



---

## First Nations Guide to Housing Policy

Assembly of First Nations  
June 2010

# TABLE OF CONTENTS

Executive Summary .....	1
Chapter 1 Introduction .....	4
Chapter 2 – Preliminary Planning .....	6
Chapter 3 – Developing Effective Strategies .....	8
Chapter 4 – Policy Implementation .....	10
Sample Policy Elements .....	10
a. Community Consultation and Consensus .....	10
b. Amendments to Policy .....	10
Chapter 5 – Creating the Regulatory Environment.....	12
Chapter 6 – Land Tenure .....	13
Chapter 7 – Governing Authority Style .....	14
Chapter 8 – Operational Controls .....	16
Sample Policy Elements .....	16
a. Finance and Funding .....	16
b. Management and Administration .....	17
c. Operations .....	18
d. Portfolio Maintenance .....	19
e. Administrative Policies and Procedures .....	19
f. Financial Planning .....	20
g. Reporting.....	22
Chapter 9 – Housing Program Options .....	23
Sample Policy Elements .....	24
a. Special Needs Housing.....	24
b. Seniors’ Housing .....	24
c. Band-Owned Assets – Subsidized/Revenue Generating .....	24
d. Private Home Ownership .....	25
e. Market Housing .....	25
f. Canada Mortgage and Housing (CMHC) Programs .....	25
g. Indian and Northern Affairs Canada (INAC) Minor Capital .....	26
h. Emergency Housing .....	26
Chapter 10 – Home Construction Procedures and Guidelines.....	27
Sample Policy Elements .....	29
a. Building Codes and Standards.....	29
b. Design Parameters.....	29
c. Methods and Materials .....	30
d. Drawings and Specifications .....	30
e. Estimations and Costing .....	31
f. Tender Process .....	31
g. Procurement and Contracting.....	32
h. Construction Management .....	33
i. Contract Administration.....	33
j. Signing Off (Project Close-out) .....	34
k. Auditing and Reporting.....	34
Chapter 11 – Application and Selection Process .....	35
Sample Policy Elements .....	35
a. Waiting List.....	35
b. Financial Statement .....	36
c. Credit Rating .....	36

d. Application Assessment Criteria .....	37
e. Points Allocation Process .....	38
f. Rentals Agreements .....	38
g. Subsidy Process .....	39
h. Mortgage Qualification .....	39
i. Tenant & Credit Counseling .....	39
j. Appeals Process .....	40
Chapter 12 – Insurance and Cost Requirements .....	42
Sample Policy Elements .....	42
a. Down Payments .....	42
b. Security Deposits .....	43
c. Mortgage Loan Insurance – Section 95 NHA .....	44
d. Home and Property Insurance .....	44
e. Rent and Mortgage Payment Schedules .....	44
f. Loan Conditions .....	45
Chapter 13 – Financial Management .....	47
Sample Policy Elements .....	47
a. Budgets and Forecasts .....	47
b. Journals and Posting .....	48
c. Legal Agreements .....	48
d. Tenant Payment – Rents and Subsidies .....	48
e. Loan Portfolio Maintenance .....	48
f. Revenues vs. Expenses .....	49
g. Replacement Reserves .....	49
h. Financial Statements .....	49
i. Audits, Reviews and Reporting .....	49
j. Record Keeping and Document Control .....	49
k. Human Resource Requirements .....	49
l. Contingencies .....	50
Chapter 14 – Delinquent Process .....	51
Chapter 15 – Maintenance Procedures and Responsibilities .....	52
Chapter 16 – Occupancy Relations .....	53
Sample Policy Elements .....	54
a. Overcrowding .....	54
b. Subletting .....	54
c. Re-Allocation .....	54
d. Bequeathing .....	55
e. Matrimonial Rights .....	55
f. Abandonment .....	55
g. Temporary Absence from Unit .....	56
h. Death of a Tenant or Borrower .....	56
i. Transfer of Home Ownership .....	56
j. Transfer of Rental Tenancy .....	57
Chapter 17 – Human Resources .....	58
Glossary of Terms .....	59

## Executive Summary

Housing conditions in First Nation communities have gained considerable attention over the last number of years. Housing shortages, chronic overcrowding, sub-standard housing conditions and the resulting socio-economic and health problems are well-researched and documented. While the wide-ranging problems are apparent, the short and longer-term solutions are more elusive.

To a large degree, the alternative options for developing aggressive housing programs in First Nation territories, such as independent housing authorities, have not been adopted. It is believed that many First Nations are not fully aware of these options, may not have the capacity to deliver them, nor is there an adequate understanding of how to get started.

The Assembly of First Nations (AFN) has been actively researching two key areas of housing that reflect practices illustrating good governance: 1) a First Nation Regulatory Environment, and 2) the Operational Control of Housing within the regulatory environment. A regulatory environment will identify the manner in which each local First Nation, region or territory structures their own means of service delivery and capacity building. The work will help to define the replacement of Government of Canada control and interventions by creating First Nations solutions that develop new options and opportunities.

The regulatory environment looks at how a First Nation community might approach issues such as codes and standards, compliance and enforcement, housing policies, performance benchmarks and measures.

In the area of Operational Control, work has been done with various regional, territorial and local First Nation bodies to identify the options and opportunities First Nations currently have and/or may be developing to satisfy the demands of their individual and collective housing solutions. The dynamics of this operational control include funding and finance, management and administration, sound policy framework and portfolio maintenance, and active community participation.

The housing portfolio, in whatever way it is structured, will be responsible not only for acquiring and/or developing housing units and planning and creating policies for the administration of the housing portfolio, but also for actually administering the housing portfolio in such a way as to ensure the sustainability of the housing programs and projects that it has initiated. This is an opportunity for First Nations to engage on a tangible level in self-governing and self-determining activities which could reduce First Nations reliance on external funding.

Whatever governance structure is established, the housing portfolio will have the responsibility to respond to the housing needs of all community members, including dealing with large issues such as acquiring funding and financing for programs and budgeting for program sustainability. In addition, they must oversee the day-to-day administration of housing portfolios that may go

overlooked, such as performing daily, weekly and monthly maintenance inspections of housing units and fulfilling monthly and quarterly reporting requirements.

The establishment of sound First Nation Housing Policy is recognized as a viable and stable starting point to begin the developmental process, which in turn creates options for attracting capital and revenues required in expanding the housing portfolio in First Nations. By isolating the administration of a housing portfolio from day-to-day political intervention, and by establishing a vehicle by which private sector lending can be arranged and a more business-like approach to the financing, the construction and renovation of housing in the First Nation can be stabilized and accelerated.

This guide outlines an approach to enhancing First Nations' understanding of the developmental process. It will assist in creating the environment to properly control the various aspects of the First Nation housing portfolio. The project has drawn from successful housing initiatives implemented by First Nations across Canada and helps to define necessary elements, provides templates to work from, and acts as a guide for the development and implementation of local First Nation Housing Policies that foster internal First Nation controls and create greater self-reliance rather than continued external interventions.

With the assistance of the First Nation Housing Policy Guide, each community will be able to:

- Define the parameters for the function of their housing portfolio;
- Define the operational processes and controls of their housing portfolio;
- Support local delivery and control of First Nation housing;
- Set tables of dialogue to ensure sustainable development;
- Establish mechanisms for functioning both on-reserve and off-reserve;
- Provide quality assurance for all levels of activity; and,
- Develop overall parameters for the management, administration and operations of a First Nations housing portfolio.

Fundamental issues of operational control for First Nation housing portfolios are key to this guide, including governance, operations, asset management, financial management and administration. The guide also illustrates successful implementation measures to ensure sustainability by looking at the policy in a thorough manner, including:

- Comprehensive First Nation capacity for operational control;
- Culturally-relevant policy and programs;
- Sustainable design and development options;
- Affordable and appropriate housing solutions;
- Equitable allocation and distribution of resources;
- Assessment and analysis of conditions and needs;
- Professional development processes;
- Operational efficiency; and,
- Quality assurance.

The guide provides samples for First Nation housing policy elements throughout a full range of housing options available to First Nation communities. These options include social and special

interest needs, all aspects of Band-owned and controlled assets, affordable private home ownership, and market housing where viable.

The guide is laid out in a progressive series of chapters that allow for hands-on use and lead the user from preliminary planning, defining the regulatory environment, models of operational control, and housing program options for consideration. The guide also lays out a variety of processes regarding new home construction, rehabilitation of existing housing, and long-term operation and maintenance issues.

Undertaking the developmental process outlined in this guide will require the collective efforts of Chief and Council, community members, housing manager, finance officer, land manager, housing inspector, home builder and renovator, and numerous others that will emerge as the developmental process moves forward. Once the core housing policy document has been completed it should be communicated to all community members and ratified by the consensus of those members to ensure an adequate understanding of what the policy is intended to do, how it will be implemented, and the variety of roles and responsibilities of those involved.

## Chapter 1 Introduction

The purpose of this guide is to assist and support in the development and implementation of a community-generated housing policy.

The guide provides key elements of a good housing policy, explains why they are necessary, and suggests steps for drafting a document that will include regulations and guidelines for the planning, delivery and management of a housing program in a manner that protects the community, administration and the First Nation as a governing body.

- 17 chapters have been identified – each with a summary page and path for moving forward with the implementation process
- Each chapter contains a list of key policy elements and illustrates sample clauses which can be considered for use in each element.
- Where appropriate, there are also sample template agreements included.

The guide is for use by First Nations, Tribal Councils or Housing Authorities as a tool for use in development of their own housing policy, with each First Nation customizing the policy to fit their own unique situation or circumstance. The Chief and Council, Housing Department, Housing Committee and community can also use the guide for planning, monitoring and evaluating the effectiveness of housing operations, and for Housing Department management and staff to use as policies and procedures for the effective management of housing operations, including roles and responsibilities.

Housing policy is an important aspect of a First Nation's overall approach to government. It is not a stand-alone document, but contains the values and principles of the First Nation. The key objective of the first chapter of any Housing Policy is to state the vision and mission of the policy—to embed the policy in the particular First Nation's cultural and philosophical setting. The vision and mission can only state the *intention* of the policy—the big picture. Without this section the policy will lack a foundation. The vision and mission will be determined through a community process—either with focus groups or community meetings that involve community members and leadership.

Goals and objectives take the vision and mission statements and give them direction. Goals state what the policy should accomplish. Goals describe the big picture but are specific about what the vision looks like—what is involved. For instance housing goals could include such things as: an increased number of houses, higher-quality houses, well-maintained houses and grounds, or efficient and effective housing management. Objectives outline how the policy can bring about the goals. Objectives are concrete actions that can be put in place. Objectives must be able to be demonstrated and measured. They are not ideas but actions, for instance: building codes, permits, maintenance regimes, etc.

The vision, mission, goals and objectives section lets the reader know that the policy belongs to a particular First Nation and that the First Nation has a well-thought-out approach to providing housing services to its community members.

Housing policy sets acceptable standards of conduct for the Housing Department staff, administration, leadership and community. It is important, therefore, that everyone involved in housing delivery has a clearly defined guide to professional behaviour which should be stated in the Housing Policy.

Two critical aspects of professional conduct are:

1. That individuals should not profit from community programs and assets; and,
2. That information is accessible only to those authorized to access it.

These are the cornerstones of the Conflict of Interest and Confidentiality policies and the essential components to creating an ethical housing delivery system.



## Chapter 2 – Preliminary Planning

The community's housing needs and resources will change over time. To effectively plan and deliver housing, accurate information is needed in key areas. It provides a basis for planning but must be updated and expanded as new and better information is developed. As conditions change, the plans and actions of staff and Band Council should change in response. But to begin the process of developing the housing policy, the First Nation will have to start from the basics of planning.

Considerations may include future development; optimum use of resources; coordination and integration of all aspects of community life; community objectives and strategies (remember the vision); establishing development sectors including residential, administrative, recreational, industrial/commercial; and linkage to infrastructure, roads, water and sewer systems, Fire Protection Services, electrical power supply and distribution systems.

