



# KAW HOUSING AUTHORITY

#9 Kanza Lane / P.O. Box 371, Newkirk, OK 74647

Phone: (580)362-6264 / Fax (580)362-3986

## **MEPA USE POLICY**

### **1. PURPOSE**

This policy outlines allowable uses of Monthly Equity Payment Accounts (MEPA) for families that qualify. It gives direction for use of the MEPA to provide for betterments and additions. MEPA use for the purpose of maintenance repairs, although mentioned herein, is outlined in other policies of the Authority. Maintenance repairs made by the Housing Authority are subject to repay agreements pursuant to the Maintenance Policy. This MEPA Use, policy, is basis for decision-making by the Commissioners and Employees of the Kaw Housing Authority.

This Policy replaces in its entirety and supersedes any prior policies and practices regarding the use of MEPA funds and is effective as of 12-15-2015.

### **2. BETTERMENTS & ADDITIONS**

- A. If the homebuyer/resident complies with their MHO Agreement and their account is current, the Housing Authority, upon approval by the Board of Commissioners, may allow the use of funds from the Homebuyer's MEPA account for betterments and additions to the home.
- B. These betterments and additions may include actual construction and/or equipment (E.g., furnaces, air conditioning, attic fans, etc.) and installation of such equipment. The Homebuyer may not use MEPA funds for the purchase of luxury items or for the reduction of arrearages.
- C. The Homebuyer may perform such work on his/her home if they have knowledge and experience demonstrated by successful completion of other related construction tasks. The Homebuyer shall be responsible and liable for any mishaps, injury or other damages to persons or property that may arise from performing this task while completing the job himself/herself.

### **3. DEFINITIONS**

- A. **Betterment:** Defined as an improvement whose useful life shall be at least ten (10) years and shall include any additions to the Home.
- B. **Addition:** Defined as the act or process that increases or is likely to increase the square footage space for the occupancy.
- C. **Handicapped Access Conversion:** Those items determined to be necessary for the improved living conditions of a family member who is.
- D. **Luxury Items:** Whether an item is classified as a Luxury item will be determined at the discretion of the Housing Authority Board of Commissioners based upon the types of physical changes to be made to the living unit or property. Examples of luxury items will include, but not be limited to, the following:



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- A. Swimming pool, sauna, whirlpool baths and hot tubs
- B. Barbecue pits and smokers
- C. Balconies
- D. Atriums, decks
- E. Garbage disposal and trash compactors
- F. Appliances not permanently installed in home

MEPA funds cannot be used to purchase tools or other consumable products that do not become part of the residence. The Board of Commissioners also reserves the rights to deny requests for use of MEPA funds for fences, carports, and storage buildings.

The Board of Commissioners may, in its sole discretion, make a written exception to the prohibition on using MEPA funds for Luxury Items when an item that otherwise would be classified as a luxury item will be used for therapeutic purposes. The Homebuyer must submit a doctor's statement or other medical professional documentation showing that the luxury item is necessary for the therapeutic purposes.

#### **4. OTHER USE**

At the discretion of the Board of Commissioners, MEPA funds may be used by the Housing Authority for the correction of items that pose an immediate threat to the health or safety of the occupants or the neighborhood and to prevent further damage for the occurring in the home. The Housing Authority is not required to gain the approval of the resident to expend funds for either of these purposes, and in all circumstances, this work will not be authorized until all other possible resources have been analyzed.

#### **5. LIMITS**

- a. MEPA Availability: A Homebuyer's MEPA availability is determined by the amount of funds in the Homebuyer's MEPA account as maintained by the accounting records of the Housing Authority.
- b. Minimum Account Balance: In order for the Homebuyer to be allowed to request use of MEPA funds, their MEPA account balance must have at least a positive balance.
- c. Minimum Request Amount: Amount a Homebuyer's request for use of MEPA funds must be in an amount of \$200 or greater.
- d. Only one grant of permission for MEPA funds use shall be available to a Homebuyer once in a twelve (12) month period from the date of the last MEPA usage by the Homebuyer. To qualify for MEPA use, the Homebuyer must be current with all payments to the Housing Authority. A Homebuyer may request to use MEPA funds, if available, at any time, if said request is for the replacement or installation of equipment or repairs that are necessary to maintain the safety of the home. The approval of any such request for additional MEPA usage shall be at the discretion of the Board of Commissioners.



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- e. MEPA funds must be replenished prior to useful life date of conveyance as stated in the MHO Agreement. MEPA cannot be requested 1 year prior to conveyance. MEPA FUNDS WILL NOT BE AUTHORIZED ONCE YOUR MEPA BALANCE AND PRINCIPAL AMOUNT EQUAL. The Housing Authority will convey the home to the homebuyer as stated in the MHO Agreement.
- f. It is solely at the discretion of the Board of Commissioners to review and approve MEPA usage.
- g. Individuals who are Non-Native American but have allowed to remain in a mutual help home due to other policies of the Housing Authority, are not permitted to use MEPA funds.
- h. Once the principal amount owed on the Mutual Help Home equals the MEPA account balance, the home shall be conveyed to the Homebuyer pursuant to the terms of the Mutual Help Home Buyer agreement.

## **6. REQUEST FOR USE OF MEPA FUNDS BY THE HOMEBUYER**

- a. A Mutual Help Homebuyer may make a request to the Housing Authority for the permission to use funds from the Homebuyer's MEPA account for betterments and additions to the Mutual Help Unit. The Housing Authority shall require that the Homebuyer submit an application form, "Request for Use of MEPA Funds." The Housing Authority will provide the Homebuyer with the following document and information that the Homebuyer must use in preparing his/her request for MEPA funds use:
  - i. Application from the "Request for use of MEPA Funds."

## **7. PROCEDURES**

When an application is made by the Homebuyer to use MEPA funds for Betterment and/or Additions, the MEPA funds availability will be determined by the Housing Authority according to the Authority's MEPA accounting records. All request information and documentation shall be submitted by the Homebuyer to the Board of Commissioners for review and decision. Complete and correct MEPA use request information and documentation shall be completed by the Homebuyer no later than ten (10) business days prior to a regularly scheduled meeting of the Board of Commissioners. The Board of Commissioners will review and decide upon MEPA use requests at regularly scheduled meetings of the Board of Commissioners. It is solely at the discretion of the Board of Commissioners to approve or deny MEPA usage.

## **8. APPLICATION PROCESS FOR REQUEST OF USE OF MEPA FUNDS**

- a. The Homebuyer shall submit a complete, correct, and signed "Request for Use of MEPA Funds" to the Housing Authority office.
- b.



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- c. The Housing Authority staff shall examine the Homebuyer's records to determine whether the Homebuyer is in compliance with his/her MHOA, has completed the required annual recertification's, and is current on all house payments and any other payments owed to the Housing Authority.
  - d. These forms must be submitted to the Housing Authority office no later than ten (10) business days prior to the next regularly scheduled meeting of the Board of Commissioners in order for the Board to review the Homebuyer's request at such meeting.
  - e. The Homebuyer shall submit any plans, budgets, sketches, or any other supporting documentation for the work to be performed using MEPA funds to the Board of Commissioners. Per the MEPA Request form you must have 3 estimates, with all charges itemized, and submitted to Housing to be considered for MEPA usage.
  - f. The Board of Commissioners will review complete MEPA use request packets at a regularly scheduled meeting of the Board of Commissioners and will make a written determination as to whether the request is approved, denied, or incomplete. The Housing Authority office will notify the Homebuyer of the Board's written determination. Homebuyers may perform such actions as are necessary to complete requests that are determined by the Board to be incomplete and may resubmit the requests for consideration. A copy of the Board's written determination shall be placed in the Homebuyer's file by Housing Authority staff.
  - g. Homebuyers whose request for MEPA use have been approved shall schedule necessary services and purchase necessary equipment, materials, and supplies stated in the approval letter.
  - h. Upon completion of work, KHA maintenance staff shall inspect to determine if satisfactory work has been completed. A written inspection reports will be placed in the Homebuyer's file.
  - i. Housing Authority staff shall maintain records and place in Homebuyer's file copies of all invoices and receipts for work performed and shall deduct such amounts from the Homebuyer's MEPA account.
9. **DENYING A REQUEST FOR USE OF MEPA FUNDS**
- The Board may in its sole discretion deny a request for use of MEPA funds. In the event the Board of Commissioners denied a Homebuyer's request for the use of MEPA funds, such denial shall be in writing and shall state the reasons for the denial. The Homebuyer shall have the option to appeal the denial determination through the Housing Authority's Grievance Policy.



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## **10. HOMEBUYER COMPLETING WORK ON UNIT**

In the event the Board of Commissioners grants permission to the Homebuyer to perform the work himself/herself, such permission shall be granted in writing in the written approval of the Homebuyer's request for use of MEPA funds.

## **11. ACCESS TO APPROVED MEPA FUNDS USAGE**

- a. In no event shall amounts of MEPA funds approved for use be paid directly to the Homebuyer. Invoices from contractors shall be submitted directly to the Housing Authority for payment. Only service providers with proper licenses, insurance, and tax information on-file with the Housing Authority shall be used to perform work. The invoiced amounts shall be deducted from the Homebuyer's MEPA account.
- b. The Homebuyer may receive written authorization from the Housing Authority to purchase equipment, materials, and supplies on the Housing Authority's account at various home improvement retailers. Purchases made by the Homebuyer on the Housing Authority's account shall be deducted from the Homebuyer's MEPA account.
- c. The Homebuyer is responsible for returning and/or exchanging any materials or equipment purchased with approved MEPA funds that may have a defect or does not properly work.

## **12. GOVERNING CODES, LAWS AND REGULATIONS**

All approved Betterment and/or Additions for Housing Authority Mutual Help Homes shall be in conformance with all Governing Codes, Laws and Regulations of the City, State and Federal Governments that may apply. The Homebuyer is responsible for obtaining necessary permits and permissions from applicable agencies and shall supply copies of such permits and permissions to the Housing Authority.