

LAC VIEUX DESERT BAND OF LAKE SUPERIOR
CHIPPEWA INDIANS

HOUSING ASSISTANCE PROGRAM
POLICY AND APPLICATION

SECTION 1. TRIBAL COUNCIL STATEMENT OF PROGRAM POLICY

1. Program Goal. The goal of the Lac Vieux Desert Band of Lake Superior Chippewa Indians Housing Assistance Program (hereinafter “LVD HAP” or “Program”) is to assist eligible Tribal members to reside in or obtain safe, affordable, economically designed and quality constructed homes.

A. Effective Date. The LVD HAP is effective December 1, 2020.

B. Tribal Council Discretion. To further said Program goal the Council reserves the right to revoke further assistance, suspend payments or seek reimbursement to/from any Applicant/Recipient, if there is or has been, as deemed within the sole discretion of the Council, a violation of this Program, the attached Agreement or any Addenda hereto.

B. Tailored Program. To further said Program goal, the Council shall review on a case-by-case basis each Applicant’s submission; as a result, the awards under this Program may vary depending on the home improvement needs and scope of the Project for of each Applicant/Recipient. Awards for each calendar year will be made on a first come, first served basis based on completed applications submitted for review and approval.

C. General Welfare Exclusion Program.

1. On September 26, 2014, the Tribal General Welfare Exclusion Act was enacted as Public Law No. 113-168. This Act codifies the Internal Revenue Service’s tax exclusion for recipients of benefits from a tribal government that promote general welfare, securing the status of tribal governments to create needed general welfare programming; and,
2. The Tribal General Welfare Exclusion Act applies to programs that promote general welfare including but not limited to health care, education, housing, eldercare, emergency assistance, cultural programs, burial assistance, and legal aid; and,

3. Funds disbursed under this Program meet the requirements of the General Welfare Exclusion Act as relief is available to every adult member of the Tribe, necessary to promote the general welfare of the Tribal members, is not compensation for services, is not lavish or extravagant and is being administered under specified guidelines and does not discriminate in favor of members of the governing body of the Tribe; and,

2. General.

- A. Maximum Award. The maximum lifetime award under this Program is ten thousand dollars (\$10,000) per eligible Tribal member. Awards may be for less than the \$10,000 based on the work being performed; however, any subsequent award for remaining amounts must be accompanied by a new application and will be subject to a new award up to the \$10,000 lifetime maximum. Applicants may only receive one award per year.
- B. General. An Award under this Program can be used as a down payment on an existing home or on land, a down payment on a home to be built by Lac Vieux Desert Building Trades or another construction company, a principal payment on an existing mortgage, payment toward repairs, additions or improvements on an existing home owned by the Tribal member (e.g. mortgaged, land contract or married to homeowner).
- C. Cost Overages. Any costs experienced by an LVD HAP Award Recipient, which are above and beyond the Award, or funds available for the Program, or as defined in the LVD HAP Agreement, or that may result from change orders or the like are the sole responsibility of the LVD HAP Award Recipient.
- D. Wait List. Due to the nature of this Program and the requirement for a new application for each project/award, and funding to be approved annually, no wait list will be maintained for this Program. Applicant's will need to reapply each year.

3. Eligibility Criteria. To be eligible to participate in the LVD HAP, Applicants/Recipients must meet the following criteria:

- A. Be an enrolled member of the Lac Vieux Desert Band of Lake Superior Chippewa Indians;
- B. Be eighteen (18) years of age or older at the time of application;
- C. Be a homeowner or homebuyer of the dwelling for which funds are to be applied;
- D. Occupy the home in which funds are to be applied as their primary residence;

- E. Be current with any and all loans (education, travel, loans, etc.) with the Tribe; and
- F. Not have received the maximum funding allowed under the LVD HAP directly as an Applicant. Eligible Applicants with a secured interest in the same home/property shall not be eligible to receive an award within the same year.

- 4. **Applications.** Applications in the form attached hereto shall be accepted by the Tribal Council. When applying for funds to use for construction of a new home, repairs on an existing home, or an addition for an existing home (all of which must be the Applicant's primary residence) the Applicant must provide an estimate from a licensed and insured contractor.
- 5. **Award Approval.** All awards are contingent upon Program funding being available, which shall be determined within the sole discretion of the Council each year during the budget planning and approval process and shall be approved by the Council at a duly called and noticed Tribal Council meeting.