Planning must address where, how, when and what development is going to take place over a five-year (or longer) period, including specifics for short-term development and conceptualizing long-term development, as well as linkages to social and cultural goals and physical development. Identifying the availability of Band-owned Land and fully-serviced lots for residential house construction projects are key criteria as well. Good planning will not guarantee successful housing, but the lack of good planning will almost certainly ensure the lack of successful housing delivery. Planning, simply put, is how a First Nations determines *where* the Housing Department is going over a set period of time, *how* the department is going to get there and whether or not it got to where it wanted to go. A good housing plan will be part of the overall First Nation community plan, with a focus on and responsibility to housing.

A good housing plan will provide a realistic view of the community's expectations, address all aspects of housing and related activities, and focus on the long, medium and short term. Each aspect does not exist or stand alone. However, the First Nation could take on each part of the planning process separately as long as it is part of the overall plan. Housing Policy must state the importance of planning and set out the guidelines for the process.

In order to create an effective plan the First Nation must know the full picture of its current conditions—the reason to conduct a full Community Housing Assessment and Conditional Housing Assessment of Existing Housing. It is important to be thorough and real in this part of the planning stage—don't overestimate or underestimate the condition of the houses or how many houses the First Nation requires—unreliable figures will not help achieve the planning goals. In the Housing Assessments, it's also important to include a comprehensive look at the existing Housing Plan, which may include evaluation. Ask the hard questions—did we achieve our goals? If so, why? If not, why not?

Environmental aspects of planning are becoming more critical than ever—the easy land has often been used up and the encroachment of building has negatively affected almost every region and its non-human inhabitants. The purpose of environmental assessments is to minimize negative

environmental effects before they occur and to incorporate environmental considerations into every decision.

The 5-Year Capital Plan will lay out the First Nation's economic situation. Together with a comprehensive assessment of the community—its people, resources, strengths and weakness, needs and critical demands—the Capital Plan will enable First Nations planners to develop effective Community Housing Strategies.

One of the most important aspects of planning that is often forgotten is evaluation. From the start, it is critical that the First Nation set up ways to determine whether or not it is achieving its goals, whether its objectives are met and whether it is going in the right direction. It is important to ask, "How will we know whether we have been successful?" Set out something that can be measured and revisit the plan regularly.

A good checklist will assist the First Nation in gathering some of the essential information to get started. This information can be easily laid out in a spreadsheet format, including:

- Total number of First Nation members;
- Number of members on reserve;
- Number of members off reserve;
- Total number of housing units;
- Number of units in need of minor repair;
- Number of units in need of major repair;
- Number of units in need of replacement;
- Number of units contaminated by mould;
- Unit construction costs per square foot;
- Serviced lots available;
- Unserviced lots available;
- Unit cost of lot servicing;
- Types of water supply available;
- Means of wastewater disposal; and,
- Adequate water treatment facilities.

## Chapter 3 – Developing Effective Strategies

Many First Nations have started the developmental process through the use of the workshop entitled “Developing Effective Strategies for First Nations Housing” available through Indian and Northern Affairs Canada (INAC).

The workshop is designed to assist communities that are committed to improving their housing conditions by defining long-term thinking. It is not designed to illustrate a specific, quick fix approach that will work in all communities across the country. Rather, it is designed to provide tools, which will assist communities in determining an approach that meets the specific needs of its members.

For many communities the size of the problem can seem overwhelming and the resources required to address the problem appear so limited that it is difficult to know where to start.

Using this workshop, a growing number of First Nations have tackled the problem head-on, recognizing the importance of improving the housing conditions of their members. Guided by a vision of creating better housing choices, these First Nations have initiated the process of changing their communities through the active participation of their members in long-term planning.

Aggressive plans have been developed to build new housing and to repair existing sub-standard housing stock, creative options have been discovered to finance the necessary work, jobs have been created within the community and a strong economic base for the community has been formed.

### **What is a Community Strategy for Housing?**

A Community Strategy for Housing represents a process in which community members take ownership for improving their housing conditions over the long-term.

This is based on:

- an honest and realistic assessment of the existing housing conditions and community needs;
- the development of a shared vision of what the community’s housing will look like in the long-term;
- the development of a series of goals which will guide the community in attaining its long-term vision;
- the development of specific workplans – based on an assessment of alternative strategies – which will allow the community to meet its goals for improving housing conditions; and,
- consistent and passionate commitment to implementation of the developed plan.

Effective community strategies can chart the course towards:

- greater economic stability for the community;
- job creation, skills development and business opportunities for community members;
- optimized use of resources – financial, natural, technical, and human;
- upgrading of the existing housing stock – addressing occupant health and safety concerns;
- increase durability of new and existing housing – extending the life span of the housing in the community;
- providing community members with a sense of pride in the homes which they rent or own; and,
- replacing the short-term focus of the political process with long-term policies.

The first step in the planning process requires gaining clear understanding of the current situation in the community. Knowing where you are is essential before determining where you want to be. Developing a vision involves opening the eyes of the community members to how they would like things to be. The vision may be somewhat “hazy”, but it provides a view of what is desired in the future.

The second step of the planning process requires that community members see both “the forest” and “the trees”. Within the scope of the broader picture, a series of specific goals and accomplishments will need to be realized if the vision is to become a reality. The establishment of specific and measurable goals is fundamental to the development of an effective Community Housing Plan.

Finally, the planning process requires that community members develop detailed strategies and workplans that will guide community housing initiatives over the course of the planning period. These detailed strategies and workplans need to demonstrate how changes can take root and transform the community.

The process for developing a Community Strategy for Housing can be employed in any First Nation community regardless of the location, size or relative sophistication of the community. In a larger community, the process may take longer to ensure that the entire community is provided with the opportunity to participate while in a smaller community, communication between members is more easily arranged. In each case, opportunity must be provided for involvement of the broader community.

## Chapter 4 – Policy Implementation

A policy initiative is more likely to achieve the best possible outcomes when the implementation process has been an integral part of policy design. Central to determining how a policy is to be implemented is to engage those with implementation experience during this stage of the policy development to ensure that critical elements such as the following are included:

1. Inclusive Committees – Fair representation from all departments
2. Open and Transparent Decisions – A proper recording process
3. Clearly-defined Authorities and Measures – Responsibilities stated
4. Cyclic Review and Reporting – A process for review and accountability
5. Oversight and Forecasting – Ongoing Evaluation and Planning
6. Amendments to Policy – Identification of requirements, timelines and processes for policy revisions

### *Sample Policy Elements*

<i>Sample Policy Elements</i>	
<b>a. <u>Community Consultation and Consensus</u></b>	
Sample # 1	<p>A Community Strategy for Housing represents a process in which community members take ownership for improving their housing conditions over the long-term. This is based on:</p> <ul style="list-style-type: none"> <li>• an honest and realistic assessment of the existing housing conditions and community needs;</li> <li>• the development of a shared vision of what the community's housing will look like in the long-term;</li> <li>• the development of a series of goals which will guide the community in attaining its long-term vision;</li> <li>• the development of specific workplans – based on an assessment of alternative strategies – which will allow the community to meet their goals for improving housing conditions; and</li> <li>• consistent and passionate commitment to implementation of the developed plan.</li> </ul>
<b>b. <u>Amendments to Policy</u></b>	
Sample # 1	<p><b>Evaluation of Housing Policy</b></p> <p>This policy will be a living guide and will be amended as required. It will be intensively reviewed one year after adoption to determine if it is effectively meeting the community's objectives. Band Council will undertake to amend this policy as required.</p>

Sample # 2	<p data-bbox="477 233 1008 268"><b>Renewal and Review of Housing Policy</b></p> <p data-bbox="477 306 1425 415">In order to review the housing policy or to update its standards, it is the responsibility of the Housing Authority to review the policy annually with the quorum of the Board along with Housing management.</p> <p data-bbox="477 453 1393 518">All renewal and/or amendments must be approved by the Band Council and presented to the First Nation community.</p>
------------	---

## Chapter 5 – Creating the Regulatory Environment

Why doesn't Housing Policy guarantee successful housing delivery? In many cases it is because the First Nation lets its Housing Policy stand alone with no way to enforce it or any context in which the Housing Policy can be effective. That is why Housing Policy should not just include the delivery of houses—it must include all aspects of the bigger picture.

Housing Policy should be implemented within a regulatory environment that sets high-level checks and balances. The regulatory environment establishes a systematic way of developing the community and delivering community services. It organizes all aspects of housing delivery including land development, servicing, home construction, transportation, lighting, safety, fire protection, and others.

The Land Use Plan will, of course, be part of the planning process. Housing Policy will use the Land Use Plan to set out guidelines for lot servicing—water, wastewater, roads, and safety are all important aspects of how land is serviced.

In order to create organized communities it is important to develop a system that regulates building and ensures that houses are safe, sturdy and long-lasting. This process includes creating building permits that set guidelines and restrictions for what sort of houses can be constructed in the community and building codes and standards that will guarantee that the houses comply with an approved standard of quality. Provincial and federal building codes already exist and may be used as is, or the First Nation can add its own criteria for houses that are constructed within its boundaries.

Bylaws take policy one step further. They enforce codes and permits through the *Indian Act* and are the only way a First Nation can enforce its wishes through the legal system. The regulatory environment must be understood, developed and endorsed by the community and supported by leadership if it is to be enforced and effective.

## Chapter 6 – Land Tenure

Each First Nation has its own method of dealing with land and land tenure. Some have Certificates of Possession—others don't. Traditional land tenure means different things in different communities. It is important that each First Nation understands its own method of describing and dealing with land—whatever system the First Nation uses, it is important that community members understand how it works.

It is vital for each First Nation to have an internal system for transferring, selling and buying land between community members. First Nations must establish how lands are designated, what terms are used and what the terms mean. This system should be set out in policy; if it is not part of the Housing Policy, then it should be a policy attachment from the Land Department.

For most community purposes it is sufficient for the First Nation to have an internal land designation system, however, financial institutions and governments require that the First Nation has a formal method of determining land use and ownership. This requires Band Council Resolutions and community agreement.

Increasingly across the country First Nations are entering leasing arrangements with business and housing developers off-reserve. Housing Policy must be closely tied to these practices and seamlessly interact with other land and economic development issues in the First Nation.

It is critically important for First Nations to consider zoning issues as part of the planning process. The Housing Department must collaborate with the Land and Economic Development departments to ensure holistic community growth and development.



## Chapter 7 – Governing Authority Style

In order provide services to the community, First Nations require structure to enforce the Housing Policy in a professional manner. The previous chapters have provided information to help First Nations develop a path forward, identify the needs of the community in terms of programs and services and perhaps identify new demands for housing.

The guide has also identified a regulatory environment for First Nations to adhere to when dealing with their lands, including land use guidelines and restrictions, and how to build on and service these lands.

It is now important to develop a system to manage and deliver the programs and services. There are many governing styles available:

- First Nation (Chief and Council);
- Housing Committee established by Chief and Council;
- Housing Department as Operational Control;
- Independent Housing Authority with Board;
- Band-Owned Housing Cooperative;
- Council-Mandated Housing Authority (Non-Profit Model); and
- Independent Third Party Controlled Authority (For Profit Model).

No matter which governing authority structure is applied, the system must incorporate criteria that will result in sound management, good governance and principled leadership.

The system must allow Housing staff to carry out their duties to manage and enforce the housing policies as mandated by the community.

The system must include an appropriate communication structure between leadership and administration for the timely issuance of directives to the Housing Department, and a reporting system to monitor and evaluate the progress and quality of services provided by the department. The system should not allow daily involvement or interruption by Chief and Council in the day-to-day operations of the Housing programs and services.

A Housing Policy must include the First Nation's governance model. This organizational structure will describe the lines of communication, authority and responsibility within the First Nation as it relates to housing delivery. The structure can be outlined in both diagram form and written explanation, providing the Housing Department with the order for its operational control. The organizational structure may show how the First Nation interacts internally with different departments, leadership and community members, and with external organizations and authorities.

It is essential to place this organizational structure at the beginning of the Housing Policy because all procedures included in the Policy will flow from this structure.

First Nations may have entirely different governance structures—it doesn't matter—the most important aspect of governance in the Housing Policy is that it is described thoroughly in a form and language that everyone understands.

