets, circuit breakers, outlet switch covers, and other minor electrical elements;
- repairing or replacing locks, door and window hardware, floor tile and vinyl, minor segments of roofing, gutters and siding; or
- interior painting.

11.2.2. Preventive Maintenance

The preventive maintenance program is the most important activity a Tenant performs. If performed properly, preventive maintenance minimizes the need for major corrective maintenance and maintenance expenses. There are two phases to the Preventive Maintenance Program 1) preventive maintenance inspections and repairs, which MLBHD performs from time to time per Section 7, and 2) the actual preventive maintenance and repairs required by the resident.

Minor preventive maintenance should occur year-round. Preventive maintenance requires the resident to establish a regular, periodic schedule for the following types of work:

- inspecting for condensation, dampness and rot in wood materials, and for rust in metal components, and taking corrective action as needed;
- inspecting sinks, toilets, and clean-outs;

- daily housekeeping duties;

Preventative maintenance and repairs required by MLBHD includes the following

- checking fire safety and fire detection equipment (i.e., fire extinguishers and smoke alarms);
- inspecting, adjusting and cleaning heating systems and equipment, such as furnaces, filters, ranges, hot water heaters, space heaters, refrigerators and any other appliances;
- inspecting and repairing plumbing systems and fixtures, including caulking around bathtubs, windows and exterior door frames;
- correcting drainage deficiencies;
- inspecting and pumping of septic system.

11.3. Tenants Responsibilities

11.3.1. Tenants Agreements

Tenants are responsible, per the Rental Agreement, for preventative maintenance of the home. The MLBHD is not responsible for the cost of any maintenance or repairs of the home that are not considered normal wear and tear. The tenants will be billed for the cost of repairing any damages to their unit not deemed normal wear and tear.

11.3.2. Failure to Maintain Home

Failure of the resident to perform the maintenance obligations constitutes a breach of the Rental Agreement. Upon a determination by the MLBHD that a breach has occurred, the MLBHD shall require the resident to agree to a specific plan of action to cure the breach and to assure future compliance.

If the problem is not remedied within the required time frame set by the MLBHD, or if the resident fails to agree to a reasonable plan, the MLBHD shall terminate the Rental Agreement; and shall have the work done, and charge the cost thereof to the tenant.

Repeated failure to maintain the home and/or equipment, and/or repeated damage to the home and/or equipment is cause for termination of the Rental Agreement and eviction. At which time, the MLBHD shall have the work done, and charge the cost thereof to the tenant.

11.3.3. Hazardous Conditions

If the condition of the property creates a hazard to the life, health or safety of the occupants due to the tenants' actions, the MLBHD shall have the work done, and charge the cost thereof to the tenant.

11.4. Housing Department Responsibilities

11.4.1. General Inspection Requirement

The MLBHD staff is required to perform several types of inspections, including periodic inspections of all homes, as well as move-in, move-out, warranty and special inspections, as described within Section 7.

11.4.2. Insurance Claims

Promptly after receipt of notice or after having evidenced a condition that would require a claim to be filed, the MLBHD shall notify its insurance company.

11.4.3. MLBHD Maintenance Instruction Program

MLBHD provides instruction programs to train and advise tenants of their maintenance responsibilities. The areas to be covered include:

- operation of appliances and equipment in the home;
- preventive maintenance programs;
- energy conservation; and
- routine maintenance and housekeeping methods.

In addition, information will be provided to the resident regarding the availability of additional instructional materials from the following sources:

- U.S. Department of HUD (home construction and maintenance);
- Indian Health Service (water and sanitation facilities);
- schools (home economics, landscaping, adult education);
- social service agencies (home economics, child safety);
- utility companies (energy conservation);
- appliance manufacturer representatives (warranty and maintenance work on new appliances); and
- fire departments (fire prevention and protection).

11.4.4. Maintenance Requirements

MLBHD will respond to requests by tenants for maintenance work only where it has been determined that, unless corrected or serviced immediately, the condition will adversely affect the health or safety of the occupants, or could lead to imminent or irreversible damage or deterioration to the home or equipment.

