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PROGRAM STRUCTURE

OBJECTIVE

The Preventative Maintenance Program enables existing homeowners to complete preventative maintenance checks and make minor servicing or repairs to ensure a safe and healthy residence and to increase the useful economic life of their home.

FORM OF ASSISTANCE

Clients receive assistance in the form of a forgivable loan to subsidize the cost of preventative maintenance checks and minor servicing and repairs for their existing home.

Assistance up to \$5,000 per fiscal year is available to the homeowner; the assistance includes freight.

ENABLING LEGISLATION

Northwest Territories Financial Administration Act

Housing Northwest Territories must operate within the parameters established under the *Financial Administration Act*.

Housing Northwest Territories (HNWT) Act (R.S.N.W.T. 1988, c. N-1)

Section 10 (d) Housing NWT may "make grants or loans to individuals, municipalities and other corporate bodies for the purpose of acquiring, constructing or improving housing;"

Section 10 (j) Housing NWT may "prescribe forms of mortgages, agreements and other documents and execute and deliver deeds, grants, conveyances, transfers, releases, discharges or other documents as may be necessary in the conduct of its business."

POLICY ADHERENCE

The policies developed for the Preventative Maintenance Program are the governing rules that must be adhered to when providing assistance to existing homeowners. Policy will override a

procedural directive if there is a conflict between the policy and a procedure.

POLICY CHANGES

Any requests for changes to this policy are submitted on a *Request for Policy Review Form* to the Programs and District Operations Division in Head Office. The President and CEO must sign and approve any changes before taking effect.

PUBLIC PROMOTION

Public notification and promotion of the Preventative Maintenance Program is required as a part of the annual program delivery process.

DELIVERY PROCEDURES

The Preventative Maintenance Program is to be administered in accordance with the procedures that have been specifically developed for this program (see *Preventative Maintenance Program Procedures*).

HNWT-IMS

Housing NWT Information Management System (HNWT-IMS) contains copies of all the required forms and agreements required to effectively deliver the Preventative Maintenance Program.

DELIVERY AGENT

Housing NWT is the delivery agent.

RESTRICTED DWELLINGS

Assistance is limited to dwellings that are located within municipal boundaries and have access to a continuous supply of electricity, potable water, and heat. Additionally, there is to be a functional sewage containment system.

Only properties deemed for residential use only, will be eligible for assistance.

The following properties are not eligible for assistance:

- Properties where municipal zoning by-laws do not permit residential use;
- Houseboats, recreational properties, or cabins; or,
- Properties located outside community boundaries (**Appendix B**).

CLIENT SELECTION

APPLICATION REQUIREMENT

All applicants are required to complete an application form with a representative from Housing NWT or its designated agent. Applicants are not permitted to complete the application on their own.

Applications taken within an annual delivery cycle are assigned to a fiscal year and are only valid for that delivery period. Applications cannot be held over for future delivery cycles.

CLIENT COUNSELLING

Client counselling is required at all stages during the application process. It is necessary to provide applicants with relevant information regarding eligibility criteria, assistance levels, eligible project costs, the Preventative Maintenance Program Agreement and homeowner responsibilities, including the importance of home maintenance and home insurance.

ELIGIBILITY CRITERIA

Assistance is available to residents in all communities in the NWT.

Age

The applicant(s) must be 19 years of age or older as of the date of application.

Residency:

The applicant(s) must have lived in the NWT for three years; and, with one continuous year in the community of application prior to approval.

The applicant(s) must have owned and lived in the home for a minimum of a one-year period before applying for the program.

Income:

The applicant(s) income must be below the Core Need Income Threshold (CNIT) for their community as outlined in the CNIT tables. The CNIT used is based on the *National Occupancy Standard* (NOS) (which determines the number of bedrooms a household requires given its size and composition) and NOT the actual number of bedrooms in the unit.

Land Tenure:

Applicants must prove ownership of their residence. This ensures that Housing NWT has the appropriate authorization to arrange for work to be done on the home. This also provides proof that the homeowners meet the residency requirements of the program.

Suitable documentation is required to prove residency and ownership of residency:

- Fee Simple Title; or,
- Land Lease; or,
- Band Council Resolution (BCR); or,
- Permission to occupy letter; or,
- Other documentation that proves ownership of residence.

The names on the land tenure documents must match the names on the application.

The home must be the applicant's permanent, principal, and sole residence.

