



MILLE LACS BAND OF CHIPPEWA INDIANS
Executive Branch of Tribal Government

EXECUTIVE ORDER NO. 114-96
An Executive Order Establishing Management Procedures and Guidelines
for a Tribal Housing Improvement Program (HIP)

WHEREAS, pursuant to Mille Lacs Band Statutes 4 MLBSA Section 6(e), the Chief Executive is empowered to issue proclamations and Executive Orders on any matter within the jurisdiction of the Executive Branch; and

WHEREAS, safeguarding the housing need for members of the Mille Lacs Band is and has always been the most important priority of the Mille Lacs Band; and

WHEREAS, the implementation of management procedures for a housing improvement program is necessary to best serve Band members, and

WHEREAS, existing Bureau of Indian Affairs regulations implementing the housing improvement program do not serve the best needs of Band members, and

WHEREAS, since 1992, the Band has experienced tremendous positive growth reservation wide including massive infrastructure improvements, new housing and facility construction, and expanded governmental programs and activities; and

WHEREAS, this order applies to the Band government funds allocated to the Mille Lacs Housing Authority for the home improvement program, and

WHEREAS, the Chief Executive finds it desirable that the housing, health, educational, economic, social and cultural needs of Band members be fully implemented through the home improvement management procedures and guidelines.

NOW THEREFORE BE IT ORDERED, that the Chief Executive does hereby establish the following management procedures and guidelines for the Housing Improvement Program.

hb

HOUSING IMPROVEMENT PROGRAM

This program's objective is to assist the Band Government in effective and efficient operation of the Band's Housing Improvement and Assistance Program (HIP) and in the fulfillment of the Band's housing assistance mission addressing Band members' needs.

INTRODUCTION:

The Band HIP procedures and guidelines have been developed under, and defined within, the general concept and philosophy of the Self Governance Demonstration Project. The Band program guidelines have been redefined to meet the Band's needs as identified by the Band Government. These Band-oriented procedures further assist the Band Assembly in the planning, coordinating, implementing, monitoring, evaluating and inspecting all Mille Lacs Band of Ojibwe's Band Housing Authority housing projects, as well as maintenance of the housing records. The Band HIP Coordinator ensures that all new home construction and existing home renovation or repair projects are performed in accordance with regulations established by the Band.

PURPOSE:

This Band policy handbook will define the terms and conditions under which assistance is given to eligible Band members as mandated by the Band HIP. Also described are the guidelines the Band Government and Housing Committee will follow in program implementation under Self Governance.

POLICY:

- A. Every Indian family within the Band Service area should have the opportunity for a decent home and suitable living environment. To the maximum extent possible, the Band will be responsible for program implementation and administration under this criteria.
- B. Every eligible Band member is entitled to participate in this program, provided equitable services can be delivered to the geographic area within which the members reside. Refer to the definition of terms for Band member, age

limitations, service area and other required standards under the "Definitions" section, pages 9-10.

- C. The general distribution of HIP funds among Tribes from the Bureau of Indian Affairs (BIA) is based on consistent, valid, and certified inventory of enrolled Band member's housing needs and Band compliance with the program's intent. Every effort will be made to use HIP funds in conjunction with other programs to maximize opportunities for housing improvements that would otherwise not be possible solely with HIP funds. An example is our Band agreement with the Indian Health Services to provide water and sanitation facilities for HIP houses.

- D. Band allocation levels are determined on the basis of HIP's responsibility for the total housing needs derived from the Band HIP inventory. The emphasis of the Band's HIP will be on repair and renovation of existing housing. The HIP may provide a grant for construction financing for a limited amount of new standard housing. However, it must first be established that the applicant has been denied housing assistance from other sources. Each fiscal year, the Band will allocate funds appropriated for HIP in proportion to the identified housing needs.

PROGRAM CATEGORIES

The Band HIP is implemented through program categories which include repairs and new construction.

Category A: Repairs that will remain sub-standard. Under this category:

1. Financial assistance will be granted to finance repairs and additions to existing sub-standard housing needing replacement so that it is safe, more sanitary, and livable until such time as standard housing is available. This category is limited to an accumulated value of up to \$2500 per individual, unless specifically waived by the Government due to emergency or urgent conditions or needs.

2. The standard to be applied in deciding whether to provide assistance is improvement in the condition of the house, (i.e., improved livability or reduced health safety hazards, and access and mobility improvements for the handicapped.) Assistance may be granted even though it is not obvious that such an undertaking will improve the house to the extent it will meet the standard of decent, safe, and sanitary conditions. Examples are: wheelchair ramps, hand rails, weather tightening, and the repair of doors, windows, roof, electrical wiring, plumbing, and chimney.