## Chapter 8 – Operational Controls

Housing management or property management as it is referred to in mainstream off-reserve housing is a specialty area in which First Nations manage homes and large projects such as apartment complexes and public buildings.

Reasonable knowledge and understanding of the general principles and responsibilities relating to Housing Management is appropriate for all housing workers. Property management requires knowledge of programs, contracts, rentals and leases, mortgages, maintenance and new construction. Additional knowledge is required in business administration, purchasing, accounting, insurance, repairs and maintenance, and public relations.

Providing well-maintained and efficiently managed properties results in long-term stable occupancies, maximized rent potential and enhanced property values.

Well-established controls – policies and procedures for financial, administrative, operational, and maintenance systems – keep First Nations housing departments and programs running smoothly.

### Sample Policy Elements

a. Finance and Funding	
Sample # 1	<p><b>Financial Year</b> – Until changed by the Housing Committee the Housing Authority’s financial year shall end the last day of March in each year.</p> <p><b>Execution of Documents</b> – Deeds, transfers, assignments, contracts, obligations, certificates and other instruments, whether or not under the seal of the Housing Authority shall be signed on behalf of the Housing Authority by the chairman or vice-chairman of the Housing Committee and any one of the following: manager, secretary, assistant secretary or any member of the Housing Committee.</p> <p><b>Exercise of Powers</b> – The committee members may exercise all such powers of the Housing Authority as are not required by “Housing Authority Bylaw Enforcement Policy”. The articles of these bylaws are to be exercised by the members at general meetings.</p> <p><b>Authorized Expenditures</b> – The Housing Committee shall have the power to authorize expenditures on behalf of the Housing Authority from time to time and may delegate that power to such officers or employees of the Housing Authority and to the extent that the Housing Committee</p>

	<p>directs by resolution for the purpose of furthering the objects of the Housing Authority.</p> <p><b>Banking Business</b> – The banking business of the Housing Authority including, without limitation, the borrowing of money and the giving of security therefore, shall be transacted at such banks, companies or other corporate bodies or organizations as from time-to-time designated by or under the authority to the Housing Committee Member. Such banking business or part thereof shall be transacted under such agreements, instructions and delegations or powers as the Housing Committee may from time-to-time prescribe or authorize, subject nevertheless to the restrictions or limitations (if any) imposed upon the Housing Committee under the provisions of these Bylaws.</p>
Sample # 2	The Financial Controller ensures the sum of contributions are deposited into a separate account and that it is effectively cash managed for maximum investment return while retaining a reasonable percentage in liquid terms to meet a reasonable probability of losses.

<b><u>b. Management and Administration</u></b>	
Sample # 1	<p>To assist, prepare, implement, monitor and evaluate all housing programs and housing-related activities within the community:</p> <ul style="list-style-type: none"> <li>a) Maintenance;</li> <li>b) Renovation;</li> <li>c) Development of new construction – plans, contracts administration;</li> <li>d) Planning – recommend clients for approval to Housing Committee or Chief and Council;</li> <li>e) Financial reporting;</li> <li>f) Development of policies and procedures;</li> <li>g) Prioritization methods.</li> </ul> <p>For employment in this area, knowledge of construction techniques and technology, administrative skills and reporting, and computers is required. This job requires a fair amount of diplomacy and confidentiality. This aspect, along with common sense, can be the most relevant during the hiring process although both traits are considered subjective and hard to assess unless the interview candidate is known.</p> <p><b>Responsibilities:</b></p> <ul style="list-style-type: none"> <li>7. assist the Chief and Council to improve the overall housing conditions in the First Nation;</li> <li>8. manage all operations of the First Nation’s Housing Authority by planning, implementing, developing and administering the programs, projects and policies;</li> <li>9. oversee and develop all operational procedures with Housing Authority staff;</li> </ul>

	<p>10. provide guidance and supervision to the administration;  11. promote the Housing policies to the membership; and  12. problem solving.</p> <p><b>Responsibilities (once full-time):</b></p> <ul style="list-style-type: none"> <li>• research and develop housing programs, tenure options and house designs;</li> <li>• initiate and manage new housing projects;</li> <li>• research financial options for First Nation members;</li> <li>• provide monthly reports to Housing Committee and Chief and Council for review;</li> <li>• provide a training plan for new staff members and coordinate with other agencies, departments, schools, colleges or institutions;</li> <li>• ensure all decisions by the Housing Committee are followed through and provide follow-up reporting i.e., new initiatives, policies, projects, emergencies, planning, etc.;</li> <li>• prepare a manual for the Housing Authority and keep updated policy and procedures available;</li> <li>• prepare job descriptions for new staff and undertake annual performance evaluations of all staff;</li> <li>• ensure good public relations with Band membership and other First Nations;</li> <li>• develop expertise by attending training courses; and,</li> <li>• maintain and report on condition of housing stock.</li> </ul>
Sample # 2	<p>The Housing administration role is to identify areas of need and the financial resources required.</p> <ul style="list-style-type: none"> <li>• Quarterly financial reports for review and use by the Housing Committee.</li> <li>• Monthly variance reports (to monitor the budget activity). Budgeting and planning.</li> <li>• Administration of housing programs.</li> </ul>

<u>c. Operations</u>	
Sample # 1	<p>Day-to-day administration of housing is a staff responsibility. Direct housing functions will be coordinated by the Housing Manager (who reports to the Director of Capital and subsequently to the Band Manager) who ensures that ongoing responsibilities are carried out. Long-term planning and integration between housing functions and other programs will be the responsibility of the Director of Capital in consultation with the Band Manager.</p>

<u>d. Portfolio Maintenance</u>	
Sample # 1	The First Nation will be responsible for preventative repairs and maintenance to extend the useful life of the unit. Definitions of “preventive repairs and maintenance” shall be determined by the First Nation. The tenant shall notify the Housing Department in writing of the need to make alterations to any part of a Band-owned or administered rental unit. Any such changes must be completed by the First Nation and/or its agents, and the tenants shall not make any alterations whatsoever.
Sample # 2	<p>Maintenance, repairs and renovations for Band Member owned units are the sole responsibility of the homeowner. However, assistance (loans) can be accessed for repairs under the repair policy.</p> <p>All maintenance, repairs and renovation for Housing Authority owned units will be the responsibility of the Housing Administration with the exception of those items identified in the tenant rental agreement. Items that are the responsibility of the tenants should be clearly identified and explained to the tenants to ensure they understand their responsibilities.</p> <p>Maintenance schedules should be set up for Housing Staff to follow.</p>

<u>e. Administrative Policies and Procedures</u>	
Sample # 1	<p>Communities must establish clear lines of authority for management and administration of their housing portfolios. Common performance practices that must be managed and maintained in a housing portfolio include:</p> <ul style="list-style-type: none"> <li>• Development of long-term plans for the housing portfolio;</li> <li>• Development of budgets and preparation of financial reports;</li> <li>• Development and implementation of housing policies and procedures governing how the housing portfolio will be administered;</li> <li>• Ensuring that a supply of serviced land/lots will be available to accommodate the number of new housing units planned;</li> <li>• Development of systems which optimize access to funding sources and allow access to financial capital markets;</li> <li>• Management of new construction and renovation activities;</li> <li>• Management of funds and financing involved in the construction, renovation, maintenance, operation and administration of the housing portfolio;</li> <li>• Development and implementation of procedures that allow for community members to be involved in and consulted in the overall direction of the housing portfolio; and</li> <li>• Development and management of an appeals process that ensures fairness and equality in the management of the housing portfolio.</li> </ul>

<u>f. Financial Planning</u>	
Sample # 1	<p>The Housing Committee members will delegate the day-to-day financial operations to the Housing Coordinator or Financial Manager. The Committee will, however, monitor the operations, make recommendations on financial decisions, and ensure that the First Nation’s Financial Policies are being implemented.</p> <p>The Housing Committee members will not be responsible for nor have any involvement in financing that may be attained for the housing programs. All financing issues will be the responsibility of Chief and Council.</p> <p>Chief and Council will be responsible to ensure that annual audits on Housing Programs are completed and available to Band Members. Quarterly financial reports will also be conducted by Housing Administration and provided to the Housing Committee and Chief and Council. Minutes will be required for all Housing Committee and Chief and Council meetings where decisions have been made.</p> <p>Chief and Council will be responsible for approving and directing the Housing Committee on all budgets and finances.</p>
Sample # 2	<p>The Housing Authority will delegate the day-to-day financial operations to the Housing Coordinator/Manager. The Board of Directors will monitor operations and make decisions on financial aspects within their mandate and budget allotted to them by Chief and Council. Depending on the mandate and authority given to the Housing Authority, the Board of Directors may have to seek final financial decisions from Chief and Council for areas that are outside of their mandate.</p> <p>The Board of Directors will not be responsible for accessing annual funding but will make recommendations to Chief and Council on means of accessing funding and financing. The Board of Directors is responsible for making budget decisions from the allotted budget provided by Chief and Council.</p> <p>Chief and Council will be responsible for ensuring that annual audits on Housing Programs are completed and available to Band members. Quarterly financial reports will also be conducted by Housing Administration and provided to the Board of Directors and Chief and Council. Minutes will be required for all Board of Directors and Chief and Council meetings where decisions have been made.</p>
Sample # 3	<p>In housing operations within the private sector, government or First Nations, property managers or housing managers must have a thorough understanding of accounting to effectively perform their duties. They must</p>

	<p>be well-versed in record keeping, preparation of all types of financial reports and budgeting. Moreover, they must have the ability to understand, analyze and interpret financial information and apply their knowledge and analytical expertise to making informed and prudent decisions affecting the properties under their administration.</p> <p>The basics of financial planning begin with the manager knowing the answers to these four questions:</p> <ol style="list-style-type: none"> <li>1. What are the resources of the Housing Department?</li> <li>2. What are the obligations of the Housing Department?</li> <li>3. What are the earnings of the Housing Department?</li> <li>4. What are the expenses of the Housing Department?</li> </ol> <p>The Band Council, as stakeholders, will be making these types of decisions.</p> <p>Does the Housing Department generate a sufficient rate of return or revenue to allow for sufficient cash flow to meet its financial obligations, including:</p> <ul style="list-style-type: none"> <li>• payment of salaries (competitive with other First Nations);</li> <li>• office supplies;</li> <li>• maintenance and repairs; and</li> <li>• a sufficient Replacement Reserve to fund future repairs?</li> </ul> <p>What is the revenue from the rental homes?</p> <p>What contributions are available from other sources (i.e., government or other)?</p> <p>Once the answers to these questions are addressed, a basic budget can be drafted.</p>
Sample # 4	<p>An annual housing program budget will be developed by the Housing Committee and approved by Chief and Council.</p> <p>Budgets can be separated into various categories such as: repair loans; new construction loans; septic and water loans; First Nation rental units; maintenance; salary and expenses; insurance; administration; lot servicing; training; loan payments; and any other services or charges that are necessary for the Housing Program.</p> <p>All housing subsidies, lot servicing subsidies, rental collection payments, loan collection payments, government assistance, Band revenue contributions, training funds, loans and other grants that may be received for labour or materials for construction or repairs will be included as revenues for the annual Housing Program budget.</p>



	<p>Emphasis for budget allocation will be compared with the Conditional Assessment Summary of the community. For example, if 75% of existing units are in need of major repairs, then a majority of the Housing budget will be set aside to address this area. Projections and planning of special projects will also be looked at for future years.</p>
--	--

<p><u>g. Reporting</u></p>	
----------------------------	--

<p>Sample # 1</p>	<p>A financial operating or cash budget is usually for one year and detailed or reported on a monthly, quarterly or annual basis. Such reports will include variances between expected revenues and actual revenues received. Any actions or adjustments required can be taken at this point.</p> <p>Budgets and reporting of special projects such as new construction or renovation programs are usually for the duration of the project.</p> <p>Sample: The Housing Administration shall keep proper and accurate records of all revenues and expenses including rents, arrears and maintenance and report such to the Band Council or Housing Authority on a regular basis.</p>
-------------------	---

## Chapter 9 – Housing Program Options

First Nations housing involves government programs, private industry and financial institutions. Each organization or agency has its own policies and criterion that applies to First Nations as clients and protects the organization or agency. It is not enough for First Nations to abide by external policies for programs and services. Each First Nation must develop its own policy to guide its business with other parties.