All maintenance work shall be completed using an approved work order system.

For repairs, the MLBHD will charge the tenant for the actual costs incurred by the Housing Department plus a 10% handling fee.

12. Termination of Rental Agreement

12.1. Termination Resulting From Breach of the Rental Agreement

Termination of the Rental Agreement shall be in accordance with the terms of the Rental Agreement and applicable law. For terminations due to nonpayment or financial ineligibility, MLBHD has established specific procedures. The general termination procedure for breach of the Rental Agreement for other reasons is stated below.

12.1.1. Notice of Breach

When a breach of the Rental Agreement has been identified, written notice will be given to the family by the MLBHD; and will include the following:

- identify the nature of the breach;
- give the tenant an opportunity to identify any extenuating circumstances; and
- provide an opportunity for the family to enter into a plan of action to correct the breach.

12.1.2. Plan of Action

If requested by the tenant, a plan of action shall be agreed upon between MLBHD and the tenant. The plan will specify how the tenant will come into compliance by the deadline given. A tenant's request for a plan of action must be made within five (5) business days of date that the notice of breach was issued. The plan of action will be signed by the MLBHD representative and the tenant within five (5) business days after the tenant's request.

12.1.3. Notice of Termination

If the Rental Agreement terminates as a result of the tenants' failure to cure the breach or respond to the Notice of Breach within the time allowed, MLBHD is authorized to send a Notice of Termination. Notice of Termination shall include the following language:

- the reason for termination;
- that the tenant has fifteen (15) days, during which the tenant will be allowed to respond to the MLBHD, in writing or in person, regarding the reason for termination;
- that, if responding in person, the tenant is allowed to be represented or accompanied by a person of his/her choice;
- that if, within fifteen (15) days of the date of the Notice of Termination, the tenant presents to the MLBHD assurances or evidence satisfactory to the MLBHD, the Director of Housing may rescind the Notice of Termination; and
- that unless there is a rescission the Rental Agreement will terminate on the 15th day after the date of the Notice of Termination.
- direct the tenant and household to vacate the home and remove all belongings within fifteen (15) days; and
- notify the tenant that failure to vacate may result in the MLBHD filing an unlawful detainer in the Court of Central Jurisdiction.

12.2. Termination Due to Incurable Breach of the Rental Agreement

Certain breaches of the Rental Agreement are of a nature so serious and damaging to the project environment that MLBHD is not required to offer a plan of action to the tenant prior to termination. These include, but are not limited to, the following:

- proven use or possession of controlled substances without a prescription; or proven use or possession of alcohol on the premises;
- felonious criminal activity, such as drug-related criminal activity and crimes involving the abuse of minors;

- violence, such as: assault; use or threats of physical or deadly force; and use, discharge, or assaultive display of weapons in and around the development;
- conditions hazardous to the health of the occupants and the project, including fire risks, discharge of pollutants, or unsanitary waste.
- MLBHD's insurance coverage shall in no way limit its right to take reasonable action to protect the project environment, neighboring families, and MLBHD property.

12.2.1. Notice of Termination

If the Rental Agreement terminates as a result of an incurable breach the MLBHD is authorized to send a Notice of Termination. Notice of Termination shall include the following language:

- the reason for termination;
- that the tenant has three (3) days, during which the tenant will be allowed to respond to the MLBHD, in writing or in person, regarding the reason for termination;
- that, if responding in person, the tenant is allowed to be represented or accompanied by a person of his/her choice;
- that if, within three (3) days of the date of the Notice of Termination, the tenant presents to the MLBHD assurances or evidence satisfactory to the MLBHD, the Director of Housing may rescind the Notice of Termination; and
- that unless there is a rescission the Rental Agreement will terminate on the 3rd day after the date of the Notice of Termination.
- direct the tenant and household to vacate the home and remove all belongings within three (3) days; and notify the tenant that failure to vacate may result in the MLBHD filing an unlawful detainer in the Court of Central Jurisdiction.