3. The cumulative total HIP fund expenditure shall not exceed \$2,500 for any one dwelling. However, with HIP Committee recommendations and Band Government Approval, this limitation may be lifted in emergency situations and/or to alleviate financial hardships to the members unable to pay for additional home repairs.

Category B: Repairs to housing that will become standard. The Band intends that the majority of the HIP assistance be devoted to repairing homes to meet minimum standard and safe conditions. Homes are to be repaired to a standard condition under Category B before work is started in other categories.

Under this category:

1. Financial assistance will be granted for repairs, renovation and/or enlargement of existing, structurally sound, but deteriorated, dwellings which can be economically upgraded to a standard condition. This category also includes HIP houses that were built prior to 1990 needing repairs or upgrades due to faulty construction.
2. Upon completion of work, the dwelling shall fit the standard housing definition as outlined in the "Definitions" section, pages 9-11.
3. The total expenditure of the HIP Program Funds shall not exceed \$20,000 for any dwelling. However, if funding is available and costs are justified, expenditures in excess of this amount can be authorized by the Band Assembly. Each case with costs in excess of \$20,000 will be considered individually. Cases will be emergency in nature or require work necessary to complete a current project to meet standard specifications. The potential for unforeseen cost in any renovation or repair project will be recognized.
4. Projects within this category are restricted to applicants who are at least 21 years old, who own, and are living in, their own homes.
5. The applicant must sign a written contract agreeing that the grant will be voided and the grantee will repay the grant in full at the time of settlement to the Band if the house is sold within five years following the date of completion of the repairs.

Category C: New Housing Under this category:

1. The HIP may provide a grant for financing the construction of a limited amount of new standard housing. It must be established that there is no reasonable financing prospect for standard housing other than the HIP. This category may not be used if there is an unmet need in Category B, unless there is a dire need for assistance under this category and it is justified in writing and approved by the Band Government. The occupant will be responsible for all maintenance of the completed dwelling, and all utility fees, deposits, or other costs required for services. The applicant's intentions regarding ongoing maintenance will be certified by execution of an agreement signed by the applicant and the Band's HIP Coordinator.
2. The housing provided under this category must meet the housing standards as described in the "Definitions" section, pages 9-11.
3. The cumulative total fund expenditure may not exceed \$45,000 for a dwelling, including appliances. In isolated cases the cost of providing appliances, or necessary access to a building site, will be evaluated as an allowable extra expenditure under the Band HIP program. Each case will be considered on its individual merit by the Band Government and will not be considered as automatic policy. The occupant will be responsible for all maintenance of the completed dwelling, adequate fire insurance, all utility fees, deposits or costs required for service. All contractor built houses must carry a one-year warranty against defects, materials, and workmanship.
4. In certain circumstances the applicant may request a modular, manufactured or log home. To be considered, these units must meet the same quality and standards required by the county, state and federal building codes/regulations as required of new construction. The Band HIP policy will allow for this purchase and all related transportation and relocation fees, the site preparation, electrical, water and sewer hookups as allowed in new homes. The funding for septic systems and wells should continue to be coordinated through the application process with the IHS. The HIP coordinator shall be responsible for certifying that these units meet or exceed county, state and/or federal building codes and standards.
5. The applicant must have land ownership on which the house is built before being considered eligible for a HIP housing project unless acceptable commitments have been established to secure a site for construction. A lease-hold interest agreement must be for not less than 25 years.

6. If the owner of a house built under HIP desires to sell the house and move within ten years after completion, the Band must be officially notified, in writing, within 180 days before the sale of the home. If the house is built on Band land, the Band will either assume the homeowner's interest in the house or designate another Band member to assume that interest. If the house was built on the Band member's land, then the Band must negotiate fair market value for the house and the equity in the house, if applicable.
7. An applicant is required to sign a written agreement that if the house is sold within the first ten years from the date of ownership, the grant is voided and the full amount for the HIP grant will be repaid by the grantee to the Band. If the grantee sells the house after ten years beginning with the eleventh year. The remaining amount will be repaid to the Band. If the sale occurs twenty or more years after the ownership date, no repayment of the grant will be due to the Band.
8. Adequate fire insurance must be carried on the house throughout the term of the agreement or twenty (20) years.

APPLICATION:

Applications are required for all HIP work performed. An application form will be filed by the prospective member family for any housing assistance in any category before HIP funds are awarded to the applicant. The approved or disapproved application form and related documentation will be maintained on file by the Band. Any Band Member who resides outside the service area is ineligible. For information required on the application forms, refer to the HIP Application process referenced in the policy manual, "Procedures" section, Page 12.