It is important to develop a housing policy that fits the services and programs in the First Nation. The policy must state which program it applies to and outline the policy applications and procedures.

A Housing Policy can be organized in chapters, each relating to a specific program or service, such as:

- Rentals;
- Mortgages;
- Leases;
- Rent-to-Own;
- Special Needs; and
- CMHC Section 95.

A Housing Policy can also be organized by subject, such as:

- Maintenance;
- Tenant Relations;
- Construction; and
- Community Services.

The Housing Policy must be organized in a way that allows the reader to quickly find the information he/she needs. It is important to remember that each policy must clearly state what program it applies to.

Each program used by the Housing Department must be fully understood and incorporated into existing programs. Here are some questions to ask when considering whether to use or access a program:

- How will the program be offered to the community?
- What benefit will the community receive?
- What criteria will be set up for eligibility, selection and repayment?
- How will the program be managed within the current Housing Department?
- What policies need to be written or amended?

## Sample Policy Elements

### a. Special Needs Housing

Sample # 1	Where physical ability requires special accommodations, the Band Council will work to ensure it is provided as a high priority. All construction and maintenance costs will be covered by the Band. However, if the resident is eligible for any form of income assistance that provides for renovations, rental or shelter payments, the Band will seek payment of that amount to the housing account. This program will include housing for people with disabilities and for seniors.
------------	---

### b. Seniors' Housing

Sample # 2	The Band Council will seek innovative ways to provide cost-effective and appropriate housing for seniors. In the first year, research will be carried out on potential programs assisted by the Canadian Centre for Public-Private Partnerships.
------------	--

### c. Band-Owned Assets – Subsidized/Revenue Generating

Sample # 1	Refers to Band-Owned Houses for which rent is collected from tenants under rental agreements.
Sample # 2	<p><b>Assisted Home Ownership:</b></p> <p>.</p> <p>As the Band Council believes individuals and the community are better off with home ownership, any Band-owned home can be transferred to private ownership subject to the following:</p> <ul style="list-style-type: none"> <li>• Proof of residency in one or any home for a period of 15 years; or</li> <li>• Application to Council for transfer of ownership.</li> </ul> <p>Band Council consideration of an ownership application will be based on residency, general care of the house and property, resident contributions to original debt (a target of 50% of original cost), any additional debts incurred during residency, and completion of home maintenance course. The Band Council must be satisfied that these conditions have been met. If they are not satisfied, they must provide written notice explaining why the transfer of ownership was not granted.</p>

<u>d. Private Home Ownership</u>	
Sample # 1	<p><b>Private Financing:</b> When a community member or private business can afford to build their own home(s), the Band Council will encourage construction by providing the rights to a building lot (with the Band retaining land title) at no cost. The cost of linking the home(s) to community road, sewer and water services will be negotiated on a case-by-case basis. The Band must be satisfied that:</p> <ul style="list-style-type: none"> <li>• the private funds are sufficient and will be applied to the house;</li> <li>• the house does not put undue pressure on public infrastructure;</li> <li>• the house is viable and will result in a final product;</li> <li>• the design and location are suitable for the community; and,</li> <li>• the investment represents a good opportunity to increase affordable housing in the community.</li> </ul>

<u>e. Market Housing</u>	
Sample # 1	Deals with funds received by the First Nation and applied toward the purchasing of housing and/or housing construction. The Band Council will offer loans to members of the First Nation who are Status Indians, when funds are available, for the purpose of purchasing or building a house.
Sample #2	<p><b>Individual Ownership:</b> Subject to personal financing and allocation of land by the Chief and Council, individual members may acquire ownership and possession of housing on reserve land. The Housing Program may grant assistance to the homeowner as a member of the First Nation.</p>

<u>f. Canada Mortgage and Housing (CMHC) Programs</u>	
Sample # 1	<p>The CMHC provides operating subsidies to Band Councils for non-profit rental housing through its On-Reserve Rental Housing Program (Section 95). Approximately 25,000 units continue to receive subsidy.</p> <p>CMHC's Residential Rehabilitation Assistance Program (RRAP) can be used to bring existing housing up to minimum standards of health and safety and to modify housing to meet the needs of the disabled. The program is delivered on-reserve by Band Councils or their designated housing authorities or agents of CMHC.</p> <p>CMHC offers other programs which provide assistance to build and renovate shelters for victims of family violence and make modifications</p>

	<p>for the frail elderly to remain in their homes.</p> <p>CMHC also undertakes research and provides information and training on housing.</p>
--	---

g. Indian and Northern Affairs Canada (INAC) Minor Capital

Sample # 1	<p>INAC funds activities to support on-reserve housing, including the construction of new houses and renovation of existing units. The funding is administered by a First Nation that establishes and implements comprehensive, community-based housing plans to meet the needs of its members.</p> <p>Based on income and assets, individual households can access capital from a financial institution following established lending criteria to build, purchase or renovate on-reserve housing to live in or rent to others. Because on-reserve property cannot be mortgaged by a private lender, security may be provided through Ministerial Loan Guarantees (provided by INAC) with the consent of the Band Council.</p>
------------	--

h. Emergency Housing

Sample # 1	<p>The following criteria is applicable to the above Loan Program.</p> <ul style="list-style-type: none"> <li>● financial assistance for accessibility (ramps, modifications for wheel chair access);</li> <li>● home improvements for energy and cost savings;</li> <li>● upgraded heating systems;</li> <li>● plumbing &amp; electrical;</li> <li>● replacement of windows; and,</li> <li>● mold remediation.</li> </ul>
------------	--

## Chapter 10 – Home Construction Procedures and Guidelines

The construction phase of the housing development process presents perhaps the highest risk factor and therefore requires discussion on the strict guidelines established by government and technical service providers. First Nations are responsible for the quality and cost of the materials used and the manner and process for which the projects are constructed.

Costs, quality and building methods are all factors to consider when planning, designing and constructing a housing project. Policies are necessary to ensure the controls are applied and enforced.

The processes for obtaining and using the products and services required for construction are provided by technical services providers, government, Tribal Councils or the First Nation, with these basic considerations:

1. Cost – use a fair and competitive tender process for purchasing materials and services
2. Quality – include specifications for which goods and services are to be provided
3. Construction Process – use a project management system suitable to the type of project

Code compliance and enforcement before and during the construction process involves key personnel from the First Nation, professional services (representing the applicable codes) and the trades hired for a project. This may include the Housing manager and staff, Lands Department, public works, building inspector, architect, engineer, health representative (septic) and others, depending on the type of project.

Coordination of critical elements such as permit applications and inspections should be addressed in another area of the Housing Policy but this section will deal with responsibilities and authority / jurisdiction for the enforcement of the construction guidelines.

<b>COMPLIANCE</b>	<b>ENFORCEMENT</b>
<p><b>Land Code Compliance</b></p> <ul style="list-style-type: none"> <li>• Land status report</li> <li>• Encumbrances and title verification</li> <li>• Indian Lands Registry System (ILRS)</li> <li>• Traditional Use Criteria</li> <li>• Local First Nations Lands Issues</li> </ul> <p><b>First Nation Code Compliance</b></p> <ul style="list-style-type: none"> <li>• Roads, Hydro, Water</li> <li>• Wastewater</li> <li>• Telephones, Cable, Gas</li> </ul> <p><b>External Compliance</b></p> <ul style="list-style-type: none"> <li>• Environmental Assessments (CEAA)</li> <li>• Environmental Screening reports</li> <li>• Legislation and Regulations: <ul style="list-style-type: none"> <li>○ Species at Risk Act (SARA)</li> <li>○ Fisheries Act</li> <li>○ Forest Management Plan</li> <li>○ Watershed Plans</li> <li>○ Provincial Environmental legislation</li> </ul> </li> </ul>	<p><b>Various Enforcement Configurations</b></p> <ul style="list-style-type: none"> <li>• Development Approval Board</li> <li>• Community Planning Board</li> <li>• Funding agencies or boards</li> <li>• Chief and Council, Senior Band Administrators</li> <li>• External agencies: <ul style="list-style-type: none"> <li>○ Health Canada</li> <li>○ CEAA</li> <li>○ SARA</li> <li>○ Local municipality (if servicing agreement in place)</li> <li>○ INAC, CMHC</li> <li>○ Interdepartmental approvals <ul style="list-style-type: none"> <li>▪ Housing committee</li> <li>▪ Technical committee</li> <li>▪ Capital projects</li> <li>▪ Lands committee</li> <li>▪ Public works</li> <li>▪ Social services</li> <li>▪ Environmental committee</li> <li>▪ Cultural resource management department</li> </ul> </li> </ul> </li> </ul>
<p><b>Design Compliance</b></p> <ul style="list-style-type: none"> <li>• Architectural and Engineering</li> <li>• Infrastructure Design (road, water, hydro)</li> <li>• Plot plans</li> <li>• Septic System Layout</li> </ul>	
<p><b>Construction Compliance</b></p> <ul style="list-style-type: none"> <li>• On Site Servicing</li> <li>• Site Preparation/Excavation</li> <li>• Foundation</li> <li>• Framing (floor, walls, roof)</li> <li>• Interior/Exterior</li> <li>• Mechanical (Electrical, Plumbing and Heating)</li> <li>• Landscaping</li> </ul>	

## Sample Policy Elements

### a. Building Codes and Standards

Sample # 1	<p>The Building Inspector has the mandate to provide clear direction and instruction in the area of housing/building construction. The Building Inspector is primarily responsible for the following:</p> <ul style="list-style-type: none"> <li>• Ensuring code compliance inspection is completed (<i>on all inspections that are requested</i>) for new or renovated houses and preparing written reports on code compliance inspection at each stage, and,</li> <li>• Ensuring all housing plans submitted are reviewed and approved based on the applicable codes.</li> </ul> <p>Inspection compliance will be based on the codes in the following priority:</p> <ul style="list-style-type: none"> <li>• Compliance with the Building Code; and</li> <li>• Compliance with the local First Nations law or code.</li> </ul>
Sample # 2	<p>The Homeowner(s), utilizing a Housing program (hereinafter Loan) offered through the Band Council, and the Contractor, as directed by the Homeowner, jointly acknowledge and agree to adhere to the requirements of the First Nation Housing Policy in respect to but not limited to: construction code requirements, payment schedule, inspections and any other matter contained herein.</p> <p>Preference will be given to applicants who require renovations to upgrade their homes to bring them to Building Code.</p>

### b. Design Parameters

Sample # 1	<p>All work will be done in compliance with the 1995 National Building Code in accordance with directions from the Housing Manager responsible for fulfilling the First Nation Housing requirements and in accordance with blueprints, approved and signed by the Housing Inspector.</p>
Sample # 2	<p>Submit an Engineered Stamp Approved blueprint of the house. Applicants are responsible for purchasing their own blueprints.</p>



<u>c. Methods and Materials</u>	
Sample # 1	<p>The decision to undertake new housing construction lies solely with the Chief and Council. If they feel there are sufficient funds as evidenced by the long-term plan and the annual budgets and plans provided by staff, they may decide to undertake new construction. They may also decide to hire an outside construction manager to oversee all aspects of major new construction including housing.</p> <p>Recommendations and decisions about new construction should be made based on price (lowest price is preferable), ability to complete construction on time, and hiring of Band members for labour where possible.</p>
Sample # 2	<p>An existing home may be purchased with New Housing Loan funds provided an inspection is conducted by the designated Housing Inspector to confirm that the house meets the minimum required standards. If the purchase price of the unit, plus the cost to bring the unit to minimum standards exceeds the maximum loan amount, the borrower must obtain and deposit the difference into their construction account prior to the start of construction.</p> <p>All new homes are to be constructed by an established and qualified construction company with certified carpenters. If a construction firm from outside of the First Nation is hired, a condition of the contract will be that at least two Band members who are qualified to do construction work be hired for the duration of the construction project.</p>

<u>d. Drawings and Specifications</u>	
Sample # 1	<p>Submit an Engineered Stamp Approved blueprint of the house. Applicants are responsible for purchasing their own blueprints.</p>
Sample # 2	<p>All house designs and specifications shall be presented to Band Council and/or Housing Committee before submission to the Housing Inspector. These designs shall be checked and must be in compliance with the minimum standard as determined for on-reserve housing as per the Code adopted and used by the First Nation. The Band Council and/or Housing Committee will determine if the size of the house is in accordance with the budget available. If the house is bigger than what the budget permits, the size of the house will be reduced accordingly to what the applicant can afford. Should an applicant be able to afford a larger home, they must use their own money for start-up, after which Band funding will flow.</p>

<u>e. Estimations and Costing</u>	
Sample # 1	<p>Establishing the contract budget is one of the most important steps in drafting the contract.</p> <p>For all construction contracts, the preference is to seek competitive bids. However, the Request for Proposals may specify a fixed budget instead, when money is not the preferred factor for selecting a contractor, using the following guidelines:</p> <ul style="list-style-type: none"> <li>• Price competitive contracting</li> <li>• When proposals / tenders are to be evaluated using competitive prices (among other criteria), <b>do not</b> disclose budget estimates to the proponents.</li> <li>• Price-competitive tenders / RFPs may be used for all contract types (except Direct Awards).</li> <li>• Contract budget will apply to <b>all tendered construction</b> projects (invited and open tenders).</li> <li>• The First Nation will not be obligated to accept the lowest or any bid.</li> <li>• Fixed Budget Contracting – An alternative to price-competitive bids is to establish a maximum budget that the First Nation is willing to spend on the work, which leads to the review of proposals based on their technical merits other than lowest price.</li> </ul>

<u>f. Tender Process</u>	
Sample # 1	<p><b>Public Notice</b></p> <p>Potential contractors for Invited Tender Projects, including Direct Award and Invitational RFP / Request for Tenders (RFT) can be contacted directly by the First Nation, without public advertising. Notice of Public RFP/RFTs will be posted on the public notice board in the Administration offices. They may also be advertised in newspapers or other media. In general, larger projects will be advertised more widely, at the First Nation’s discretion.</p> <p><b>Acceptance Period</b></p> <p>A “Direct Award” RFP/RFT can be posted for a minimum of 7 (seven) calendar days, with the tender acceptance period closing at 2:00 p.m. on the final day, unless otherwise specified in the tender documents.</p> <p>If the Direct Award is due to an emergency situation, this may not apply.</p> <p>Both “Invited” and “Public” competitive RFP/RFTs can be posted for a</p>

	minimum of 14 calendar days, with the tender acceptance period closing at 2:00 p.m. on the final day, unless otherwise specified in the tender documents. Note that the proposal/tender process is also required for Direct Award Contracts.
--	--

**g. Procurement and Contracting**

Sample # 1	<p>“Procurement” is defined as the set of procedures required to acquire goods and materials under contract with a supplier. The procurement process has the same four phases as contracting:</p> <ol style="list-style-type: none"> <li>1. <b>Planning phase:</b> Includes the needs analysis, developing a preferred solution, creating the terms of reference and the Request for Proposals documents, and securing funding.</li> <li>2. <b>Contractor Selection phase:</b> Includes Invitation or Public Notice and dissemination of the Request for Proposals, receipt and evaluation of bids, recommendations and contract award.</li> <li>3. <b>Contract Administration phase:</b> Includes activities such as progress monitoring, delivery follow-up, payment action, etc.</li> <li>4. <b>Contract Wrap-up phase:</b> Includes contractor evaluation, final payment, proof of delivery/sign-off, and filing of warranties and service arrangements.</li> </ol> <p>Although the procedures are essentially the same as the contracting procedures, the process is simpler and quicker than typical contracts. The procurement contractor’s obligation is usually to supply and deliver pre-manufactured goods, whereas other contractors’ obligations usually include creating the deliverables, such as developing plans or constructing infrastructure. Because of this difference, the procurement contract is not subject to the same requirements as other contracts.</p> <p>Specifically, the following requirements DO NOT usually apply to the procurement process, unless otherwise stated in the Terms of Reference or Request for Proposals:</p> <ul style="list-style-type: none"> <li>• Fixed Budget Contracting: Not appropriate for Procurement Contracts</li> <li>• Public Notice: Invitational requests for quotes are most common, and a list of potential suppliers can be easily developed. A Public Notice may be issued as a Request for Expressions of Interest, to develop the list.</li> </ul>
------------	---

Sample # 2	<p><b>Preferential Contracting</b></p> <p>The First Nation will give preference to certain contractors, based on the</p>
------------	--

	<p>criteria outlined below. This is a general rule and will not necessarily apply in all cases.</p> <p>The usual policy is to obtain at least three quotes for purchasing and contracting. However, there are occasions where fewer than three proposals will be considered on a “preferential contracting” basis. A worksheet can be filled out and filed to document the rationale for utilizing preferential contracting. This completed worksheet should be filed for all contracts that do not go to public tender. The worksheet should be signed off by the appropriate authorities.</p>
--	---

**h. Construction Management**

<p>Sample # 1</p>	<p><b>Form of Agreement #3 – Construction Management and Field Services</b></p> <p>The Form of Agreement #3 for Construction Management and Field Services, including any supplemental conditions, will be used for contracts utilizing engineering, architectural or construction management firms undertaking services that include any of the following:</p> <ul style="list-style-type: none"> <li>• Construction tendering</li> <li>• Construction contract management</li> <li>• Field services during construction, such as survey layout, inspection, and contract administration.</li> </ul> <p>Approved Forms of Agreement for Construction Management and Field Services include:</p> <ul style="list-style-type: none"> <li>• ACEC-31 – Prime Agreement between Client and Engineer 1996 – developed by the Association of Consulting Engineers of Canada</li> <li>• CCA 5 - 1988 – Construction Management Contract – developed by the Canadian Construction Association</li> <li>• Canadian Standard Form of Contract for Architectural Services – Document Six</li> </ul>
-------------------	--

**i. Contract Administration**

<p>Sample # 1</p>	<p>The First Nation will use industry-standard procedures and documentation for awarding and administering contracts, including a definitive sign-off for contract completion.</p> <p>All approvals outlined in this section will be confirmed by the designated Contract Administrator. All approvals will be confirmed and signed off by the Contract Administrator prior to authorizing the contractor to proceed.</p>
-------------------	---

j. Signing Off (Project Close-out)

Sample # 1	<p>Final reports are required for all contracts, with complete information and clear explanation of purpose, intent and content. Recommendations are required with clear rationale to support the Band’s decision-making requirements.</p> <p>The contractor will be required to submit project records, calculations, communication records including e-mail, meeting minutes and as-constructed information, including drawings and measurements as specified in the Terms of Reference.</p>
------------	--

k. Auditing and Reporting

Sample # 1	<p>For new construction, final reports are required for all contracts, with complete information and clear explanation of purpose, intent and content. Recommendations are required with clear rationale to support the Band’s decision-making requirements.</p> <p>The contractor will be required to submit project records, calculations, communication records including e-mail, meeting minutes and as-constructed information, including drawings and measurements as specified in the Terms of Reference.</p>
Sample # 2	<p>Chief and Council will be responsible for ensuring that annual audits on Housing Programs are complete and available to Band members. Quarterly financial reports will also be conducted by Housing Administration and provided to the Housing Committee and Chief and Council. Minutes will be required for all meetings.</p>

## Chapter 11 – Application and Selection Process

This is perhaps one of the most controversial and difficult processes in providing housing services to First Nation communities. This chapter describes requirements and provides suggestions regarding activities that occur during the marketing, application, waiting list, and tenant selection process.

### Project eligibility requirements:

- a. **Project specific requirements** – If the program is designed for a special group, such as the elderly or disabled, the First Nation can define this in the application criteria.
- b. **Status requirements** – The First Nation can describe how member requirements are implemented.
- c. **Income limits**– The income limit schedule used for the property must be identified (i.e., low-income, seasonal employment).

### Procedures for taking applications and selecting from the waiting list:

- a. **Taking applications** – The policy could include processes for taking applications.
- b. **Applicant screening criteria** – The policy can describe the program standards used for screening for information, i.e., rental history and references.
- c. **Procedures for rejecting ineligible applicants** – The process can identify the circumstances under which the First Nation may reject applicants for occupancy or assistance. If the First Nation establishes a policy to consider extenuating circumstances in situations when applicants would normally be rejected, such a process can also be described.

### Sample Policy Elements

<u>a. Waiting List</u>	
Sample # 1	Applications shall be submitted to the Housing Manager who shall maintain a record of all applications received. These applications shall be presented to the Housing team at the next scheduled meeting except in emergency situations.
Sample # 2	Applications for loan programs shall be submitted to the Housing Administration or Chief and Council. The housing administration shall maintain an accurate record of all applications received, which shall be presented to the Housing Committee on a quarterly basis, or as needed.

<u>b. Financial Statement</u>	
Sample # 1	<p>Applicant must have the financial ability to pay all debts with the total debt payment not exceeding 25% of gross earnings. All debts include payments on all outstanding or current debts plus payment required on the loan requested. Payments for utilities (electricity and gas) are excluded from this calculation.</p> <p>Applicants on a fixed income will be assessed based on the benefits received. The shelter component of the benefit must equal or be a minimum 75% of the loan payment required. A calculation, based on an estimated cost for utilities of \$275.00/month plus the total monthly payment of other debts, including the loan payment, will be carried out to determine if applicant can meet the loan payment required plus meet living expenses.</p>
Sample # 2	The applicant must supply proof of income to the Housing Department to verify annual income of the household. This can include T-4s, employment pay stubs, or other such documented proof of income as required by the Housing Department.

<u>c. Credit Rating</u>	
Sample # 1	In order to ensure payment for loans, the Housing Authority shall utilize the credit bureau to obtain credit worthiness of prospective borrowers and to report borrower's arrears only. All applicants shall be made aware of this process. Criteria should be outlined in Credit/Collection Policies.
Sample # 2	An in-house credit check will be completed when determining qualifications for the loan program. Applicants must provide authorization to the First Nation to complete the in-house credit check.
Sample# 3	Applicants must have a good credit rating, possess no outstanding arrears or bad debt with the First Nation, and obtain a letter of intent for individual financing from an outside source. Should the applicant demonstrate the financial resources without the addition of outside financing, the member will be required to spend their monies upfront and provide proof of such before the First Nation loan will be issued.

<u>d. Application Assessment Criteria</u>	
Sample # 1	<p>After the posting deadline for applications has passed, the Housing Authority shall meet to review all applications received and complete a screening guide for eligibility.</p> <p>Each applicant meeting the criteria set out in this policy will be processed equally, using a point system based on needs. Personal interviews will be conducted with the applicants by the Housing Authority. The Housing Authority may request previous rental and hydro references.</p>
Sample # 2	<p>Selection will be carried out in accordance with existing First Nations Housing selection criteria until the required number of families with the financial ability to pay the maximum rent is reached.</p>
Sample # 3	<ol style="list-style-type: none"> <li>1. In compliance with the local First Nations law or code, the Band member must be 21 years of age or older to be considered for a Housing Subsidy.</li> <li>2. Members will have the responsibility to ensure that their application is updated on an annual basis. All applications will be kept on file for a maximum of one year. An application that has not been updated within the year will be considered inactive and removed from the priority list.</li> <li>3. Credit checks will be done to ensure the member has a good credit record and that the member can afford to finish the construction of the dwelling.</li> <li>4. Applicants must have no outstanding debts with the First Nation or other creditors.</li> <li>5. A member must have a building lot in their name or documentation indicating that a transfer of ownership is in process.</li> <li>6. A member can only access this program once.</li> <li>7. Members who own their own home off-reserve do not qualify for a housing subsidy unless there are mitigating circumstances.</li> <li>8. Members who have lost a home to fire and did not have adequate insurance coverage will not qualify for a housing subsidy if they have received any kind of subsidy in the past.</li> <li>9. Applications will be reviewed and selected as per the policy.</li> <li>10. The Housing Portfolio Holder will prepare all point allocations for the</li> </ol>



	<p>applications, which will be reviewed by the Housing Committee, and make recommendations for loan approval. This process will be anonymous – names will be removed from the applications – to ensure that the process is done in an unbiased manner.</p> <p>11. Members who have the most points on the date the applications are reviewed will be awarded first choice in receiving a housing subsidy.</p> <p>12. If there is a tie, the application that has been on file the longest will be given priority.</p>
--	---

<u>e. Points Allocation Process</u>	
Sample # 1	After the posting deadline, the Housing Committee schedules a meeting for the purpose of selecting new tenants for rental units. Each applicant meeting the criteria will be processed equally, using the point system evaluation based on needs priority with a “Rental Housing Needs Assessment” form.
Sample # 2	The Housing Administration will review active applications that meet all of the eligibility criteria and select the members who will receive rental housing according to selection criteria set out in a point-rating guide. These criteria will be used to select tenants on the basis of need, in accordance with the rental housing policy and with the community housing plan.