Credit Worthiness

Although a good credit rating or acceptable Gross Debt Service Ratio (GDS) (32%) and Total Debt Service (TDS) (42%) ratios are not required for the program, applications may be declined in situations where the applicant(s) are facing the loss of their home (i.e. tax sales, foreclosures or potential loss where legal action has not yet started).

For example, applicant(s) who currently reside in the market communities are ineligible to receive assistance if they have any arrears associated with property/land, as these properties can be subject to tax sales.

If applicant(s) who currently reside in the non-market communities are at risk of losing their home due to arrears associated with the land, lease and property taxes, they will be ineligible to receive assistance.

Verification of Information

All information on applications is verified for accuracy. Applications are cancelled if verification does not confirm the information provided by the applicant was truthful.

Senior Citizens

For Housing NWT programs, a Senior Citizen is a person 60 years old or older. The eligibility criteria apply to Senior Citizens in the same way as other applicants, including the verification of their income.

Housing NWT Employees

The eligibility criteria apply to Housing NWT employees in the same way as other applicants. However, the final eligibility status and confirmation will be determined and issued by the Programs and District Operations Division in Head Office. All approval signatures, technical inspections must be at arm-length from the employee's District or Division. Head Office's Infrastructure Services Section will be responsible for completing or reviewing the technical inspections.

HOMEOWNERSHIP INITIATIVE CLIENTS

Homeownership Initiative clients will be eligible to apply for the Preventative Maintenance Program. The eligibility criteria apply to these clients in the same way as other applicants. The land tenure for these applicants, will be issued by Housing NWT.

ASSISTANCE

Previous Assistance

Applicants who have received previous assistance from any Housing NWT programs and have met the current eligibility criteria may be eligible for additional assistance through the Preventative Maintenance Program.

Applicants receiving assistance through the Home Purchase Program are not eligible for Preventative Maintenance Program assistance until they have earned one (1) year of Home Purchase Program forgiveness.

Current Assistance

Preventative Maintenance Program assistance cannot be combined with any other subsidized programs delivered by the Housing NWT. For example, the Preventative Maintenance Program assistance cannot be used to top-up a Seniors Aging in Place, Emergency Repair Program, Fuel Tank Replacement Initiative, Senior Home Repair Program or Mobility Modification Program.

Future Assistance

The annual limit is \$5,000, but more than one Preventative Maintenance Program could be provided in the same fiscal year as long as the total assistance does not exceed \$5,000.

Organizations

As Housing NWT programs are geared to homeownership clients, profit or non-profit organizations/businesses are **not** eligible.

INCOME VERIFICATION

Income verification is required for acceptance into the program.

The income(s) of the applicant(s) will be verified. The incomes are verified by using Housing NWT *Verification of Income (VOI) Policies & Procedures*.

PRIORITIZATION OF APPLICANTS AND CLIENT SELECTION

Applicants applying for Preventative Maintenance Program are not subject to prioritization under the Priority Allocation Selection System (PASS).

CLIENT APPROVAL

Within 60 days of the application date, clients selected for participation in the Preventative Maintenance Program must be given an Approval Letter signed by the District Director.

The letter must state the amount of assistance the client is eligible to receive, as well as basic instructions regarding the next steps that will be taken by Housing NWT.

A copy of the final Scope of Work must be discussed, and a copy provided to the client before any of the work begins.

The client will be provided with contact information to access updates on the status of their repair project.

TECHNICAL REQUIREMENT

TECHNICAL ASSISTANCE

Housing NWT District Technical Advisors will be responsible for coordinating the maintenance and minor repair projects, including the Scope of Work (**Appendix D**) and inspections outlined in the *Technical Guidelines* (excluding inspections that are the responsibility of other regulatory agencies) for work that is to be completed under the Preventative Maintenance Program.

The Technical Section must adhere to the Contract Administration Manual when organizing the repair work.

ELIGIBLE PROJECT COSTS

Eligible costs include:

- The cost of materials, freight, labour, building permits, inspections, certificates, drawings, specifications, legal fees, and any applicable taxes.

No expenses (including labour and material purchased) incurred prior to program approval are eligible.

MANDATORY INSPECTIONS

The Contractor will certify completion of the Preventative Maintenance Program by signing the Preventative Maintenance Checklist and providing a copy to the Technical Staff.

The client should be provided the opportunity to accompany the Contractor for the final inspection and sign the Preventative Maintenance Checklist.