SECTION 2. REQUIREMENTS AND RESTRICTIONS ON USE OF AWARD

2.1. Appropriate Use of Funds. All LVD HAP Awards are to be used for approved projects listed below:

- A. Down payment on an existing home which will be used as a primary residence;
- B. Principal paydown on an existing mortgage;
- C. Down payment on land intended to be used as the location for a primary residence;
- D. Down payment on a home to be constructed by LVD Heavy Equipment, Maintenance, and Building Trades, which will be used as the primary residence;
- E. Down payment on a home to be constructed by a non-Tribal construction company, which will be used as the primary residence; and
- F. Payment for repairs, improvements or an addition on a currently owned home, which is the Recipient's primary residence.

2.2. Items Not Funded. LVD HAP Awards will not be granted and **may not** be used for:

- A. The purchase of appliances;
- B. Costs associated with landscaping other than for purposes of maintaining the structural integrity of the home;
- C. The purchase of household furnishings (curtains, furniture, decorations, etc);

- D. The purchase of electronics (TVs, Stereos, Gaming or Home Theater Equipment);
- E. The purchase of luxury Items (Hot Tubs, Pools, Saunas, etc.);
- F. To bring the Recipients mortgage or tax payments current; or
- G. To bring the Recipients utility bills current.

2.3. Violations of Award/Purchase Requirements. Violation of the aforementioned purchase or use requirements shall subject the Recipient to a requirement to repay funds awarded under this Program.

SECTION 3. USE OF TRIBAL DEPARTMENTS/NON-TRIBAL CONTRACTORS

3.1. Work Performed by Tribal Departments.

- A. General. Lac Vieux Desert Building Trades, Maintenance, and Heavy Equipment Departments may be contracted by the Recipient to perform the work approved by the Council under the LVD HAP.
- B. Labor Charge and Radius. The rate to be charged for labor for work conducted by Building Trades, Maintenance, or Heavy Equipment and the maximum radius for services shall be determined and published by the Tribal Council each year.
- C. Building Design Requirements. If an LVD HAP Award will be used toward construction of a home through the Building Trades Department a maximum square footage of the dwelling will be required for each proposed home. The square footage will be determined in accordance with HUD and the Tribe’s own guidelines regarding floor plans as follows:
 - 1. Two (2) bedroom homes will be a maximum of one thousand and fifty-five (1,055) square feet. Three (3) bedroom homes will be a maximum of one thousand two hundred and twenty-eight (1, 228) square feet. Four (4) bedroom homes will be a maximum of one thousand six hundred and thirty-five (1,635) square feet.
 - 2. Recipient exceeding square footage maximums will be charged the non-LVD HAP labor rate by each respective Tribal crew.
 - 3. A Recipient wishing to make changes to the square footage maximums will need to have such change approved by the Council.
- D. New Construction Restrictions. Any contract for new construction using LVD Building Trades, Heavy Equipment, or Maintenance Department, shall set forth the following responsibilities to be borne by the LVD HAP Recipient under the Program:
 - 1. Recipient is responsible for the cost of all building materials.

2. Recipient is responsible for paying for all required permits, including but not limited to, building permits, electrical, water and sewer permits.
3. Recipient is responsible for completing and submitting Indian Health Services documentation, if necessary.
4. Recipient is responsible for commissioning and providing to the appropriate parties' blueprints or schematics necessary for the performance of the work.
5. Recipient is responsible for any costs associated with landscaping other than those projects necessary to maintain the structural integrity of the home.

3.2. Work Performed by Other Contractors. In the event that a Recipient chooses to use a contractor other than Lac Vieux Desert Building Trades, Heavy Equipment and Maintenance Departments, said contractor shall be licensed and insured and be willing to meet and adhere to LVD HAP Program requirements including inspection requirements, accept payment terms, and any other terms as deemed appropriate by the Council or as set forth herein.

3.3 Work Performed By Homeowner. In certain circumstances, the Tribal Council may authorize a homeowner to perform their own home repairs. Use of program funds in these instances will only be authorized for materials, supplies and labor of others. The Recipient will not be allowed to charge for his or her own labor. Approved work performed pursuant to this Section will not be subject to the Contract requirements; however, inspections will still be required.

