

# **Fond du Lac Housing Division**

## **MEPA USE POLICY**

The Fond du Lac Reservation Business Committee establishes this MEPA Use Policy for the Fond du Lac Housing Division (FDLHD) to set forth the eligible uses by homebuyers for their Monthly Equity Payment Account (MEPA). It is the intent of this policy to ensure consistent and fair treatment of all homebuyers who access their MEPA account for the eligible uses set forth below in accordance with the Mutual Help and Occupancy Agreement (MHOA) or other occupancy agreement based on that MHOA format.

All homebuyers applying for MEPA funds must show proof of income.

### **SECTION I – INVOLUNTARY USES**

The FDLHD may submit an application for involuntary release of a homebuyer's MEPA account for the following purposes:

**A. Immediate repair; payment of necessary utilities.**

If FDLHD determines that immediate repair or the payment of utilities for the home is necessary to avoid hazard to the life, health or safety of the occupants or to avoid damage to the property, the FDLHD may submit an application for the release of funds as necessary to alleviate that condition.

Utility is defined as water, electric, gas, and waste disposal. Access to the account for payment of a utility bill is allowed once per calendar year, from the date of the last utility payment from MEPA funds.

**B. Necessary sanitation or animal control expenses.**

In the event that a homebuyer has failed to meet sanitation or animal control conditions of occupancy, after 15 days advance written notice to the homebuyer of proposed action, the FDLHD may take the necessary steps to bring the premises into compliance, and may then submit an application for the release of funds as necessary to alleviate that condition.

**C. Termination of Homebuyer Agreement.**

In the event that a homebuyer agreement has been terminated and the homebuyer is responsible for repairs under the homebuyer agreement, the FDLHD may submit an application for the release of funds as necessary to make such repairs prior to the release of the remainder of the equity account to the homebuyer.

**D. Monthly Housing Payment.**

Once per fiscal year, Housing will inform and require the homeowner to submit an

application for a release of funds as necessary to pay off any and all delinquent housing arrearages or other payments due to FDLHD.

**E. Notice to Homebuyer**

In all cases where the homebuyer's MEPA has been reduced by the FDLHD, the FDLHD will inform the homebuyer in writing of its determination to apply and utilize MEPA funds. A written statement for the above actions will be provided to the homebuyer with the following information:

1. The purpose for the use of the homebuyer's MEPA;
2. The homebuyer's beginning MEPA balance;
3. The amount charged to MEPA; and
4. The remaining balance in the homebuyer's MEPA account.
5. Payback agreement for the amount of funds used.

**SECTION II – VOLUNTARY USES**

Permissible voluntary uses of the homebuyer's MEPA account are as follows:

**A. Handicapped Access Conversion**

To assist and accommodate the occupancy of the home by a handicapped individual or individuals, the homebuyer may use MEPA for interior and exterior rehabilitation and renovation of his or her dwelling unit to accommodate the particular handicapped individual or individuals involved. Such rehabilitation and renovation may include widening of doorways, installation of entrance ramps for wheelchair bound individuals, added equipment in bathrooms, renovation of bathroom facilities, widening of halls, and remodeling kitchens for handicapped accessibility.

The homebuyer requesting handicapped access conversion will be required to produce documentation supporting the need, including medical affirmation from a physician and any other supporting documentation deemed necessary by the approving official.

**B. Repairs and Replacement**

If a homebuyer notifies the FDLHD that his or her unit has been damaged or requires repairs, or if through inspection by the FDLHD it is determined that damage has occurred or repairs are required which are not creating hazardous conditions but do require repair, correction or replacement, a homebuyer shall request MEPA use from the FDLHD. If approved, the FDLHD and the homebuyer will agree on a specific corrective plan to correct or replace all damages and repairs. If the homebuyer is unable to pay the cost and expenses of the repair or replacement work set forth in the corrective plan, the FDLHD may approve the use of the homebuyer's MEPA funds available.

Failure of a homebuyer to correct identified repairs will result in a breach of the homebuyer's occupancy agreement and the agreement will be subject to termination.

**C. Betterments and Additions**

If a homebuyer has been in full compliance with the terms and conditions of his or her occupancy agreement for the period of at least one (1) year prior to a request, the FDLHD upon written application from the homebuyer, may borrow from his or her MEPA for betterments and additions to the homebuyer's dwelling unit or dwelling unit property. In no event will any such betterment or addition be approved if it is determined to impair the value of the dwelling unit, surrounding dwelling units or adversely affect the dwelling unit for residential purposes. Further, in the event of any subsequent termination of the occupancy agreement, the homebuyer will not be entitled to any compensation for any betterments and additions made prior to such termination. For the purposes of this paragraph, the term "betterments and additions" includes the installation of energy conservation items, such as solar panels, wood-burning stoves, flues, and insulation; installation of utilitarian fixtures, such as built-in closets and other shelving, doors, ceiling fans, additional smoke detectors, energy-saving monitoring devices, window sun screens, weather stripping, and carpeting; and the installation or construction of exterior dwelling unit property improvements, such as boundary or perimeter fencing, gates, clotheslines, patios, asphalt walkways necessitated by drainage problems, carport storage sheds or shelving, garages, and such room additions as may be created by renovating carports or porches without impairing the basic structural integrity of the dwelling unit.