MAINTENANCE/MINOR REPAIRS CATEGORIES

Annual Preventative Maintenance of the following categories:

- Forced Air Heating Systems;
- Heating Systems;
- Chimneys (metal and wood burning);
- Hot Water Heating Systems;
- Domestic Hot Water Heater;
- Water Tanks;
- Sewage Holding Tanks;
- Plumbing;
- Electrical System;
- Fire Extinguishers;
- Smoke & Carbon Monoxide Detectors; and/or,
- Freeze Protection Systems.

Cosmetic repairs are considered **ineligible**.

Repairs undertaken prior to HNWT-IMS approval of the program are also ineligible for assistance.

REPAIR STANDARDS

All repairs must reasonably conform to the latest edition of the *National Building Code* and any *Canada Mortgage and Housing Corporation (CMHC)* and Housing NWT standards. In some homes, this may not be feasible. This requirement is to be deemed satisfied for the item or component to the extent that the condition or performance of the item or component is acceptable to the local authority and does not represent a hazard to the health and safety of the occupants. (See *Procedures- Appendix B – Minimum Standard for Repairs.*)

BUSINESS INCENTIVE POLICY

The Business Incentive Policy (BIP) of the Government of the Northwest Territories applies. See the following website:

<http://www.iti.gov.nt.ca/en/services/business-incentive-policy>

NORTHERN MANUFACTURED PRODUCTS

The requirement to use Northern Manufactured Products is within the BIP and applies. See the following website:

<http://www.iti.gov.nt.ca/en/services/nwt-manufactured-products-policy>

PROGRAM AGREEMENT

LOAN SECURITY

The client must provide loan security that is acceptable to Housing NWT.

Program Agreement

The client is required to sign two (2) copies of the Preventative Maintenance Program Agreement. The agreements must be signed by all parties prior to any funds being advanced or the start of the project.

Security:

Loans will be secured with a promissory note (Schedule A) signed by the client(s).

SIGNATURES

The clients receiving assistance must sign all required documentation before any funds are disbursed. (See Procedures)

The names on all program agreement documents and Promissory Note must match those names on the Lease, Fee Simple Title, Band Council Resolution (BCR) documents, Permission to Occupy letters or other ownership documents deemed acceptable by Housing NWT.

FORGIVENESS

Assistance will be forgiven at the end of the fiscal year, provided that the project is complete, and the FCC date has been entered in HNWT-IMS.

PRINCIPAL RESIDENCE AND ACCEPTABLE USE

The client(s) must maintain the home as their permanent, principal and sole residence for the term of the forgivable loan.

The home cannot be for seasonal use or used as a means to generate revenue (rental property).

If the client stops living in the home during the loan period or the home is used for alternative purposes, the client is in default of the agreement and the remaining outstanding balance of the forgivable loan becomes due and payable to Housing NWT.

PROGRAM ADMINISTRATION

SELLING OF THE HOME

In cases where the home is sold before the loan is completely forgiven, the remaining outstanding balance of the forgivable loan becomes due and payable to Housing NWT.

DEFAULT

A client is considered to be in default for failing to comply with the terms of the promissory note, or program agreement. Loan forgiveness ceases from the day of default. In the case of default, the outstanding loan balance becomes due and payable.

FAMILY/MARITAL SEPARATION

In the event of family/marital separation and one of the partners wants to take ownership of the home and assume the responsibility for the loan agreement, Housing NWT requires that both partners receive independent legal advice and provided the necessary legal agreements as supporting documentation before transfer of ownership will be considered.

ESTATE AFTER CLIENT'S DEATH (Market Communities)

In cases where the loan was given to only one person, upon the death of the single client, the loan balance becomes due and payable from the estate. Housing NWT retains its interest in the property until the outstanding balance of the loan is paid in full.

In cases of marriage and common law relationships, upon the death of either partner, the surviving partner may remain in the home assuming sole responsibility for the loan agreement and other expenses. If the surviving partner sells or vacates the home, the remaining outstanding balance of the forgivable loan becomes due and payable to Housing NWT.

In cases where the loan was given to a couple and upon the death of both partners during the term of the loan, the outstanding balance becomes due and payable from the estate. Housing NWT retains its interest in the property until the outstanding balance of the loan is paid in full.

ESTATE AFTER CLIENT'S DEATH (Non-Market Communities)

Refer to Housing NWT's Loan Assumption and Amendment Policy.