<u>f. Rentals Agreements</u>	
Sample # 1	After selection has been made, a personal interview will be completed with the applicant(s). The Housing Administration will review the rental agreement in detail with the applicant(s). The agreement shall be signed by the tenant(s) and witnessed by the Housing Administration. A photocopy will then be issued to the tenant with the original stored in the tenant file.
Sample # 2	<p>Upon successful selection and approval by Council, new tenants of the rental units are required to sign the “Rental Unit Agreement” with the Housing Manager.</p> <p>This Agreement is made between the First Nation “of the first part” and the tenant(s) “of the second part”.</p> <p>i) The First Nation is in lawful possession of the premises.</p> <p>ii) The First Nation has agreed that the tenant may occupy the premises on the terms and conditions set out within the agreement.</p> <p>Acceptance of this Agreement is required within 7 days of the printing</p>

	date. If not received, it is at the sole discretion of the First Nation to cease and terminate.
--	---

g. Subsidy Process

Sample # 1	<p>The First Nation Housing Subsidy is a forgivable loan from the First Nation in the amount of \$_____ to allow First Nations members who do not wish to obtain or are not eligible to qualify for other housing programs an opportunity to construct a home on the First Nation.</p> <p>The First Nation Housing Committee, after reviewing submitted applications, selects the candidates eligible for the subsidy.</p>
Sample # 2	<p>The First Nation will offer loans to members who are Status Indians, when funds are available, for the purpose of purchasing a house.</p> <p>The portion of the loan may be paid or postponed depending upon the wishes of the First Nation in dealing with that particular applicant, but the portion of the loan which is made up of funds from the First Nation over and above this amount, shall be repayable in the manner and on the terms so prescribed by the First Nation.</p>

h. Mortgage Qualification

Sample # 1	All members who are proposing to build a home on their lot/land, as identified on their Certificate of Possession, must transfer title of the proposed building lot to the Housing Department before beginning construction as security for the mortgage provided by First Nation. After the mortgage is paid in full, as agreed, title will be transferred back to the member through a Land of Possession Certificate.
Sample # 2	<p>For a new construction mortgage, the member must be able to provide:</p> <ul style="list-style-type: none"> <li>● construction drawings and specifications for each housing unit;</li> <li>● a site plan;</li> <li>● name of builder and warranty number where applicable;</li> <li>● construction schedule and cash flow schedule;</li> <li>● cost breakdown for all components of construction and copies of proposed contracts;</li> <li>● permits for well, septic, electrical, gas and plumbing as applicable; and,</li> <li>● confirmation of fire insurance coverage during construction (as provided by the First Nation).</li> </ul>

i. Tenant & Credit Counseling

Sample # 1	<b>For Tenants and Homeowners:</b>
------------	------------------------------------

	All Housing Subsidy, CMHC section 95, and First Nation Rental Tenants Recipients will have to attend mandatory tenant training workshops as directed by the Housing Department.
Sample # 2	<p><b>Homeowner Training:.</b></p> <p>The Housing Department will provide mandatory homeowner training before transferring ownership of homes to individuals or families with a focus on preventative maintenance and respect for the physical structure and its systems. This helps prepare homeowners for new responsibilities and will reduce future costs.</p>

<u>j. Appeals Process</u>	
Sample # 1	<p>A member may submit a written grievance, or appeal that is endorsed by the member, to Council within 30 days of the occurrence.</p> <p>A member may file a written grievance pertaining to any First Nation employee, provided the grievance is endorsed and forwarded to Council.</p> <p>An Appeal Committee will deal with the grievance or appeal. The Appeal Committee is a community committee consisting of five community members selected at random by Council with no members from Council.</p> <p>With the exception of direct conflict of interest, the Administrator shall chair the Appeal Committee as a non-voting member. A minimum of five members of the Appeal Committee, not including the Chairperson, must be present to hear a grievance or appeal.</p> <p>The Committee will strive to obtain consensus in their decision-making, however in the event a consensus cannot be reached, a majority vote rules.</p> <p>Upon receipt of a grievance letter or letter of appeal, the Chairperson will acknowledge receipt in writing and set an appeal date within five working days of receiving the grievance/appeal letter.</p> <p>A member may choose to include representation of his/her choice and at his/her expense during a grievance/appeal hearing.</p> <p>The Appeal Committee will deliberate after representation [who is authorized to appear before and provide information to the Appeal Committee in private], without recorded vote.</p> <p>Upon reaching decision on the grievance/appeal, the chairperson will submit the recommendations to Band Council, with a full report of proceedings.</p>

	<p>Where Band Council does not agree with the recommendations of the Appeal Committee, an outside arbitrator will intervene. This arbitrator will be a mutually agreed upon [by who – the complainant or appellant and Council or by the Appeal Committee and Council or Elder of the community] and will have the final authority to resolve the matter.</p> <p>Upon final resolution, the member will be notified verbally and in writing of the decision by Council or the arbitrator if there is one.</p>
Sample # 2	<p>Members are eligible to appeal any decision made by the Housing Department or Housing Committee regarding the selection process for rental location and loans, and it is recommended that they also be able to appeal decisions regarding calculations of financial assistance amounts.</p> <p>Appeals must be made within 10 days of receipt of selection or calculation decisions, and delivered in writing to the Housing Department.</p> <p><b>Appeal Hearing</b>  An appeal will be held at the next Housing Committee meeting if one is scheduled within a two-week period, and if not, the Councillor responsible for Housing is responsible as chair of the committee for calling a special meeting.</p> <p>The appellant will be given the opportunity to present his/her case at the meeting and then the Housing Committee will deliberate in private.</p> <p><b>Decision Process</b>  The Housing Committee will issue a recommendation to the Chief and Council regarding the case, and the Chief and Council will be responsible for making a final decision regarding the appeal within a two-week period of receipt of the Housing Committee’s recommendation.</p>

## Chapter 12 – Insurance and Cost Requirements

Development costs are divided into two categories – soft and hard costs. Chapter 10 covered the hard costs of housing construction. This chapter will deal with the soft costs, which include everything that is not directly related to building material, labour and the management of that activity, necessary to develop and complete a project.

Soft costs occur in the pre-construction, construction and post-construction phases. They are included in the housing construction budget but are kept separate so that management can control costs easily and effectively. Examples of soft costs include:

- financing fees and other finance-related costs;
- project audit costs;
- legal and accounting fees;
- survey fees;
- environmental assessments;
- architectural, engineering and related professional services;
- inspections;
- construction insurance; and,
- tenant and homebuyer counseling, provided the recipient of counseling ultimately becomes the tenant or owner of a subsidized unit.

Construction soft costs often get lost in the general financial activities of the First Nation, therefore it is important to set up clear controls and tracking procedures to ensure the costs are applied accurately to the construction project.

### Sample Policy Elements

a. Down Payments	
Sample # 1	<p><b>Non-Monetary Contributions to a House (Sweat Equity)</b></p> <p>When a family or individual has few financial resources but is prepared and able to provide a significant amount of non-financial resources (labour and/or materials) that substantially reduces the cost of building, the Band will consider providing assistance on remaining costs and terms of ownership. While each case will be decided on its own merits, Council will ensure a certain level of funds is set aside each year for this program and will detail its rules in the Housing Administration and Planning Manual.</p> <p>The total value of the applicant's in-kind and other support must be equal to one-half (50%) of the original cost of the home.</p>

Sample # 2	<p><b>Financing and payment schedule:</b></p> <p>a. A minimum down payment of 20% is required.</p> <p>b. The balance owing will be financed by the First Nation at zero percent interest for a maximum of 10 years (120 months).</p> <p>c. The balance owing will be divided into equal monthly payments for a maximum 120 months, and will be in the form of a mortgage with the First Nation jointly signed by the First Nation and the new homeowner.</p> <p>d. If the balance cannot be equally divided by the months of payment then the last month shall have the larger amount to pay the balance in full.</p> <p>e. If payments fall in arrears, First Nation Government Services, and the Housing Committee will make every reasonable effort to accommodate the homeowner's situation. As a last resort, legal action will be taken to return ownership of the unit back to the First Nation.</p>
------------	---

b. Security Deposits	
Sample # 1	All new tenants will be expected to pay the first month's rent plus a security deposit equaling the total of one month's rent. This money is due and payable upon signing of the rental agreement.
Sample # 2	<p>A security deposit cannot exceed the monthly amount of rent for the first month of the rental agreement. It cannot be increased at any time during the tenancy, even if the monthly rent is increased later. If a rental agreement contains a clause that requires a security deposit in excess of one month's rent, that clause is illegal and unenforceable.</p> <p>Housing Administration should give a tenant a receipt for the security deposit and any other payments that are received from the tenant.</p> <p>A refundable fee or charge is part of the security deposit. A First Nation cannot charge additional refundable fees, if the total of the security deposit and the additional refundable fees to be paid by the tenant exceeds one month's rent.</p> <p>A non-refundable fee or charge that is agreed to in the rental agreement is not subject to the security deposit restrictions. Non-refundable fees cannot be deposited into the security deposit trust account. For example, if a landlord charges \$100 per pet as a non-refundable fee for the privilege of having a pet in the premises, this fee will not be held by the First Nation as security, and will not be returned to the tenant. It is not a security</p>

	<p>deposit as defined by the rental agreement.</p> <p>Some rental agreements include a “late rent charge”. If the tenant does not pay the late rent charge and if the charge is reasonable, the First Nation is entitled to deduct the charge from the tenant’s security deposit at the end of the tenancy.</p>
--	---

c. Mortgage Loan Insurance – Section 95 NHA

Sample # 1	<p>Mortgage Loan Insurance is required when a mortgage loan is more than 75% of the purchase price of a dwelling. With Canada Mortgage and Housing Corporation insurance, home buyers are able to purchase a property with as little as 5% down.</p>
------------	--

d. Home and Property Insurance

Sample # 1	<p>Homeowners have the responsibility to protect their investments and their families from disaster. Ongoing care and maintenance is key to reducing risk of loss but replacement and content insurance is still needed. As owner of many of the homes in the community and as manager of most debt financing, the Band will ensure that homes for which it is responsible are covered by adequate replacement insurance.</p> <p>Private home owners are responsible for their own replacement-of-dwelling insurance coverage although they may wish to purchase coverage from the Band.</p>
Sample # 2	<p>Content insurance is always the responsibility of the tenant. The Band will not provide protection for loss of personal possessions in any residence in the community. Individuals must purchase their own content insurance from a private insurance company should they wish to have such insurance.</p>
Sample # 3	<p>(a) To insure with a company approved by the lender and to keep insured at their own expense against losses or damage due to fire, tempest and lightning, for their full value, with replacement endorsement if available the buildings already built or renovated or any buildings that may be subsequently built or renovated on the land referred to in the preceding clause;</p> <p>(b) To transfer the benefits of any insurable policies on the said buildings to the borrower and the lender, as their respective interest may appear, and to deliver the said policies to it, for the duration of the mortgage;</p> <p>(c) To deliver to the lender at least 15 days before the expiry of a policy, proof that the policy has been renewed or replaced.</p>