3.4. Contract Requirements. Subject to the exception set forth in Section 3.3, once the Council has received and approved the Recipient's Application, the Recipient is required to provide the Council with a copy of the contract by and between the Recipient and the contractor engaged to perform and complete the Project. A copy of said contract or other documentation must be included as Addenda to the LVD HAP Agreement. At a minimum the construction contract must contain:

- A. A description of the approved Project.
- B. The contractor's name, license number and insurance.
- C. An estimated cost of the Project the contractor will perform.
- D. A statement from the contractor verifying the work will be performed and completed in accordance with standards defined by the Tribal Building Code (if applicable) or other applicable law such as the Michigan or Wisconsin Building Code.

- E. A statement that the contractor will agree to adhere to inspection requirements regarding work to be performed and accept payment terms in accordance with LVD HAP Program guidelines.

3.4. Inspection Requirements. Recipients of an LVD HAP Award must participate in a scheduled inspection once the Project has been completed. Said required inspection shall be completed by a representative designated by the Council for such purpose.

- A. Payment for Inspections Not Performed. Any inspection that is scheduled but not performed due to the unavailability of the Recipient, will be rescheduled only after the Recipient reimburses the Tribe for the failed inspection attempt at a rate of \$50.00 per attempted inspection.
- B. Failure to Complete Inspection Requirements. Failure to complete the final inspection will not result in waiver of the inspection requirement but rather subject the Recipient to delay or discontinuance of the Award, or action taken by the Council to seek reimbursement of funds awarded under the Program.
- C. No Additional Award. Under no circumstances is the Council required to repair or award additional funds to remedy any defect revealed by any inspection.

3.5. Release of Funds/Payment Terms. The Recipient must present a copy of the executed contract between the Recipient and the contractor containing the minimum requirements set forth herein in order for fifty percent (50%) of the funds awarded, or fifty percent (50%) of the contract price, under the Program to be released to the contractor.

- A. Inspection Requirement to Release Remaining Funds. In order for the remaining fifty percent (50%) of the award to be released to the contractor, the Recipient must participate in an inspection with a Tribal Council representative to ensure that the project is substantially completed.
- B. Payment Schedule. Fifty percent (50%) of the amount of funds awarded or the contract price upon contract approval by the Council, and then fifty percent (50%) of the amount of funds awarded or the contract price once inspection of completed work has been performed by the representative designated by the Council and found to be satisfactory.
- C. Payment Method. All payments issued in accordance with this Program shall be made directly to the contractor. No payment shall be disbursed directly to the Recipient unless approved by formal action of the Council with a finding of good cause to do so; e.g. See Section 3.3, Work Performed By Homeowner.

3.6. Length of Residency, Primary Residence and Repayment Requirements. If the Recipient fails to maintain the home as his or her primary residence or transfers ownership of the home within a period of five (5) years following the receipt of his or her Award Letter, he or she will be required to reimburse the Tribe an amount equal to the amount of the Award, prorated for the years the Recipient remained in the home as set forth in Section 7.

SECTION 4. OTHER REQUIREMENTS

- 4.1. **Change in Circumstances or Information.** An LVD HAP Applicant or Award Recipient is required to report any change in circumstances related to his or her application, eligibility, or information contained within his or her Application or Agreement within fourteen (14) days. Failure to make such a report as required above may result in denial of the Application or termination of the LVD HAP Agreement and action to obtain reimbursement for funds awarded to the Recipient under the Program.
- 4.2. **Complete All Required Paperwork.** To be considered for an award under the LVD HAP, eligible Tribal members must complete and submit the Application packet, with all required documents, to the Council representative by the deadline.
- 4.3. **Receipt of Award.** To receive the funds as indicated on the Award Letter, the Award Recipient must complete and submit the Agreement, the Promissory Note and documentation (i.e. construction contract, etc.) within 30 days of receiving the Award Letter. A failure to do so shall be taken as a waiver of said LVD HAP Award.

SECTION 5. FALSE, MISLEADING, INACCURATE INFORMATION PROVIDED ON APPLICATION OR AGREEMENT

Any information that is determined to be false, misleading or inaccurate which is submitted on the LVD HAP Application, any attachments to the Application, on the Agreement, or any attachments to the Agreement shall result in action for reimbursement of funds awarded under this Program pursuant to Section 7 and/or discontinuation of the Award or payments, and other appropriate action being taken.

SECTION 6. UNAPPROVED USE OF FUNDS

By participating in this Program, the Applicant/ Recipient must agree to only use any Award funds for eligible project purposes as indicated within these policies. Use of funds for unapproved or ineligible purposes may result in revocation, suspension or termination of this Agreement, and/or other action being taken including but not limited to:

- A. Subject the Recipient to the Reimbursement requirements of Section 7 herein; or,
- B. Other legal action as deemed appropriate.