ELIGIBILITY:

Each assistance application must be approved by the Band Housing Committee and the Band Government; however, Category A assistance may be authorized without obtaining approval of the HIP Committee and/or at the discretion of the HIP Coordinator based on the experience and best judgment as it relates to the situation and the extent of required repairs since these are usually minor in nature.

The Housing Committee is responsible for establishing that:

1. The applicant is an enrolled Band member at least twenty one (21) years of age.

2. The applicant's present housing is substandard or inadequate in terms of capacity to meet the family's physical needs.
3. The applicant has been denied, or is ineligible for, housing assistance from sources other than the Band HIP.
4. The applicant's economic resources are inadequate or factors exist which make the applicant unable to secure housing assistance from other sources. Applicants whose annual income exceeds poverty guidelines (as determined by Department of Health and Human Services, Poverty Income Guidelines, published annually) by 300% or more shall be ineligible for HIP assistance on the basis of need. Determination of eligibility will be made on a case-by-case basis.
5. The applicant meets the ownership requirements given under the respective HIP category for which they are applying.
6. The applicant has employed or the resources to maintain the taxes, expenses, and maintenance of the house.
7. The applicant has not previously received assistance through this program. Applicants may only utilize this program once in their lifetime with the exception of Category A, which may be utilized more than once (up to accumulated limitation per member of up to \$2,500.00, however, repairs that exceed the \$2500 limit can be approved by the Band Government due to emergency, urgent, or special conditions.

SELECTION CRITERIA:

Once the eligibility requirements are satisfied, development of the priority list of eligible applicants shall be accomplished by a ranking system based on five basic need factors: (1) annual income; (2) Family size; (3) overcrowded living conditions; (4) age; (5) handicap or disability, and (6) other special circumstances (e.g., inability to get a loan, length of time waiting an opportunity to obtain HIP assistance, emergency need and/or existing dwelling is in poor, unsafe or hazardous condition.) Eligible applicants may receive points for any or all of the five factors. Priority will be given relative to the number of points received (see appendix "A").

FACTOR No. 1: Annual Household Income (up to 40 points possible)

- The eligible applicant's total annual household income and other resources must be evaluated in order to determine priority in terms of degree of poverty. If a person is counted as a family member for the purpose of determining family size, the annual income of that person must be included in the total annual household income on the HIP application.
- In order to determine whether an applicant is entitled to points under Factor No. 1, it is necessary to compare the total combined annual household income against the Federal Poverty Income Guidelines (published by the Department of Health and Human Services).

FACTOR No. 2: Family Size (add 5 points per child)

FACTOR No. 3: Overcrowded Living Conditions (up to 10 points possible)

- The definition of "standard housing" identifies the acceptable limits for family size per dwelling. In order to earn points under Factor # 3, the applicant family must exceed the limits for its dwelling as outlined under the "standard housing" definition (see Definitions, pages 9 - 11).

FACTOR No. 4: Age (up to 21 points possible)

- Elderly couple - (up to 21 points possible) Points are awarded based upon age, beginning at age 55 with a maximum of 21 points per elderly person available. If an applicant family has an elderly relative who is a permanent household member, points are added for that person.
- Single, elderly living along - (up to 32 points possible) Special priority, 150% of the Factor 4 standard schedule, is provided for an elderly individual living alone (see Appendix B).

FACTOR No. 5: Handicap or Disability (up to 20 points possible)

- The many and varied degrees and types of disability present a complex ranking system. The selection committee evaluating applicants shall determine the number of points each disabled applicant will receive. Disabled applicants should provide as much documentation as possible concerning their condition (i.e., doctor's certification, Veteran's Administration determination, etc.).

FACTOR No. 6: Special Considerations (up to 20 points possible)

- Considerations, conditions, factors or circumstances that should be considered in the judgment of the Committee or Council.

TIE BREAKER:

If two applicants receive the same number of points four considerations will determine which application has priority:

- The applicant living in the most dilapidated conditions will receive priority.
- Elder status.
- The family with the lower income will be served first.
- Other condition(s) determined by the Committee and accepted by the Band Assembly.

APPEALS:

If an applicant is denied assistance by the Housing Committee, an appeal to the Band Assembly is possible. The Band Assembly, based in all information available and in consultation with the HIP Coordinator, may approve or disapprove assistance. The decision must be based on the applicant having met all HIP requirements having a serious need for housing, with no other assistance being available. In all instances, funding availability must be taken into consideration.

FLOOD DISASTER PROTECTION:

No HIP funds will be expended in areas located within a flood plain, as designated under the Flood Disaster Protection Act of 1973, unless the requirements for suitable flood insurance are met or by specific waiver from the Band Assembly.

COORDINATING WITH THE IHS:

All HIP projects which require water supply and/or sewage facilities should be coordinated with the nearest appropriate Indian Health Service office to assure that the sanitation facilities for each project are constructed in a timely manner.

DEFINITIONS:

- “Band” means the Mille Lacs Band of Ojibwe as recognized by the Federal government.
- “Band Government” means the recognized governing body representing the Band and its members for all programs in all matters related to Band business, the expenditure of funds and, in this matter, operation of the Housing Improvement Program.
- “Band member” means an enrolled Band member; i.e., a person whose name appears on the formally approved membership roll of the Mille Lacs Band of Ojibwe Indians. Proof of ancestry must be by rolls or records approved by the Band Assembly.
- “Age limitations” refers to adult Band member who are 21 years or older.
- “Service area” refers to the land identified within the Band’s Land Consolidation Area which includes the Mille Lacs Reservation, District II, District III and the surrounding communities.
- “Family” means one or more persons maintaining a household.
- “Child” means a person under age 18 whose financial support is provided by their parents. A person who is under age 18 but is married is not considered a child.
- “Ownership” means having fee title, trust title, leasehold interest over 25 years, indefinite assignment from the Band Government on Band or Tribally owned land or other exclusive possessory interest.
- “IHS” means Indian Health Service.
- “Standard Housing” means a dwelling in a condition which is decent, safe and sanitary so that it meets the following minimum standards:
 - a. General construction conforms to applicable Band and local building standards. Structures to be improved are to be in sound condition (i.e., basic structure is in a condition to be renovated for long term habitation). Deterioration, if any, will not be at a level creating a health or safety hazard, or a comfort problem.

- b. The heating system has the capacity to maintain a minimum temperature of 70 degrees in the dwelling during the coldest weather in the area. The system must be safe to operate (i.e., must meet local heating system safety codes and standards) and maintain and deliver a uniform heat distribution.
- c. Plumbing fixtures consist of a kitchen sink, and within a partitioned bathroom; a lavatory, toilet, bath and/or shower.
- d. The electrical system includes wiring and equipment properly installed to safely supply electrical energy (i.e., must meet local electrical system safety codes and standards) for lighting and for the operation of appliances.
- e. Family size or occupants per dwelling do not exceed these limits:
 - (1) Two-bedroom dwelling: Up to four persons.
 - (2) Three-bedroom dwelling: Up to seven persons.
 - (3) Four-bedroom dwelling: Adequate for all but the very largest families.
- f. Bedroom size: The first bedroom must have at least 120 sq. ft. of floor space; additional bedrooms must have a minimum of 100 sq. ft. of floor space each.

HIP PROGRAM PROCEDURES

The following procedures are provided as guidelines for the HIP Coordinator and staff as basic actions necessary to operate a successful Band housing program. If, after exhausting all sources, the staff have any questions in areas requiring additional clarification, additional guidance will be provided on request from the Executive Director and/or the Band Assembly.

A. Determine Geographic Service Area

1. The Band must be able to serve the total designated service area.
2. All Mille Lacs Band of Ojibwe Indians Band members within the geographically defined service area must have equal access to service.
3. Assign HIP committee to oversee the program.

B. Develop a Needs Assessment Inventory within the Band Community

1. Annually update housing inventory of all Band members living within the service area.
2. Each housing unit should be assigned a HIP assistance category prior to inventory process implementation.

C. Secure Applications from All Families Included in the Inventory

1. Determine each family's eligibility (see "Eligibility" section, page 5).
2. Assess needs of eligible families from the inventory needs assessment.
3. Assign families a housing needs score by referring to Appendix A and Appendix B of this document and rank accordingly with highest score being top priority.
4. The needs assessment inventory is used to document annual funding needs or justification for increased HIP funding under Self Governance.

D. Responsibilities and Functions of the HIP Coordinator

1. Provide direction for, and serve as coordinator of, the Band HIP and it's associated committee.
 - a. Collect information on housing needs through the inventory process.
 - b. Compile statistics from the inventory.
 - c. Prepare a housing needs analysis/assessment.
 - d. Prepare a cost analysis by category according to needs analysis.
 - e. Accept applications.
 - (1) Counsel applicants on HIP policies and procedures.
 - (2) Inspect homes to assess needs category.
 - (3) Estimate cost of repairs or new units.
 - f. Develop a case file for each applicant. Each applicant's case file will contain all of the following: (1) Band enrollment information; (2) the existing home's condition; (3) family size and composition; (4) income; and , (5) evidence of inability to secure housing from other sources. The case file shall become part of the record and must be retained for at least three years after project completion.
 - g. Develop and manage Housing Improvement Program budget.
 - h. Inform Band Government of budget status and progress of projects.
 - i. Prepare and submit quarterly and annual reports to Band Assembly.
 - j. Prepare specifications, let bids and award contracts for project work.
 - k. Direct operations of all renovation/repair or new homes projects.
 - l. Monitor compliance of builders with contract specifications.
 - m. Supervise personnel involved in the HIP construction projects.