e. Rent and Mortgage Payment Schedules

Sample # 1	<p>Band members will be responsible for providing monthly payments to the Housing Administration office on or before the first of every month.</p> <p>Monthly loan payments will be a flat monthly payment. Various payment schedules will be offered to Band members for new units with options to various interest rates and payments.</p> <p>An example for payment schedules could include minimum payment of \$350.00. Loans with \$350.00 monthly payments will be charged 6% annually on the balance owing, payments of \$450.00 and over will qualify for 5% interest annually on the balance owing and payment over \$550.00 will qualify for 4% interest annually on the balance owing.</p>
Sample # 2	<p>Band members will be responsible for providing the monthly payment to the Administration/Housing Office on or before the first (1st) day of every month. Various payment schedules will be offered to Band Members for Repair Loans with options of various interest rates and payments.</p> <p>Options:</p> <ol style="list-style-type: none"> <li>1) A minimum payment could be established at \$200.00. Loans with \$200.00 monthly payments will be charged 6% interest annually on the balance owing; payments of \$300.00 and over will qualify for 5% interest annually on the balance owing; and payment over \$400.00 will qualify for 4% interest annually on the balance owing. This option provides some incentives for those applicants who can afford a higher payment to do so willingly in exchange for paying less interest.</li> <li>2) Set a flat monthly rate for all repairs assistance to be paid until the amount is paid in full. This treats everyone equally regardless of their income level and ability to pay.</li> <li>3) Increase the current rental amount for Band-owned units to adjust for a cost-recovery of the repair costs over a five to ten-year period depending on the extent and cost of the repairs.</li> <li>4) Utilize a full mortgage schedule as provided by financial institutions.</li> </ol>

f. Loan Conditions	
Sample # 1	<p>The amount of principal money advanced on this housing loan is the sum paid to the borrower as aforesaid and the rate of interest chargeable thereof is _____% per annum (current bank interest rate).</p> <p>Thereafter, the aforesaid sum together with interest shall become due and be paid as follows:</p> <p>Monthly installments of \$_____ each (which includes principal and</p>



	<p>interest) on the 1st day of each month in each year and to include the 1st day of _____, 20__, to the 1st day of _____, 20__, and the balance, if any, of the said principal sum and interest on the date last mentioned.</p> <p>The amount of the above installments has been established on the basis of an amortization period of _____ years.</p> <p>For purposes of convenience, the borrower undertakes to give the lender every year, if requested, 12 post-dated cheques representing the 12 monthly instalments due during the following year.</p> <p>For purposes of convenience to the borrower and the lender, the borrower will indicate the length of the term.</p> <p>In the event that a bulk payment is made by the borrower on the principle of the loan to the Lender, the bulk payment will reduce the principle loan, but does not reduce the amount of rent already set in the loan agreement. The bulk payment will reduce the term of the loan agreement.</p>
Sample # 2	<p>Band members will be responsible for providing the monthly payment to the Administration/Housing Office on or before the first day of every month. Various payment schedules will be offered to Band members for repair loans with options of various interest rates and payments.</p> <ul style="list-style-type: none"> <li>• A minimum payment could be established at \$200.00. Loans with \$200.00 monthly payments will be charged 6% interest annually on the balance owing; payments of \$300.00 and over will qualify for 5% interest annually on the balance owing; and payment over \$400.00 will qualify for 4% interest annually on the balance owing. This option provides some incentives for those applicants who can afford a higher payment to due so willingly in exchange for paying less interest.</li> <li>• Set a flat monthly rate for all repairs assistance to be paid until the amount is paid in full. This treats everyone equally regardless of their income level and ability to pay.</li> <li>• Increase the current rental amount for Band-owned units to adjust for a cost recovery of the repair costs over a five to ten-year period depending on the extent and cost of the repairs.</li> <li>• Utilize a full mortgage schedule as provided by financial institutions.</li> </ul>

## Chapter 13 – Financial Management

The role of the First Nation is to establish sound financial operating policies and procedures for effective control of finances which will assist in maintaining and monitoring budgets, reporting procedures and accountability.

The financial policies will provide the framework for making decisions and outline how financial activities will occur. Some financial activities may include:

- Approving budgets and reviewing financial performance on a regular basis;
- Implementing controls and procedures for purchasing goods and services;
- Cash Flow Analysis / projections and planning;
- Bank reconciliations; and,
- Financial record keeping.

The Housing Policy must be coordinated with the general First Nation financial policies and procedures. The Housing Department must be able to expect to receive financial information in a timely manner in order to manage rent collections and maintenance requests.

### Sample Policy Elements

Sample Policy Elements	
a. <u>Budgets and Forecasts</u>	
Sample # 1	<p>The Housing Coordinator and Manager of Administration will be responsible to ensure that financial reports be provided to Chief and Council on a quarterly basis. Minutes will be required for all committee meetings and submitted to Chief and Council.</p> <p>Housing subsidies, lot servicing subsidies, rental collection payments, loan collection payments, Band revenue contributions, training funds, loans and any other grants that <i>may be</i> received for labour or materials for both construction or repairs will be included as revenues for the annual housing budget.</p> <p>The budget will be developed yearly by the Housing Coordinator and Manager of Administration in cooperation and consultation with the Housing Committee and requires final ratification by Chief and Council.</p> <p>An ongoing listing and valuation of renovations, housing units, loan requests, etc. should be developed and updated annually along with the ranking during the Application and Approval process.</p>
Sample # 2	Budgeting is the central element of housing management planning and

	includes a review of operations and forecasting future performance by anticipating future conditions affecting the program or projects and preparing a detailed plan of activities to be implemented. A budget represents a detailed set of objectives in terms of revenue and expense commitments. A First Nation should prepare its annual proposed budgets at least three months prior to beginning of fiscal year to allow for review and approval by Chief and Council.
--	--

**b. Journals and Posting**

Sample # 1	The general journal is the simplest journal to be utilized and is maintained by the First Nation’s Finance Department. The journal records each economic transaction separately and it is up to the Housing Department to submit a list of transactions each month to the Finance Department for proper recording and posting to the appropriate accounts in the general ledger or journal.
------------	---

**c. Legal Agreements**

Sample # 1	Contracts are primarily administered by the Housing Department but the Finance Department requires copies to allow payments in accordance with the terms and conditions of the agreement and proper application of penalties and discounts.
------------	---

**d. Tenant Payment – Rents and Subsidies**

Sample # 1	Rent collection is primarily administered by the Housing Department where sufficient staffing allows for a collection procedure. Some First Nations with a smaller portfolio of rental revenue from properties will allow payments to be made directly to the Finance Department.
Sample # 2	Rents are due and payable on the first day of every month. Payment of rent shall be made at the Band office during normal business hours in the form of cash, cheque or money order payable to the First Nation. N.S.F. cheques must be replaced immediately and the writer of the N.S.F. cheque shall be disallowed cheque writing privileges until the Housing Administration determines appropriate.

**e. Loan Portfolio Maintenance**

Sample # 1	This is a very diverse program depending on the financial capability of each First Nation. The loans portfolios may consist of the First Nation’s own lending programs or the use of mainstream financial institution’s on-reserve lending programs.
------------	--

f. <u>Revenues vs. Expenses</u>	
Sample # 1	The are many types of budgets including a cash budget, capital budget or zero-based budget. The most commonly used is an operating budget which measures the revenues and the expenditures against the approved budget.
g. <u>Replacement Reserves</u>	
Sample # 1	There are provisions for future expenditures such as major capital repairs and replacement of building components. These reserves are segregated into special accounts only to be used for the purposes intended.
h. <u>Financial Statements</u>	
Sample # 1	Although another function of the Finance Department, the Housing Department staff shall maintain knowledge of this process at a sufficient level to understand the position of housing operations at all times.
i. <u>Audits, Reviews and Reporting</u>	
Sample # 1	Although another function of the Finance Department, the Housing Department staff shall maintain knowledge of this process at a sufficient level to understand the position of housing operations at all times.
j. <u>Record Keeping and Document Control</u>	
Sample # 1	The efficient operation of housing management depends on an effective filing system. The Housing Department shall maintain files for all properties, legal, financing, surveys, building plans, inspection reports, contracts, insurance, and rental and mortgage agreements.
k. <u>Human Resource Requirements</u>	
Sample # 1	Human Resources files shall include employment files, employee files, evaluations, contracts and correspondence relating to hiring and terminations of employment, including disciplinary action.

1. <u>Contingencies</u>	
Sample # 1	Separate budget lines are sometimes prepared to allow for unforeseen occurrences not normally included in regular budgets and should be administered accordingly to each project.

## Chapter 14 – Delinquent Process

Tenants and homebuyers must have an easy-to-understand and legal rental agreement with the First Nation. This agreement protects the tenant and the First Nation. The rental agreement is the cornerstone on which to build an effective rent payment regime. Once the tenant understands and has signed the rental agreement they are obligated to abide by the housing policies. Rent payment and collection policies must state the procedures the tenant/homebuyer is to follow and what the tenant can expect from the First Nation.

Tenants must understand the following:

- Rents are the main revenues and represent the cash flow, which must cover all operating expenses and financing costs of the housing project. Without sufficient cash flow, operations cannot be sustained and the property/project would quickly deteriorate. Therefore there is no choice—rents must be paid.

First Nations must:

- Educate their tenants so that they understand the program they are joining and the consequences if they do not abide by the rules. First Nations must also live up to their obligations to the tenants as stated in the policies and rental agreement. The relationship between the tenant and First Nation must be set out clearly with policies and procedures that are easy to understand, implement and enforce.

Policies are also necessary to deal with non-payment of rent, rent deferral arrangements, evictions and collection of historical arrears. Rent collection policies must be fair, evenly managed and legal. Tenants must have an appeals process to follow should they believe they have not been dealt with fairly or legally.

While housing policies state the letter of the law and the official process, it is important to remember that houses are an essential element in survival—prevention can often be the best approach to non-payment of rent. This means that the First Nation should have a fair and firm tenant counseling process that deals with crisis intervention. Tenant counseling should not enable tenants' negative habits but should educate and enhance the tenants' life skills.

## Chapter 15 – Maintenance Procedures and Responsibilities

The First Nation and the tenants are responsible for the upkeep of the housing unit. The First Nation must ensure that each unit is maintained because it is a valuable asset. It is critical for each First Nation to have a clear, written maintenance policy that outlines the responsibilities belonging to both the tenant and the First Nation.

The policy must also set out what the tenants may NOT do to the unit, what standards are to be met and the process by which the tenant should inform the First Nation of need.

The Housing Department should develop program goals for the maintenance program such as the following:

- a) Quality – to keep housing units in safe condition
- b) Response – to address all repair issues in a timely manner
- c) Preventive Maintenance – to perform regular inspections and repairs
- d) Costs – to budget and use resources wisely

The maintenance policy for Band-owned housing units must address the following:

- residents' responsibilities for normal care of their units and common property;
- procedures for handling maintenance services requests from residents;
- procedures for inspections of dwelling units and common property;
- special arrangements, if any, for obtaining maintenance services from outside workers and contractors; and,
- procedures for charging residents for damages for which they are responsible.

The maintenance policy for homeownership units must address the following:

- procedures for providing advice and technical assistance to homebuyers, to enable them to meet their maintenance responsibilities; and
- procedures for the Housing Department to perform homeowner maintenance in cases where the homebuyers fail to perform these functions.
- These must include procedures for charging the homebuyer's account for the cost of the work.

## Chapter 16 – Occupancy Relations

The First Nation and residents of its housing programs have a relationship. It is critical that both parties understand their roles and responsibilities. Policy is created in order to foster a positive relationship between the two parties. If policies are not implemented and enforced the relationship can become conflicted.

Housing management is often about managing expectations. If either party has unrealistic expectations of the other there will be unnecessary tension. Therefore, housing policy must clearly state the roles and responsibilities of the occupant and the First Nation.

It is useful to state the needs/expectations of the occupants and of the First Nation. For example:

Occupants' expectations:

- To have a safe, healthy home;
- For the home to be affordable;
- To have privacy;
- To be respected;
- To have some flexibility;
- To have access to appeal decisions made that directly affect them;
- To have the unit maintained in an acceptable manner; and,
- For agreements to be upheld and policies followed.

First Nation's expectations:

- To receive rent on time;
- For the home to be kept in good shape so its life will be extended;
- For garbage to be managed;
- To be informed when maintenance is required;
- Costs will be managed;
- To be informed when tenants move in and out; and,
- For agreements to be upheld and policies followed.

Establishing expectations can prevent problems, therefore, it is critical that the policy include clear direction for communication between the two parties.



## **Sample Policy Elements**

### a. Overcrowding

Sample # 1	<p>As overcrowding is the most serious issue at present, high priority is to be granted to families where overcrowding exists in the current living arrangement. To determine point allocation for overcrowding, the following guidelines will be used as the minimum number of bedrooms required:</p> <ul style="list-style-type: none"><li>• One bedroom for each adult or couple.</li><li>• One bedroom for children 16 years of age or older.</li><li>• One bedroom for 2 children of the same sex up to 16 years of age.</li><li>• One bedroom for 2 children of opposite sex up to 5 years of age.</li></ul>
Sample # 2	<p>This section of the policy is intended to assist tenants that have become overcrowded due to family expansion and is not to be interpreted that eviction take place when a unit becomes overcrowded. Unforeseen circumstances can occur in the rental units resulting in the unit having over the recommended number of occupants. Priority will be given to the tenants currently in an overcrowded unit to promote healthy and safe living standards. Therefore, when the next unit becomes vacant that would adequately meet their needs, it will be offered to the tenants in the overcrowded unit. Tenants currently in an overcrowded unit will not be required to place their name back on the list.</p>

### b. Subletting

Sample # 1	<p>The tenant may assign, sublet or otherwise part with possession of the premises subject to the consent of the landlord which may not be arbitrarily or unreasonably withheld or charged for unless the landlord has incurred expenses in respect of the grant of consent. The landlord shall be deemed to have reasonably withheld consent if the assignment, subletting or parting with possession is contrary to the objectives of the landlord's Housing Policy.</p>
------------	--

### c. Re-Allocation

Sample # 1	<p>As overcrowding is the most serious issue at present, high priority is to be granted to families where overcrowding exists in the current living arrangement. To determine point allocation for overcrowding, the following guidelines will be used as the minimum number of bedrooms required:</p> <ul style="list-style-type: none"><li>• One bedroom for each adult or couple.</li><li>• One bedroom for children 16 years of age or older.</li></ul>
------------	---

	<ul style="list-style-type: none"> <li>• One bedroom for 2 children of the same sex up to 16 years.</li> <li>• One bedroom for 2 children of opposite sex up to 5 years.</li> </ul>
--	---

d. Bequeathing

Sample # 1	<p>Transfer of ownership through a will may occur upon the death of a member who held a Certificate of Possession on a home.</p> <p>In the absence of a will, the wishes of the family will be considered. If there is a lack of consensus or clarity on the appropriate benefactor, the unit will be returned to the Housing Administration for reallocation.</p>
------------	--

e. Matrimonial Rights

Sample # 1	<p>In the case of family breakdown, where both parties are First Nation members, the ownership of the unit will be put in the name of the person retaining possession of the unit. The parent granted primary custody of the children will retain possession of the unit.</p> <p>If the person leaving the unit received a housing grant to build the house, they will then be deemed not to have received the grant and the person retaining possession of the unit will be deemed to have received the grant.</p> <p>In the case of family breakdown, where one of the parties is not a First Nation member, the ownership will remain in the name of the member. The parent granted primary custody of the children will be given the right to occupy the unit. The First Nation is not liable for any investment made by the person who does not retain ownership. In other words, compensation for such investment is to be settled between the parties.</p>
Sample # 2	<p>Married/common law couples that divorce/separate with an outstanding Chattel Mortgage Agreement account in both their names have the option to have the Chattel Mortgage Agreement re-written in the name of the person residing in the house who will be responsible for the Chattel Mortgage Agreement.</p> <p>All parties shall endeavor to settle this matter as soon as possible. A court-order or separation agreement is required prior to executing a change to the mortgage documents. The ex-partner without a house is eligible to make application for housing as per Housing Authority criteria.</p>

f. Abandonment

Sample # 1	<p>Where the tenant abandons the premises or terminates the tenancy other than in the manner permitted, the landlord shall mitigate damages that may be caused by the abandonment or termination to the extent that a party to a contract is required by law to mitigate damages.</p>
------------	---

Sample # 2	<p>A unit reported uninhabited to the Housing Department and left uninhabited for more than 30 days will be considered abandoned.</p> <p>If the homeowner cannot be contacted:  Step 1: Attempt contact by telephone  Step 2: Send a written letter by registered mail  Step 3: If no response or payments are received within 30 days, ownership of the property reverts to the First Nation.</p> <p>If abandonment of a mortgaged home is suspected, the Property Manager will attempt to contact the borrower to verify intentions. If abandonment is proven, the Property Manager will treat this as a default in the Agreement, therefore the procedures will be followed as set out under the Default Section of the Mortgage Loan Agreement, and the Housing Policy.</p>
------------	---

g. <u>Temporary Absence from Unit</u>	
Sample # 1	<p>There may be several scenarios that will require a First Nation Housing Department to manage:</p> <ol style="list-style-type: none"> <li>1. Temporary relocation due to employment out of area;</li> <li>2. Temporary relocation due to health or hospitalization;</li> <li>3. Temporary relocation while major renovations are undertaken; and,</li> <li>4. Temporary relocation due to institutionalized circumstances.</li> </ol>

h. <u>Death of a Tenant or Borrower</u>	
Sample # 1	<p>A claim for payment of the outstanding balance owing on the loan account is to be submitted to the Executor(rix)/heir/beneficiary, if a borrower dies Testate, or the Administrator of the Estate if a borrower dies Intestate.</p> <p>The Housing Authority may revisit the agreement between the parties to accommodate the new circumstances.</p>
Sample # 2	<p>In the event of the death of a borrower, a notice shall be issued to the Department of Indian Affairs and Northern Development, Estate section. The beneficiary inheriting the property will assume responsibility for the loan and can either continue with the monthly payments or pay the outstanding loan amount in full.</p>

i. <u>Transfer of Home Ownership</u>	
Sample # 1	<p>Transfer of ownership of units is subject to the following terms and conditions:</p> <ul style="list-style-type: none"> <li>• Transfer of ownership of existing units covered by a rental-purchase agreement or mortgage will be governed by the transfer of home ownership clauses of those agreements.</li> </ul>

	<ul style="list-style-type: none"> <li>• Transfer of ownership to the citizen will be priced at one dollar where no debt exists.</li> <li>• The granting of home ownership will be done on the recommendation of the Housing Department to Band Council. The First Nation will issue a “Certificate of Possession” to the citizen.</li> </ul>
--	---

j. Transfer of Rental Tenancy

<p>Sample # 1</p>	<p>Current tenants who wish to change units because their needs have changed may request a change in rental unit. The Housing Committee shall determine if one request can be matched with another for agreeable switching of units between tenants. If no match is found at the time of application, the request shall remain on file.</p> <p>Transfer of a rental unit to another person can occur only when the unit is vacated and then re-allocated by the First Nation Housing Committee, or when units are switched.</p> <p>Assignment of vacant rental units and switching of rental units between tenants shall be done on a point summary basis to ensure that the selection process is consistent and that all applicants are rated on the same key factors, which include:</p> <ul style="list-style-type: none"> <li>a. Condition of present dwelling;</li> <li>b. Health and safety of the present dwelling;</li> <li>c. Homelessness;</li> <li>d. Length of time lived in the present dwelling;</li> <li>e. Size of family (goal will be to allocate a suitable size of unit required for the applicant’s needs);</li> <li>f. Number of families living in the present dwelling; and,</li> <li>g. Special needs required by the family, such as a medical conditions.</li> </ul>
-------------------	---

## **Chapter 17 – Human Resources**

In the Housing environment, the First Nation's Human Resource activities include providing regulations in the areas of recruitment, employee performance management, benefits, pension, policy development, occupational health and safety, training and compliance issues. A Housing Policy should identify the housing staff and their respective duties in relation to the upholding the Housing Policy.

The Housing Policy should also state who is responsible for the management and enforcement of the policy on a day-to-day basis and a description of duties and the limits of authority under which they operate. This may include a property manager, housing manager, housing director, housing coordinator, as well as supporting staff such as rental and/or lease administrators and housing clerks.

## Glossary of Terms

Administrator	A person hired by Band Council or Housing Authority to assist in ensuring that all housing management plans are implemented and operational. The Administrator shall manage the day-to-day operations, oversee the financial management of the First Nation and/or housing programs and report to the Band Council or Housing Authority when and as requested.
Applicant	A Band member who is a minimum of 18 years of age applying to the housing program, who will be responsible for costs incurred upon approval of recommendation.
Arrears	Refers to housing-related payments owed to the First Nation or housing programs and not received for which a member has entered into agreement and has agreed to repay. Current bank interest charges will be applied to any amount outstanding beyond each fiscal year.
Arrears Recovery	A sub-agreement for monthly payments, in addition to regular payments, to prevent default action.
Band-owned House	A house or other residential property owned and administered by the First Nation Housing Department or Authority.
Band-owned Rental	A house or other residential property owned and administered by the First Nation Housing Department.
Borrower	The First Nation member(s) who enters into a loan or mortgage agreement to repay a housing allocation or repair loan to the First Nation.
Co-Applicant	A person who is a minimum of 18 years of age who is applying with an applicant to share costs and/or habitation upon approval under the Housing program.
Council	The persons elected by the members of the First Nation community for the positions of Chief and Councillors.
Default	To be in arrears, providing false information or owing housing-related payments to the First Nation or Housing Authority.
DNQ	“Does Not Qualify” under the eligibility requirements outlined in the Housing Policy.
Employee	Employee of the First Nation or Housing Authority who is in receipt of regular wages by payroll.

Eviction	The legal action taken by the First Nation to remove a tenant from a Band-owned house or Band-owned rental for failure to meet the conditions of their rental agreement.
Family Member	Husband, wife, mother, father, brother, sister, son and daughter.
Foreclosure	The legal action taken by the First Nation to remove the borrower from the house and regain ownership of the First Nation or Band-owned house and property when the borrower fails to meet the terms of the mortgage agreement.
Housing Committee	The committee established by Band Council to oversee the implementation of the housing program, adherence to the housing policy and the selection and recommendation of candidates for the housing program(s).
Housing Department	The administrative body responsible for all housing matters in which the First Nation has an interest in and delivers to the community or acts as agent for the delivery and management of such programs as may be available from time to time.
Household Income	The aggregate gross income, in whatever form received, of all members of the household.
Housing Manager	The person hired by Band Council to assist Council in ensuring that all Housing Policy management plans are implemented and operational. The Housing Manager will be supervised by the Administrator and shall manage the day-to-day operations, oversee the financial management of the Housing Program and report to Council, when and as requested.
Housing Program	Refers to the First Nation's Housing Programs however they are structured. This may include rental units, CMHC units – Section 95, RRAP, Minor Capital Renovations and new construction or any other housing program which may be available and administered by the First Nation, Housing Department or Housing Authority.
Housing Unit	A house occupied by the rental tenant.
Private Unit	A house that the First Nation does not hold any interest or rights for.
Proof of Income	Documentation to verify one's annual income, including T-4s, employment pay stubs or other such documented proof of income.
Rent	The amount paid or required to be paid monthly by a tenant to the

First Nation for the right to occupy a Band-owned house or rental unit.

**Rental Agreement** A written tenant rental agreement between the First Nation or Housing Authority and a tenant for the right to occupy a Band-owned house or rental unit, and includes any renewal of such an agreement.

**Resolution** A First Nation Council Resolution (FNCR) or Band Council Resolution (BCR).

**Tenant** A person(s) who enters into a rental agreement with the Housing Department and who pays rent or is required to pay rent in return for the right to occupy a Band-owned house, who will abide by the rental agreement.