The term "betterments and additions" includes replacement of working appliances. Working appliances are those appliances that were included with the unit when the homebuyer signed their agreement. The replacement of non-working appliances may be covered by Section II, Paragraph B.

MEPA funds cannot be used for betterments and additions which could be considered a "luxury item," such as swimming pools, barbecue pits, wallpaper, satellite dishes, atriiums, and furniture. Requests for items such as hot tubs, saunas, Jacuzzis, and whirlpools may be considered providing that the homebuyer demonstrates medical need by providing proper documentation as outlined in Section II, Paragraph A, of this policy.

**SECTION III – PROCEDURES FOR PERMISSIVE USE OF MEPA FUNDS**

**A. Submission of Requests**

All Requests must be submitted to the Director of the FDLHD who will evaluate and issue a decision within thirty (30) days of the date of the request.

A request will not be considered complete without income verification and until all supporting documentation has been submitted. The FDLHD will notify the homebuyer of any missing documentation within ten (10) days of receipt of the request. A homebuyer

may request reconsideration of the decision of the FDLHD by submitting a written appeal to the Housing Committee within thirty days of the Director's decision. Decisions of the Housing Committee will be final regarding the use of MEPA to pay for utilization conditions.

1. If the MEPA request falls within the guidelines of betterments and additions category, approval must be granted by the Housing Committee prior to the Director's written notification of approval.
2. In the event any work to be performed requires the services of an outside or independent contractor, the homebuyer is responsible for ensuring that the work is completed in a good and workman like manner. The FDLHD will take no responsibility for work performed by outside or independent contractors. Homebuyers are encouraged to get a minimum of two quotes.

**B.** MEPA utilizations must be repaid in full by the homebuyer before another request will be considered.

**C.** All MEPA usage will be paid based on the actual amount expended for the approved work item. Upon approval to obtain repairs or replacement or betterments and additions, the homebuyer will sign a payback agreement for the amount of funds to be used and reimburse the MEPA account, to be paid back within the time frames described below.

**D.** In order to assist the FDLHD in determining what is "emergency work" and so as not to create hazardous and/or health and safety issues for homebuyers, emergency work is considered but not limited to the following:

Ruptured water mains/pipes, septic pumping, electrical failures or shorts, inoperable cooling systems (when indoor temperatures exceed 82 degrees Fahrenheit) or heating systems (when indoor temperatures drop below 65 degrees Fahrenheit), ruptured or leaking gas lines/connections, inoperative major appliances (i.e., refrigerators and ranges), both kitchen drains clogged, and clogged bathroom drains, including tub & shower drains.

**E. Minimum MEPA Balance**

Under no circumstances shall any homebuyer's MEPA account be allowed to fall below a \$3,000 balance of money paid in.

**F. Timeframe for Repayment**

In order to address the repayment for MEPA use, the FDLHD will determine repayment timeframes as follows:

**1. Monthly Housing and Utility Payments**

<u>Amount</u>	<u>Repayment Timeframe</u>
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\$65 to \$200	4 months
\$201 to \$500	8 months
\$500 and up	12 months

**2. Hazardous Conditions and Repair and Replacement**

<u>Amount</u>	<u>Repayment Timeframe</u>
\$100 to \$500	6 months
\$501 to \$1000	12 months
\$1001 to \$2500	24 months
\$2501 and up	Up to 60 months

**3. Betterments and Additions and Handicapped Access Conversion**

<u>Amount</u>	<u>Repayment Timeframe</u>
\$100 to \$500	6 months
\$501 to \$1000	12 months
\$1001 to \$3000	24 months
\$3001 to \$6000	Up to 48 months
\$6001 and up	Up to 60 months

**4. Calculation of Monthly Repayments**

The monthly payment amount will be calculated based on the repayment timeframes listed above. In the event that a homebuyer misses a monthly payment, the FDLHD may recalculate the monthly payment in order to ensure that the timeframe is met.

**5. Restructuring of MEPA Utilization Payback Agreement**

A homebuyer who has approved MEPA use and is on a structured payback agreement and who has experienced financial duress may, upon consideration of a written request and approval by the Housing Committee, be able to restructure his or her MEPA payback agreement if the following occurs:

- i. Circumstances that cause unusual financial distress;
- ii. Loss of income of main provider through no fault of provider;
- iii. Loss of income of other provider through no fault of provider; or
- iv. Accidents which have caused financial duress sufficient to warrant restructuring reconsideration.

All requests for restructuring repayment of MEPA must meet the criteria above and must be approved by the Housing Committee.

#### **SECTION IV – TRANSFER OF HOME**

The home will always be transferred in accordance with the homebuyer agreement. In the event of a voluntary or involuntary release of the homebuyer's MEPA funds, the amount of that release will be subtracted from the remaining MEPA.

**Adopted by the Fond du Lac Reservation Business Committee pursuant to Resolution #1088/15 on March 18, 2015; amended by Resolution #1357/16 on October 19, 2015; and amended by motion of the Reservation Business Committee on September 6, 2023.**