



Northern Circle Indian Housing Authority

694 Pinoleville Drive, Ukiah CA 95482

707-468-1336 800-521-3191

MEPA USE POLICY

In order to establish consistent and clear guidelines for Homebuyer use of the MEPA Account Funds the following policy has been approved by the Board of Commissioners. NCIHA hereby establishes the following guidelines for use of Homebuyers Mutual Help Monthly Equity Payment Account (MEPA).

Allowable use of MEPA shall be classified into 5 major categories:

- Corrective Maintenance Work
- Betterments and Additions
- Utilities Assistance
- Administration Charge Assistance
- Additional Insurance Coverages

Corrective Maintenance Work

If NCIHA determines that the condition of the property creates a hazard to the life, health, or safety of the occupants, or if there is a risk of damage to the property if the condition is not corrected, the corrective maintenance work may be done by NCIHA with such use of the Monthly Equity Payment Account (MEPA). The homebuyer shall be informed of this determination and must submit the required MEPA Use Request form for repair work to be performed.

Betterments and Additions

If the homebuyer is in compliance with the terms of the MHOA, Northern Circle may agree to allow the homebuyer to use the funds in the MEPA for betterments and additions to the Mutual Help Home.

Betterments and Additions are those items that will increase the value and enhance the quality of the home.

Items included in this category are:

Home furnishings: Includes furniture that may be used in the home and draperies including hardware (traverse rod, curtain rods, etc.). Home furnishings specifically excludes patio furniture, bedding, pillows, throw blankets, etc.

Appliance Replacements: All major appliances are eligible for replacement including microwave ovens. Small appliances such as toasters, blenders, mixers, foodprocessors, etc. are not eligible.

Landscaping: This category includes all materials & equipment required for landscaping such as lawn mowers, rototillers, tools used in lawn care, trees, shrubs, flowers, lawn seed, sod, fertilizer, planters, etc. and any equipment used in the care of the landscaping. Heavy equipment such as backhoe, trencher, caterpillar, etc are not eligible for homebuyer purchase, but equipment rental charges are eligible expenses.

Labor for yard maintenance and landscaping will be limited to \$300.00 per month or \$3,600.00 per year.

Landscaping vendor contracts will be considered on a case by case basis as these contracts may include a labor charge that exceeds the limit set forth above.

Items excluded from Betterments and Additions are:

Home Entertainment including but not limited to Televisions, stereos, Satellite devices, Televisions, Cable T.V. service and Video Cassette Recorders (VCR).

Multimedia Devices including but not limited to Personal Computers (PC), Facsimile Machines (FAX), and cellular phones.

Recreation/Transportation including but not limited to automobiles, bicycles, exercise equipment, motorcycles and all terrain vehicles (ATV).

Utilities Assistance

Utility Payments are specifically the responsibility of the Homebuyer in accordance with the Mutual Help and Occupancy Agreement. However, if the homebuyer is unable to pay for the utilities of the home because of financial hardship Northern Circle may pay for the utilities from the MEPA at the request of the homebuyer. Evidence of the Homebuyers inability to pay for electricity must be demonstrated by submitting a 15-day notice from PG&E.

If the homebuyer is unable to pay other utilities, the request must be documented in a written statement explaining their inability to pay and a request to pay from the MEPA Account.

Utilities Assistance may include the following utilities:

electricity water sewer charges heating fuel

Homebuyers may only pay delinquent utility bills for the same utility account from their MEPA Account 1 time in a 6-month period.

Administration Charge Assistance

Should the homebuyer fail to pay the required monthly payment

Northern Circle may reduce the MEPA by the amount owed each month toward the administration charge at the Homebuyers request. The homebuyer must submit the required MEPA Use Request Form to pay the administration charge and the MEPA balance shall be comprised of an amount backed by cash actually received in order for any such reduction to be made. The Homebuyer shall be informed that they remain responsible for paying any delinquent amount that exceeds the administration charge and will remain in the collections process until the amount is paid in full. Homebuyers request to use MEPA to cover their Administration Fee will be granted ***no more than two times over a 12 month period.***

If a homebuyer owing less than \$100.00 is in the collections process and fails to make the required payment, NCIHA will automatically collect the amount in full from their MEPA Account. The MEPA Account will be reduced by the amount necessary to bring the homebuyer's account to a zero balance. NCIHA will only collect for debts that do not exceed \$100.00. The will homebuyer be notified in writing of the transaction.

Additional Insurance Coverages

Homebuyers may utilize their MEPA account to purchase additional homebuyers insurance coverage. This may include Personal Property, Emergency Living Expense and Personal Liability Insurance. All coverages must be for purposes of insuring the NCIHA dwelling unit and personal property of the homebuyer.

Eligibility

To be eligible for MEPA Use, the homebuyer must meet the following criteria

- Must have a balance on account exceeding the amount requested
- Must not have any outstanding balances for homebuyer payments or other financial obligations with NCIHA
- NCIHA will pay directly to vendors, service providers or contractors

MEPA Use Request Approval

All MEPA Use Requests must be submitted to Northern Circle in writing on the MEPA Use Request form or other written statement. Requests should be signed by the Homebuyer authorizing Northern Circle to deduct the amount requested from the equity account. NCIHA requires complete MEPA Use Requests from homebuyers to be submitted for processing and approval at least three days prior to checks being issued on NCIHA's regular check processing day.

All contractors and or any person providing services of any kind, licensed or unlicensed are subject to the Internal Revenue Service's Regulations. Northern Circle must comply with the IRS regulations. Any contractor prior to payment being issued, must provide the following information to Northern Circle: An invoice for services rendered which includes, name, address, and phone number and social security number and a completed W-9 form.

Requests will be reviewed by the Management Staff and Approved by the Executive Director.

Receipts

Estimates & Quotes

Northern Circle will issue payments directly to vendors based on estimates and or quotes. Northern Circle will require proof of purchase to be validated by a homebuyer in the form of an original or copy of a receipt of purchase. Original or copies of receipts must be submitted within thirty days of the vendor being paid.

Please Note: ***No future MEPA payments will be issued if a homebuyer has any outstanding receipts.***

Reimbursement for Services

To be eligible for reimbursement a homebuyer must provide Northern Circle with an original or copy of a receipt in order for a payment to be issued for reimbursement. In order for Northern Circle to reimburse a homebuyer for services rendered to the unit, the contractor and or any person providing services of any kind, licensed or unlicensed must meet the following criteria:

- Must provide NCIHA with an invoice
- Must provide name on invoice
- Must provide address on invoice
- Must provide social security number on invoice

These requirements must be met, prior to Northern Circle issuing payment. Failure to comply will result in no payment being issued.

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MEPA USE REQUEST FORM

Homebuyer: _____

Address: _____ Daytime
Phone: _____

Type of Request for MEPA Use:

_____ Betterments and Additions _____ Administration Charge Assistance

_____ Utilities Assistance _____ Corrective Maintenance

Description of MEPA Use including description of need, vendors, and amount requested for each project :

Vendors:	Name _____	Address _____
	Name _____	Address _____

Signed: _____ Date: _____
Homebuyer

Balance in MEPA Account:\$ _____	Recommended for Approval _____	Yes _____	No _____
Review by: _____	Approval _____	Date: _____	