- n. Ensure that final inspection is obtained on all new and/or renovated houses by a city/Band building codes, if applicable. Final payment to builder will not be made until such inspection has been successfully completed and satisfactory results have been obtained. If the home is built or renovated on trust or reservation land, the Band HIP Coordinator will assure local building codes are met.
2. Provide information and leadership on all matters pertaining to the HIP program.
 - a. Coordinate efforts with other Federal housing programs such as:
 - Housing and Urban Department (HUD)
 - Indian Health Service (IHS)
 - Farmers Home Administration (FmHA)
 - Department of Veterans Administration (VA)
 - Department of Agriculture
 - (1) Schedule meetings with different agency officials.
 - (2) Obtain written information from different housing programs.
 - b. Inform Band members of the housing program's availability.
 - c. Participate in community meetings on Band housing needs.
 - d. Provide information to the Band Government and the Housing Committee on all available housing programs.
 - e. In unique appeal of procedures circumstances, fully investigate the situation and prepare justification and decision making documents for the Band HIP Committee or Band Government.
 - f. Develop a working relationship with the utility companies, architects, contractors, etc., in the area.
 - g. Maintain contact with supply sources in the area. Set up accounts to charge building materials against projects in close proximity to the construction.
 - (1) Monitor and analyze price trends in the area.

- (2) Remain current on new construction and repair methods.
- h. Maintain a current construction and housing value analysis according to the area served.
- i. Monitor construction on renovation/repairs and new housing units.

HIP APPLICATION PROCEDURES

Outlined below are the suggested program steps for the HIP Coordinator to follow in processing individual HIP applications.

- A. Obtain a completed HIP application in ink and include supportive documents as needed.
- B. Within two weeks after receiving application, verify application for compliance with the Band's program policy and guidelines.
- C. Within two weeks of the application review, inspect structure, if needed, and secure four descriptive photos, determine categories and verify with needs assessment.
- D. Within one week of the inspection, if an emergency such as faulty electrical, surfaced sewer effluent, or any other major safety, life, or health problem exists, pursue any financial resource which could provide immediate assistance (i.e., IHS, weatherization assistance, or elderly handicapped programs). If no resources are available pursue, Category A under HIP if priorities and selection criteria warrant.

Note: An additional inspection may not be necessary if the established needs assessment and inspection process was adequate.

- E. Determine the appropriate category for application. The following categories have been established for the Band's HIP program and have no deadlines for application.
 1. Category A: Use as a short-term or urgent need category to address problems that are under \$2,500. If at all possible, other sources should be utilized.
 2. Category B: Work accomplished to upgrade housing conditions to standard and safe conditions. If costs exceed HIP Category B limitations, applicant should secure additional funding from alternative sources, if possible. If assistance funding can't be secured, a Band waiver to limits should be requested from the Band Government. Approval for Category B units must be made by the Band Government prior to commitment of funds and authorization to proceed with the project.

3. Category C:

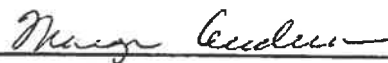
- a. Determine if a new house can provided under other program such as FmHA or a private lending institution. (Denial letters from lending institutions are to be maintained in each file).
 - b. Ensure that all requirements are met for Category D eligibility and the Bill of Sale Agreement is processed and recorded at the County Court House. Approval for Category D units must be made by the Band Government prior to any commitment of funds and authorization to proceed with the project.
 - c. The completed application may, at the HIP Program Director's discretion, include verification of income and denial of loan to construct a house from a bank, from the FmHA or other lending institution.
- F. All applicants are to be prioritized by the Band Housing Committed utilizing the Band's policy and procedures. All housing assistance is subject to funding availability.

EXECUTIVE ORDER 114-96

Page 18

Dated this 10th day of May, 1996

Expiration Date: Open



Marge Anderson
Marge Anderson
Chief Executive

APPROVED AS TO FORM,
EXECUTION AND NUMBERING



James M. Genia
James M. Genia
Solicitor General

OFFICIAL SEAL OF THE BAND