SECTION 7. REIMBURSEMENT SCHEDULE FOR FAILURE TO MAINTAIN HOME AS PRIMARY RESIDENCE.

A Recipient is required to reimburse the Program if he or she fails to maintain the home as a Primary Residence as detailed below.

- A. **Reimbursement Required for Work Performed by Building Trades, Maintenance, and Heavy Equipment.** Recipient agrees that if any Triggering Event occurs within the requisite time period, the Recipient agrees to reimburse according to Section 7B. For

purposes of this Program, a “Triggering Event” shall mean, if the Recipient sells or fails to maintain home as primary residence for a period of five (5) years following the Award.

B. Award Reimbursement Owed. Recipient agrees to reimburse the Program, on a prorated basis, if a Triggering Event occurs:

1. Within one (1) year of receiving the Program’s Award Letter, the Recipient will repay the Program one hundred percent (100%) of the amount of the total award.
2. During year two (2) of receiving the Program’s Award Letter, the Recipient will repay the Program one hundred percent (100%) of the amount of the total award minus twenty percent (20%) of the Award.
3. During year three (3) of receiving the Program’s Award Letter, the Recipient will repay the Program one hundred percent (100%) of the amount of the total award minus forty percent (40%) of the Award.
4. During year four (4) of receiving the Program’s Award Letter, the Recipient will repay the Program one hundred (100%) of the amount of the total award minus sixty percent (60%).
5. During year five (5) of receiving the Program’s Award Letter, the Recipient will repay the Program one hundred percent (100%) of the amount of the total award minus eighty percent (80%).
6. After year five (5) the Recipient is not subject to the reimbursement requirement.

Lac Vieux Desert Band of Lake Superior Chippewa Indians Housing Assistance Program Application

GENERAL INFORMATION. Please provide the following information:

1. Applicant Name: _____

2. Any Aliases, Nicknames, or Other Names Used by Applicant:

3. Phone (Home and Cell) : _____

4. Current Address: _____
City: _____ State: _____ Zip Code: _____

5. Marital Status of Applicant (Check One): Single Married Divorced Widow

6. Date of Birth _____

7. Are you the Head of Household OR Other?

8. Tribal Enrollment # _____

9. Have you previously received assistance under the LVD HAP? (Check One): Yes No]
If yes, please provide the year prior award was received and the amount received.

10. List any and all financial obligations you have with the Tribe (Attached Separate Piece of Paper If Needed):

Tribal Department	Money Owed (indicate Y or N)	Amount Owed	Payment Arrangement in Effect (Y or N)	Behind in Payments (Y or N)
Education Department				

Accounting (loan, travel, etc)				
Clinic				
Social Services				
Court				
Other				

11. Please indicate below how the type of project you are requesting the funds for, the location of the proposed project, and the amount you are requesting.

Type of LVD HAP Project	Location of Project/Description	Amount of Funds Requested
Down payment on an existing home or principal paydown which will be used as a primary residence		
Down payment on land intended to be used as the location for a primary residence;		
Down payment on a home to be constructed by LVD Heavy Equipment, Maintenance, and Building Trades, which will be used as the primary residence;		
Down payment on a home to be constructed by a non-Tribal		

construction company, which will be used as the primary residence;		
Payment for repairs, improvements or an addition on a currently owned home, which is the Recipients primary residence.		

12. Please give a detailed explanation of the proposed project (Attached Separate Piece of Paper If Needed) NOTE: and supporting documentation must be attached to this application (i.e. estimates, blueprints, etc.)

SIGNING THIS APPLICATION

Do NOT sign any form unless you have read it, understand it, and are sure all forms are complete and accurate, and all documentation has been provided.

APPLICANT CERTIFICATION

I/We certify that the information provided within this Application and the attached documents and given to the Lac Vieux Desert Band of Lake Superior Chippewa Indians Tribal Council is accurate and complete to the best of my/our knowledge and belief. I/We also understand that false statements or information are grounds for rejection of my application, termination of my LVD HAP award, or legal action.

Signature of Applicant

Date

This Page for Official Use Only _____

Date Application Received: _____

LVD HAP Amount Previously Awarded: _____

LVD HAP Amount Remaining: _____

Amount to be Awarded: _____

Approval Date: _____

NOTES: