



KZA RESIDENTIAL HOME CONSTRUCTION POLICY

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KITIGAN ZIBI ANISHINABEG



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Kitigan Zibi Anishinabeg

RESIDENTIAL NEW HOME CONSTRUCTION POLICY

Introduction

This policy serves to outline the minimum requirements that KZA housing subsidy recipients must meet when constructing their home; ensuring that potential home builders are financially and logistically capable to undertake and complete the construction within their allocated budget and established timeframe while respecting building and environmental norms in place at the time of construction.

All new residential construction must meet or exceed the norms of the Canadian National Building Code and conform to the NovaClimat Code. Standard construction timeframes for new homes generally range between 16-20 weeks depending on the size and complexity of the house plan.

This policy also provides clear, transparent, and equitable guidelines regarding the annual KZA housing subsidy selection process.

Vision

The Kitigan Zibi Anishinabeg:

- Commits to improve living conditions of all community members.
- Ensures proper management and distribution of housing opportunities.
- Promotes self-sufficiency and fosters community revitalization.

Mission

Through the strength of its peoples is committed to the provision and development of quality housing opportunities while promoting a healthy and vibrant community within the Kitigan Zibi Anishinabeg reserve boundaries.

Definitions

Band Council	Chief and Council duly elected under the Indian Act, renewed every two years
Band Council Resolution	Formalized document approved by quorum of Council to enact a decision duly adopted.
Community Member	A duly registered status member of the KZA Anishinabeg
Common Law Relationship	A person cohabiting with an individual in a conjugal relationship, having cohabited for a period of at least one full year or more. <i>(Indian Act, R.S.C., 1985, c. I-5)</i>
Eviction	Action that the KZA Administration can take to remove a subsidy recipient for failure to meet the terms or conditions set out in a signed agreement, (e.g., revolving loan).
Subsidy recipient	A person who has constructed a home within KZA by virtue of a band subsidy and revolving loan.
Subsidy	A grant to assist in the construction of a new home and/or to conduct essential repairs.
Contractor	A firm or individual hired with contractual conditions to carry out construction work within the Kitigan Zibi Anishinabeg reserve boundaries.
KZA Construction Employees	A qualified KZA member with construction experience hired to carry out the construction or repair of a home.
Family Homes on Reserves and Matrimonial Interests or Rights Act	A federal law that applies to an on-reserve family home, that relates to how matrimonial real property, such as a family home, is dealt with when couples divorce, relationships break down, or when a partner dies.
Revolving Loan	A loan program established by the Kitigan Zibi Band Council for housing purposes.
Soil Test	Technical review by a qualified technician to ensure the building meets established standards for septic field suitability.

Review & Amendments

The Community Services Portfolio Holder may establish a working group to review the Housing Construction Policy every two years as required. Recommended amendments are submitted to Chief & Council for approval.

RESIDENTIAL NEW HOME CONSTRUCTIONS

PART A: POLICY STATEMENT

The Kitigan Zibi Anishinabeg (KZA) Residential New Home Construction Policy plans, delivers, and oversees an effective housing program to assist community members construct their new home, according to established criteria and based on annual available funding.

PART B: PURPOSE

To provide clear, transparent, and equitable guidelines regarding the annual lottery for the allocation of available housing subsidies, as approved by Chief and Council each year.

The Residential New Home Construction Policy aims to:

- provide an outline of the phases of construction
- define the collaborative relationship between the responsibilities of the housing subsidy recipient and KZA in regard to the various elements involved in a large-scale process of a new home construction
- ensure an effective overall delivery of the Housing program.

PART C: SCOPE

This policy applies to all new subsidized homes built within the Kitigan Zibi Anishinabeg reserve boundaries.

PART D: ELIGIBILITY

To be eligible to participate in the new home construction lottery, **at the time of application**, the candidate must:

1. Be a duly registered member of the Kitigan Zibi Anishinabeg band.
2. Have not previously received a housing subsidy.
3. Be 21 years of age or older.

4. Meet the necessary financial requirements for a revolving loan, which cannot exceed 30% of their annual income.

Example: Revolving Loan Payment per month = \$600

$\$600 \times 12 \text{ months/year} = \$7,200$

\$7,200 represents 30% of \$24,000

Therefore, owner must make a minimum of \$24,000/year to be eligible for the Revolving Loan Program.

5. Be in good financial standing with KZA
 - 5.1. Community members with existing loans who have a proven track record for making regularly scheduled payments are eligible to have their name entered in the lottery draw.
 - 5.2. Individuals with outstanding debts owed to KZA and who have stopped meeting their financial obligations will not be considered eligible.
6. Must have resided in the community or within 50km from the Kitigan Zibi Anishinabeg Reserve Boundaries for at least 6 months.

In addition, at the time of the application, the candidate must:

- Provide proof of land ownership
- Provide a certified house plan (e.g. complies with National Building Code of Canada, conforms with NovaClimat code) or one by a qualified technician, for a new construction, a prefab home, or a log home.
- Have necessary funding required to complete the house, to be deposited with the KZA Finance Department before construction begins.

Ineligible:

- Any member who has previously received a housing subsidy.
- The housing applicant is living with either a married or common-law partner who previously received a KZA housing subsidy will not be considered for the lottery.
- A housing applicant with outstanding accounts receivable with KZA is ineligible.

EXCEPTION:

- A housing applicant already owns a home (e.g. purchased or inherited) in KZA or within a 50km radius from the Kitigan Zibi Anishinabeg Reserve Boundaries.
- A certified housing inspector must be retained from the municipality where the house is located to ensure the house does not conform to minimal standards as per the National Building Code and NovaClimat Code.

PART E: PROCEDURES

1. The KZA Housing Recipient Selection Process (Lottery)

The KZA Band coordinates a clear and transparent selection process for the allocation of annual housing subsidies that is fair to all KZA members who choose to live within the Kitigan Zibi Anishinabeg Reserve Boundaries through an annual housing lottery draw. All applicants entered in the draw must meet minimum criteria based on their capacity to oversee their respective housing project and meet the associated financial requirements.

- 1.1.** Applicants desiring to enter the housing lottery draw are required to complete the *Kitigan Zibi Anishinabeg Construction Department – Housing Application* in full (See Annex 2). This application provides the KZA Band with all necessary applicant information, family composition, applicant contact information, as well as their personal financial status and housing project requirements.

In addition, all eligible applicants are required to deposit a 5% down-payment with the KZA Finance department, two (2) weeks prior to the lottery draw.

- 1.2.** Each applicant with a complete application will receive one entry. A recurring applicant is entitled to have their name entered to a maximum 5 entries/per year within the annual lottery draw, for the number of applications submitted in previous years, (e.g., applied 3 times, entitled to 3 entries). The Construction Records will be referenced as the source to determine the number of times an individual has applied for a house.
- 1.3.** The Chief and Band Council mandates the KZA Community Services Director or designate to oversee the housing lottery process. The housing lottery draw, time, location, and date is advertised by the Band administration at least 30 days before the lottery draw occurs.

- 1.4. The number of annual allocated subsidies are announced on the lottery selection day by the KZA Community Services Director or designate.
- 1.5. Subject to annual Band Council approval, selection may be done for one or two fiscal years to allow for a longer planning period.
- 1.6. The names of all potential housing recipients will be placed in a hat/container and be drawn at random at a time and place where community members are present. This process will take place in public forum and/or platform. In cases where the lottery selection occurs virtually (e.g., on Zoom) community members will have access to the view the draw.
- 1.7. All names will be drawn and documented. In the event an applicant forfeits their right to the housing subsidy, either by personal choice, or because they no longer meet the eligibility/requirements of the current policy, the housing subsidy will be offered to the next person on the list.
- 1.8. Selected applicants will make every effort to be prepared to construct their home in the 120-day period after the lottery. In the event of major material delays or other extenuating circumstances, the period may be extended.
- 1.9. Once the selection of names is confirmed by the housing lottery process, the selected candidates are required to confirm whether they accept or decline the allocation of the new home within five (5) business days.
- 1.10. The selected applicants must attend a meeting with the KZA Construction Department.

2. Housing Cost Considerations

2.1. ADMINISTRATION FEES

The KZA Finance Department requires 1% of the total cost of the home for administrative fees related to processing financial transactions during the home construction period.

2.2. BAND PROPERTY

An applicant that wishes to access a serviced band property lot allocated for residential construction must make an official request to the Band Council.

A fee of \$1,500.00 is charged to the subsidy recipient so as to cover the initial land survey costs.

2.3. DOWN-PAYMENT

To be eligible to enter the lottery, all applicants must deposit 5% of the home's total cost minus the subsidy allocation with the KZA Finance Department at least two (2) weeks before the lottery date. The Construction Housing Administrator will calculate the amount required for the down payment.

EXAMPLE:

A home construction where the total value is \$175,000

Housing Cost	\$175,000
Subsidy Amount	<u>- \$100,000</u>
Balance	\$75,000*
5% Down Payment	\$3,750

*Subsidy recipients may borrow up to a maximum of \$90,000 if qualified.

2.4. PRIVATE FUNDING

Subsidy recipients are required to deposit private funding amounts before the deadline in the form of a certified cheque, cash, or equivalent, as required to meet the proposed budget. The same applies to any amounts that may be provided by 3rd party funders.

2.5. COSTS IN EXCESS

Housing recipients must cover all cost overruns for any additional material, unforeseen circumstances (e.g., excavation) and/or additional labour required to complete the house. Contractual agreement will stipulate that all cost overruns, or unforeseen expenditures due to price increases, are the responsibility of the housing recipient. Any excess costs that are over and above the regular loan payments will be indicated within the client file.

In the event of failure to pay the revolving loan, the band reserves the right to make a claim of 30% from all sources of funds of the subsidy recipient. This clause is stipulated within the loan agreement. In cases where source deductions cannot be withdrawn (e.g. subsidy recipient does not receive a revenue source from KZ Finance), the KZA Finance Policy will apply to recover any costs in excess. KZA reserves the right to avail all legal remedies to satisfy the applicants financial obligations.

2.6. SUBSIDY CRITERIA PERTAINING TO THE HOME

The housing subsidy is provided for a new construction only. The subsidy cannot be used to purchase an existing home or mobile home.

Each house must be connected to the community's water and waste system; if the infrastructure allows for it, otherwise the house must be connected to a private well and septic tank.

Serious effort must be made to construct a home that will meet the immediate and future needs of the family.

A community member wishing to supply their own wood, must provide pre-cut lumber that is kiln or air dried for a minimum one-year period.

3. Roles & Responsibilities

3.1. KZA ADMINISTRATION RESPONSIBILITY

The KZA Chief & Council and the KZA Community Services Sector or designate coordinates and ensures a clear and transparent lottery selection process of annual housing subsidy allocations that is fair to all KZA members who are in need of a house and choose to reside within the Kitigan Zibi Anishinabeg reserve boundary.

3.2. KZA CHIEF & COUNCIL RESPONSIBILITY

- 3.2.1. Establish the total number of homes to be built in each fiscal year, based on availability of funds.
- 3.2.2. Establish the financing rates annually.
- 3.2.3. In certain cases, subject to funding availability, conducts a selection for a two-year period allowing more planning time for potential subsidy recipients.
- 3.2.4. Mandates the Community Services Director to oversee the administration of the housing program and implementation of the housing policy.

3.3. COMMUNITY SERVICES ADMINISTRATION RESPONSIBILITY

- 3.3.1. Posts the housing lottery date in the community flyer for each year, with the condition that homes must be constructed within the assigned fiscal year (April 1 – March 31) for any given year. Chief and Council reserves the right, under certain conditions, to grant/approve a deferral.
- 3.3.2. The KZA Community Services Director or designate advertises the number of units allocated each year.

3.3.3. Once the official selections process takes place, The KZA Community Services Director or designate ensures an announcement occurs in the community flyer and on the radio (CKWE) regarding housing subsidy recipients.

3.4. CONSTRUCTION DEPARTMENT RESPONSIBILITY

3.4.1. Prepares detailed estimates of the costs for labour and materials for the construction of the proposed house design. The Construction Administrator will provide the detailed estimate within 2-week timeframe.

3.4.2. Reviews and refines design requirements and estimates until approved budget has been met.

3.4.3. Reviews and evaluates the capacity of the housing subsidy recipient's ability to fulfill any Sweat Equity obligations, in cases where the contractor is willing to accommodate the housing subsidy recipient.

Manages the financial payments related to the construction project and maintains a file with copies of subsidy recipient invoices and expenses.

3.4.4. Payments are processed directly to a contractor or for store invoices, once the Construction Administrator certifies the work was done or goods were purchased.

3.4.5. Contractors will provide the Construction Administrator with store receipts for which a warranty is attached (e.g., doorknobs, plumbing components, fixtures, etc.)

3.4.6. Any requests for reimbursement on the part of the subsidy recipient for non-registered business receipts will only be processed upon inspection and completion of a specific job (e.g., excavation, trucking, backfilling).

3.4.7. Prepares and signs all pertinent documents, articles of agreement, land transfer documents and annexes, as required.

3.4.8. Performs weekly inspections of the work completed by KZA Construction crews and tradespersons, and prepares payroll requisitions, as required.

3.4.9. Hires, coordinates, manages respective contracts, and supervises KZA construction crews and tradesmen hired for:

- Excavation and backfill.
- Cement foundation, footing, and floor slab.

NOTE: A flat rate for the rental of concrete forms from KZA is charged to the subsidy recipient's housing budget. This amount does not, however, cover the cost to transport the concrete forms to the construction site. A separate amount would have to be allocated in the budget by the

subsidy recipient in their housing budget to cover the additional transportation cost.

- Contractors and sub-contractors for specialized work (e.g., plumbers, electricians, flooring contractors, kitchen cabinet makers, excavation contractors, HVAC system contractors, plasterers, painters, etc.)

3.4.10. Orders construction material for the project, as required. Specialized materials are ordered at the start of the project to account for normal delays in fabrication and delivery and indicated in the contract agreement. (e.g., Trusses, Windows and Doors, Roofing materials).

3.4.11. Coordinates water and sewer crews for the installation of water supply and sewage treatment systems.

3.4.12. Organizes and coordinates work done by professionals or required from professionals (e.g., engineers, geotechnical technicians, architects etc.)

3.4.13. Documents any changes or requests made by the subsidy recipient, for unforeseen circumstances only where changes will impact the budget using a standardized change order form.

The Construction Department determines how these changes affect the budget or work schedule, informs the subsidy recipient promptly of the situation and has the subsidy recipient sign the change order to acknowledge and accept such changes.

The subsidy recipient is responsible to deposit the amount to cover the cost of the change, if applicable, before KZA will move forward with the change.

3.4.14. Reviews and revises the budget with the subsidy recipient on a regular basis to account for unforeseen circumstances which may have been encountered during different phases of construction.

3.4.15. The KZA Construction Administrator, in collaboration with a qualified technician, provides follow-up at every phase of the construction to ensure compliance to codes and proper building practices.

3.4.16. The KZA Construction Administrator will meet with the subsidy recipient at the completion of each stage for inspection. The subsidy recipient signs off on each phase of inspection to ensure the amount of work executed balances with amounts paid at the end of each phase.

Phase	Description		KZA Construction Department	Certified Technician (AANTC)
1	Footing, foundation, and drainage	Compaction of the soil below the foundation footing to ensure proper soil bearing capacities. Installation of the foundation drain, foundation coating, and crush stone cover to ensure proper drainage around foundation.	✓	✓
2	Complete Framing	Completion of the framing of the floor, walls, and roof to ensure the workmanship meets the National Building Code and NovaClimat Code for structural soundness.	✓	
3	Interior Finishing	Completion of all floor coverings, cabinets, baseboards/trim, doors, and hardware, etc.	✓	
4	Final Inspection	The AANTC via their technical employees, acting as an independent body, will prepare a written report for each house upon completion, or to signal construction deficiencies along the way. The subsidy recipient is required to sign the final inspection report. The final inspection report will be completed within the fiscal year the house was built.	✓	✓

Subsidy recipients who wish to be present upon completion of weekly inspections and sign off on time performance sheets for verification of executed work would need to be available to meet with the KZA Construction Administrator as soon as possible, preferably at the beginning of the week.

3.5. PUBLIC WORKS DEPARTMENT RESPONSIBILITY

3.5.1. Installs culverts as required at the main roadways in line with KZA norms for roads, or the Ministry of Transport norm for building lots adjacent to Highway 105.

One (1) 20-foot culvert will be provided by the KZA. Any additional lengths of culverts, along with any extra labour, materials, equipment must be paid by the subsidy recipient.

3.5.2. Soil testing and land surveying. If the community water and sewer system is not available, KZA will provide a preliminary soil investigation, which is mandatory before construction can proceed.

3.5.3. Prepares environmental assessment reports confirming building lot can accommodate the construction of the proposed project.

3.5.4. Septic Installation Plan & Specifications

If the community water and sewer system is not available, then a soil test will be required. A soil test along with verification of proof provided from a qualified technician and KZA Public Works is required by the subsidy recipient before construction can proceed. If the soil test is identified as suitable for construction the band will provide a septic installation plan and specifications drafted by an outside consultant.

3.6. LANDS, MEMBERSHIPS & ESTATES DEPARTMENT

3.6.1. Determines lot ownership.

3.6.2. Establishes right-of-way, if required.

3.6.3. Prepares land transfer documents for revolving loan collateral.

3.7. SUBSIDY RECIPIENT RESPONSIBILITY

All subsidy recipients are responsible to oversee the details of their building project in collaboration with the KZA Construction Department. Subsidy recipients must be accessible/available during the project in order to collaborate with the KZA Construction Department to make on-the-spot decisions regarding any unforeseen issues that may affect the design and/or budget of the project.

In exceptional circumstances, a subsidy recipient may sign a proxy for authorizations to make decisions on behalf of the subsidy recipient. In this case, the authorized person should ideally have a basic knowledge of construction principles (e.g., regarding decisions to be made) and

in regular communication with the subsidy recipient. In the event of any miscommunication or disagreement between the proxy and the subsidy recipient, construction will halt until both parties agree to a solution. **All costs incurred** resulting from decisions made by the subsidy recipient's representative is the sole responsibility of the subsidy recipient.

The proxy should have also attended the homeowner's course.

Subsidy recipients will review and revise the budget with the KZA Construction Department on a regular basis, accounting for unforeseen circumstances encountered during the different phases of construction.

3.7.1. **Early Design and Preparation**

Subsidy recipients are required to prepare/define a preliminary site plan/sketch indicating the orientation of the house, distance from the road, driveway location, water hook up, well location, sewage hook up/septic field and tank location.

The house plan includes the information regarding:

- Types of trusses/ceiling (e.g., Cathedral ceiling, skylights, dormers, etc)
- Size and design of porches (Standard size is considered 6' X 8').
NOTE: Additional size may require the subsidy recipient to provide additional materials or funds.
- Types of beams and structural floor components (Spruce, I beams, truss, joists, etc.).
- Ventilation Systems (e.g., Air exchanger, central air system)

Subsidy recipients must assess and decide on the following design components:

- Secondary heating system (e.g., Wood stove, chimney, furnace)
- Interior wall finishing (e.g., painted Gyproc, ceramic, panelling, etc.)
- Interior door and hardware
- Bathtub enclosures (e.g., vinyl bathtub kit, ceramic, etc.)
- Finishing materials (e.g., baseboards, casings etc.)

Exterior Finishes

- Siding (e.g. Vinyl, Canoxel, Nova brick, etc.)
- Roofing (e.g. asphalt shingles, tin roof, etc.)
- Paint colors

3.7.2. **Estimates**

Subsidy recipients must obtain estimates for the following components:

- Flooring (e.g., floating floor, hard-wood, ceramic, vinyl, etc.)
- Kitchen cabinetry and bathroom vanities
- Plumbing fixtures (e.g., bathtubs/showers, kitchen sink, faucets, etc.)
- Windows & Doors
- Electrical systems & fixtures
- Heating systems
- Decorative handrails and specialized finishing materials
- Specialized equipment (e.g., fireplace, propane stove, etc.)

Subsidy recipients must ensure estimates required for review are supplied in a timely manner. Incomplete estimates will not be considered or reviewed by the KZA Construction Department Administrator and will be sent back with comments regarding the issue to the subsidy recipient for review and completion.

Failure to supply required estimates on time may cause delays in the project.

3.7.3. **Building Lot**

Subsidy recipients must provide proof of ownership in the form of either:

- a) a Certificate of Possession (CP);
- b) an Official Land Transfer Document;
- c) or request a band lot.

In cases where a couple applies for a housing subsidy, and both are KZA members, both names would be required on the lot.

Priority for serviced band lots will be given to those who do not own land, or for persons who own land where the soil test for septic systems is unacceptable, or the land is inaccessible.

If the desired lot is in proximity to lakes, rivers, streams, or ponds, there will be no unnecessary cutting of the trees/vegetation with the 66 ft shore allowance around such waterways.

The KZA is not responsible to extend existing roads to accommodate the location of a new home. If a subsidy recipient wishes to build their home in an area that requires the extension of an existing band roadway, they will be required to absorb any costs associated with extending the road and maintaining it. Any such request would require Band Council Approval, for infrastructure and road allowance purposes. This does not apply to roads constructed on privately-owned land which is at the discretion of the land owner.

3.7.4. **Soil Test**

The subsidy recipient is responsible to provide access to the lot for soil testing to ensure the soil bearing capacity for foundation footings, ground water levels, and percolation test for septic fields. Public Works will determine the maximum depth for footings/foundation.

It is recommended that any cutting of trees or clearing of the lot should be kept to a minimum, until confirmation is received that the soil conditions on the lot are suitable for the intended house construction.

3.7.5. **Well, Septic & Radon Pipe**

A building lot must be a suitable size, a minimum of 1 acre, to accommodate a well and septic system, that must meet technical requirements.

Septic field installation/location, as per federal and provincial environmental norms, should be no closer than 100 feet to lakes, streams, or existing wells, where conditions allow.

In order to access water and sewer services, subsidy recipients are responsible to install two (2) 4-inch pipes under the footing, 1 towards the well and the other towards the septic system. These pipes should not be near porches/decks, or any other planned structures such as a garage, carport and/or sheds. These pipes should extend out approximately 8 feet and with a 2" x 4" marker. Subsidy recipients will need to advise Public Works as to the placement of these pipes to be connected to the system. Additionally, subsidy recipients should plan for the installation of the Radon pipe.

An individual who has already received water and sewer installation or central water and sewer line hookup costs are not eligible to receive it a second time; KZA absorbs these expenses once per subsidy recipient. However, if a subsidy recipient has built a house in the past, but has not received water and sewer installation at the time, then they are entitled to receive these services.

3.7.6. Lot Preparation

Construction crews and heavy machinery and equipment require access to the building lot. Costs associated with the lot preparation of the construction site, including the full cost to build the access driveway, remove trees and debris is the responsibility of the subsidy recipient.

NOTE: Removal of topsoil is to be minimized until confirmation has been received on the type of sewage treatment system the project requires. In certain instances, the undisturbed topsoil in place may be the only soil condition for the septic system to work properly. Removal of topsoil may render the building lot unusable for the intended septic treatment system, therefore requiring the subsidy recipient to obtain another building site/lot.

The subsidy recipient will be billed by Public Works for the installation of any additional culvert, including materials and installation (e.g. second driveway).

3.7.7. Survey Costs

For developed lots, the subsidy recipient will pay the annually established rate to cover the initial survey expenses and lot preparation required for their lot.

3.7.8. **Hydro**

The construction department will contact Hydro-Quebec to coordinate the installation of hydro poles, line service, site work and hookups; with the subsidy recipient assuming required costs of the work.

A hydro pole is required for every three-hundred feet; up to three hydro poles will be covered by KZA, but the subsidy recipient is responsible for any additional poles. Subsidy recipients who opt for an underground hydro distribution system (e.g. wirefree environment) can receive the equivalent cost of three hydro poles. Undergrounding any distribution system is more expensive than building overhead lines, but is left to the discretion of the subsidy recipient.

3.7.9. **House Plans**

At the application phase, the housing subsidy recipient will have provided a certified house plan (including prefabricated and log homes) that meets the National Building Code of Canada and conforms with the NovaClimat Code.

- a. This information must be provided to the KZA Construction Administrator for cost estimating purposes. A cost estimate and recommendations will be provided to the subsidy recipient for financial planning purposes.
- b. Once work has commenced or supplies have been ordered, no major changes or modifications can occur unless in the case of unforeseen circumstances.

3.7.10. **Construction Planning**

- a. Subsidy recipients must ensure personal information (e.g., income statements, lot ownership) and supporting documents to be provided are accurate and up to date.
- b. Subsidy recipients must personally attend a meeting with the KZA housing technical team to ensure that they are financially capable and personally responsible to undertake the project.

The Subsidy recipient may have someone with them for support however, unless this person has Power of Attorney, only the Subsidy recipient's response to questions will be considered during this meeting.

- c. Information will be provided to the subsidy recipient regarding their role and responsibility throughout all the phases of the construction of their new home. See Appendix 3 – Recipient/Subsidy recipient Checklist.

- d. Subsidy recipients must have all their responsibilities fulfilled no later than 120 days from date of selection, unless they can provide a valid reason (e.g., extenuating circumstance) for an extension.
- e. Subsidy recipients who are not prepared with their construction file (e.g., have an approved plan, suitable lot, sufficient funds, and construction contract) at the end of the 120-day timeframe will forfeit their subsidy to the next selected recipient of the housing lottery. In all cases, the Construction Department will be updated with the file to be provided to Construction department. The next selected recipient will receive 120-days to prepare their construction file, unless they can provide a valid reason (e.g., extenuating circumstance) for an extension.
- f. The subsidy recipient will be required to sign technical reports at each phase of inspection and at the end of construction validating completion of the work.

3.7.11. Revolving Loan Process:

Please refer to the KZA Finance Policy for any information regarding the Revolving Loan Policy.

3.7.12. Certificate of Possession:

The certificate of Possession will not be transferred back to the subsidy recipient for sale or transfer of the home until the balance of the revolving loan is paid in full.

The process to receive a certificate of possession, begins when the Finance Department notifies the Lands, Membership and Estates Administrator that the loan is fully paid. The Administrator will process the requests within a three-month period and request a BCR from Band Council regarding the transfer. In instances where the subsidy recipient's land requires a survey, the process may take up to one year.

The BCR is sent to Indigenous Services Canada and can take anywhere from 6 months to 1 year in order for the transfer to be registered within the system.

3.7.13. **Selling the Home:**

The balance must be paid in full to KZA before the Lands, Membership & Estates Clerk will process any land transfers to the new owner.

In the event of a sale, before the term of the loan expires, the subsidy will be reimbursed to KZA. If the subsidy recipient sells or transfers the property to a band members prior to the loan being fully earned, the whole balance, including any part of the subsidy which has not been forgiven shall become due and payable with interest. The rate of 5% per year over 20 years will apply to the amount of the subsidy granted.

EXAMPLE:

House sold after 5 years, therefore 15 years remaining; subsidy recipient required to reimburse the balance to Kitigan Zibi Anishinabeg.

\$100,000 Subsidy Amount

$(5\% \text{ per year of remaining years}) \times 15 \text{ (years)} = \$75,000 \text{ to be reimbursed}$

3.7.14. **Septic and Well Insurance**

It is the subsidy recipient's responsibility for the duration of the loan to maintain septic and well insurance to cover emptying of the tank and repairs or replacement of the septic system. Failure to pay annual fee for septic and well insurance will require the subsidy recipient to cover the full costs for the maintenance of well and septic system.

3.7.15. **House Insurance**

It is the subsidy recipient's responsibility for the duration of the loan to maintain life, fire, and liability insurance that covers repairs or replacement of the home, and contents (e.g., furniture, appliances) if it is damaged or destroyed by fire, hurricane, hail, lightning, liability, or other disaster contained in the policy. Proof of insurance must be provided to the KZA Finance Department. Naming Kitigan Zibi Anishinabeg as a mortgage holder will allow the insurance company to automatically provide KZA with proof of insurance, annually.

Failure to maintain full fire and liability insurance, does not relieve the subsidy recipient from their financial responsibility to cover the revolving loan and cost of the home and its contents.

ANNEX 1:

KZA RESIDENTIAL HOME CONSTRUCTION RATES

1. Housing Subsidy Amounts

Housing Subsidy Amount:	\$100,000
Maximum Loan Amount:	\$90,000 (subject to annual income)
Required Down Payment:	5%

2. Revolving Loan Interest Rates

Each year, the Chief and Band Council establishes the Revolving Loan Rates and approves them by Band Council Resolution, on April 1 of each fiscal year. The prevailing rate will be Bank of Canada Lending Rate of Prime +1%.

Example:

Bank of Canada Rate =	2.45%
+Prime	+1%
KZA Rate	3.45%

ANNEX 2:

KITIGAN ZIBI ANISHINABEG CONSTRUCTION DEPARTMENT HOUSING APPLICATION

DATE

This application expires after 12 months

I. APPLICANT INFORMATION & FAMILY COMPOSITION

PRIMARY APPLICANT	DATE OF BIRTH	KZA REGISTRATION #
_____	_____	_____
SPOUSE/PARTNER OF APPLICANT	DATE OF BIRTH	KZA REGISTRATION #
_____	_____	_____
CHILDREN/DEPENDENTS (if applicable)	DATE OF BIRTH	KZA REGISTRATION #
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____

What category best applies to your application: Single Family Senior Living with a Disability Other

Are you or any of your dependents living with a disability? NO YES

II. CONTACT INFORMATION

CURRENT ADDRESS	CONTACT PHONE NUMBERS	E-MAIL ADDRESS
_____	_____	_____
_____	_____	_____

*Please provide proof of address with the application

III. FINANCIAL STATUS & PROJECT REQUIREMENTS

1. Do you have any outstanding debts with KZA? NO YES
2. Do you already own a home? NO YES
3. Do you currently live within the community or its vicinity (within 50 km of KZA boundary) NO YES
4. Have you ever received a housing grant in the past? NO YES

5. What is the estimated cost breakdown of your housing project?

TOTAL PROJECT	-	SUBSIDY AMOUNT	=	BALANCE		5% DOWN-PAYMENT		MONTHLY PAYMENT
\$ _____		\$ _____		\$ _____		\$ _____		\$ _____

6. Based on the above, do your monthly payments for 12 months exceed 30% of your annual income? NO YES

7. Do you have the 5% down payment required? NO YES

*All applicants are required to deposit the 5% down-payment amount with the KZA Finance department two (2) weeks prior to the lottery.

8. Do you have the financial means to make your monthly payment? NO YES

9. What is your current employment situation?

- Employed
 Unemployed (Receiving Social Assistance or E.I.)
 Other (please indicate): _____

10. Do you have a house plan that meets the National Building Code of Canada and the NovaClimat Code? NO YES

11. Do you have land to build on?

Please provide proof (e.g. C.P. or approved MOU with landowner by KZA Lands, Membership, Estates) NO YES

12. Will you be requesting a band lot? NO YES

ANNEX 3: COSTS PER SQUARE FOOT

2022 COSTS PER SQUARE FOOT

Subject to Change Annually

SIZE	COST	TOTAL	1%	TOTAL	SUBSIDY	BALANCE	DOWN PAYMENT	MAX LOAN	CASH
	Per sq. foot		KZ Admin Fee		\$100,000		5%	90,000	
BUNGLOW BASEMENT UNFINISHED									
24X28	\$218	\$146,496	\$1,464.96	\$147,960.96	100,000	47,961	2,398.05	\$45,563	0
24X32	\$218	\$167,424	\$1,674.24	\$169,098.24	100,000	69,098	3,454.91	\$65,643	0
24X36	\$218	\$188,352	\$1,883.52	\$190,235.52	100,000	90,236	4,511.78	\$85,724	0
28X32	\$218	\$195,328	\$1,953.28	\$197,281.28	100,000	97,281	4,864.06	\$92,417	\$2,417
28X36	\$218	\$219,744	\$2,197.44	\$221,941.44	100,000	121,941	6,097.07	\$115,844	\$25,844
28X40	\$218	\$244,160	\$2,441.60	\$246,601.60	100,000	146,602	7,330.08	\$139,272	\$49,272
BUNGLOW SLAB ON GRADE									
24X28	\$200	\$134,400	\$1,344.00	\$135,744.00	100,000	35,744	1,787.20	\$33,957	0
24X32	\$200	\$153,600	\$1,536.00	\$155,136.00	100,000	55,136	2,756.80	\$52,379	0
24X36	\$200	\$172,800	\$1,728.00	\$174,528.00	100,000	74,528	3,726.40	\$70,802	0
28X32	\$200	\$179,200	\$1,792.00	\$180,992.00	100,000	80,992	4,049.60	\$76,942	\$76,942
28X36	\$200	\$201,600	\$2,016.00	\$203,616.00	100,000	103,616	5,180.80	\$98,435	\$98,435
28X40	\$200	\$224,000	\$2,240.00	\$226,240.00	100,000	126,240	6,312.00	\$119,928	\$119,928

Affordability Calculations - Estimated Monthly Payments

Borrowed Amount	Interest	Total Borrowed	10 YEARS	15 YEARS	20 YEARS	25 YEARS
	0.345		120 months	180 months	240 months	300 months
40,000	1380	41,380	\$344.83	\$229.89	\$172.42	\$137.93
50,000	1725	51,725	\$431.04	\$287.36	\$215.52	\$172.42
60,000	2070	62,070	\$517.25	\$344.83	\$258.63	\$206.90
70,000	2415	72,415	\$603.46	\$402.31	\$301.73	\$241.38
80,000	2760	82,760	\$689.67	\$459.78	\$344.83	\$275.87
90,000	3105	93,105	\$775.88	\$517.25	\$387.94	\$310.35

*The affordability calculations serve as a guide, all final amounts will be calculated by the KZA Finance Department.

ANNEX 4: HOUSING LOTTERY ELIGIBLE CANDIDATE CHECKLIST

Housing Lottery Eligible Candidate Checklist

Annual allocation for each category to be determined annually by KZA Chief & Council

COUPLES AND/OR FAMILIES - HOUSING CATEGORY

Applicant Names:	No outstanding debts with KZA	Does not own a home	Lives in community or in 50km radius	Has never received a housing grant	Deposited 5% with KZA Finance	Has financial means to make monthly payments	Loan payment does not exceed 30% of income	Has a certified house plan	MEETS criteria to be entered into the lottery
1.									
2.									
3.									
4.									
5.									
6.									
7.									
8.									
9.									
10.									

SINGLE PERSONS CATEGORY

Applicant Names:	No outstanding debts with KZA	Does not own a home	Lives in community or in 50km radius	Has never received a housing grant	Deposited 5% with KZA Finance	Has financial means to make monthly payments	Loan payment does not exceed 30% of income	Has a certified house plan	MEETS criteria to be entered into the lottery
1.									
2.									
3.									

PERSONS LIVING WITH DISABILITIES CATEGORY

Applicant Names:	No outstanding debts with KZA	Does not own a home	Lives in community or in 50km radius	Has never received a housing grant	Deposited 5% with KZA Finance	Has financial means to make monthly payments	Loan payment does not exceed 30% of income	Has a certified house plan	MEETS criteria to be entered into the lottery
1.									
2.									
3.									

SENIORS HOUSING CATEGORY

Applicant Names:	No outstanding debts with KZA	Does not own a home	Lives in community or in 50km radius	Has never received a housing grant	Deposited 5% with KZA Finance	Has financial means to make monthly payments	Loan payment does not exceed 30% of income	Has a certified house plan	MEETS criteria to be entered into the lottery
1.									
2.									
3.									
4.									
5.									

ANNEX 5: SUBSIDY RECIPIENT CONSTRUCTION CHECKLIST

This construction checklist applies only to the standard construction of a new residential home and does not apply to the purchase of an existing home. Average construction times for a new house range between 16-20 weeks depending on the size and complexity of the house plan. All new residential construction must meet the norms of the Canadian National Building Code and the NovaClimat Code.

Estimates: Housing Subsidy Recipients have the responsibility to make sure that any estimates that are required for review are supplied in a timely manner. Improper or incomplete estimates will not be considered or reviewed by the KZA Construction Department Administrator. Failure to supply the required estimates within a reasonable timeframe will result in forfeiting their subsidy to the next selected applicant.

Water & Sewer: The water & sewer installations for new housing projects are provided by the K.Z. Anishinabeg Band through a separate Water & Sewer budget. Therefore, the subsidy recipients do not have to take these installations into consideration when preparing their housing budgets.

ACCEPTANCE STAGE

Actions required by Housing Subsidy Recipient:

Once the selection of names is confirmed from the housing lottery the candidates selected are required to confirm back and indicate their acceptance or decline of the allocation of the new house within five (5) business days. The selected applicants must attend a meeting with the KZA Construction Department. Anyone who declines their subsidy will forfeit it to the next selected applicant.

FEASIBILITY STAGE

Actions required by subsidy recipient:

- Verify budget requirement (confirm with the KZA Construction Administrator)
- Verify types and availability of KZ housing subsidy and loans along with private funding sources.

Housing Subsidy (\$100,000)

Revolving Loan (Maximum of \$90,000)

If **Sweat Equity** is provided during construction, the amount will reflect the final construction cost and be considered against the loan amount. The maximum amount for sweat equity is capped at \$5000.

Select a suitable size building lot (minimum of 200" X 200" +/- 1 acre) with appropriate soil conditions to accommodate the construction of a residential home along with well & septic system.

Note: It is the subsidy recipient's responsibility to pay for any land surveying that is required to obtain the Certificate of Possession.

- Applicant will be required to verify that clear title is available for the proposed building lot and provide proof of ownership or certificate of possession. This can be confirmed by the KZ Membership, Estates and Lands Administrator. A declaration of land transfer can be considered; however, the applicant must ensure to validate the declaration with the KZA Membership, Estates and Lands Administrator, upon selection.

OR

- Make an official request to the Band Council for the allocation of a serviced band property lot allocated for residential construction if a private building lot is unavailable or inappropriate.

Environmental Laws:

Proximity to lakes/rivers/streams or ponds:

- Environmental laws apply around lakes and waterways. Authorization from Band Council is required for any building on a lot with a shore allowance, therefore, unnecessary cutting of trees or vegetation is prohibited within the 66 ft. of shore allowance around rivers, lakes, and streams where a shore allowance is present.

- Septic field installation as per federal and provincial environmental norms and location should be no closer than 100 ft. to lakes streams or existing wells where conditions permit

- Arrange for Water Supply type (eg. Well location or municipal aqueduct hook up, etc)
- Arrange for Sewage system type (eg. Septic tank and leach bed, or municipal sewer system hook up, etc)
- Verify Right-of-way for access to proposed building lot (for driveway, hydro poles, etc.)
- Verify norms/requirements for driveways/culverts/ditching (in collaboration with Public Works)
- Verify requirement by Hydro Quebec for electrical hook ups (eg. Availability and cost of hydro lines, poles and site work)
- Ensure access to lot for soil testing to determine septic field suitability

Note: Cutting of trees and clearing of lot is to be minimized until a confirmation is received that the soil conditions on the lot are suitable for the intended house construction.

OTHER CONSIDERATIONS

- Assess and decide on design considerations:
 - Secondary heating system (eg. Wood stove and chimney/ furnace.)
 - Interior wall finishing (eg. Painted Gyproc, ceramics, paneling, etc.)
 - Interior doors and hardware
 - Bathtub enclosures (eg. Cermalite, vinyl bathtub kit, ceramic, etc.)
 - Finishing materials (eg. Baseboards, casings etc.)

DESIGN AND PREPARATION STAGE:

Actions required by Housing Subsidy Recipient:

- Prepare/Define a preliminary site plan/sketch showing the orientation of the house, distance from road, driveway location.
- Work with KZA Public works to determine water hook up, well location, sewage hook up/septic field and tank location.
- Select carpentry crew or contractor available to build the house
- Obtain estimates for the following components:
 - Windows & doors & installation
 - Flooring (eg. Vinyl flooring, floating flooring, ceramics etc.)
 - Plumbing & fixtures (eg. bathtubs/showers, kitchen sink, faucets, etc.)
 - Electrical & finishes
 - Kitchen cabinets and bathroom vanities.

 - Siding (eg. Vinyl siding, Canexel siding, Nova brick, etc.)
 - Roofing (eg. Asphalt shingles, tin roof etc.)
 - Paint colors

 - Heating system (e.g. baseboards, central, etc.)
 - Decorative handrails and specialized finishing materials
 - Specialized equipment (eg. Fireplace, Propane stove, etc.)

FINANCIAL OBLIGATIONS

- Deposit private funding with Finance Department, the amounts before deadline in the form of a certified cheque or cash as required to meet the proposed budget.
- Sign and initial all contract, loan and land transfer documents and agreements as required.

RESPONSIBILITIES OF KZA DEPARTMENTS

- If using a carpenter, prepares detailed estimate of the costs for the labour (Construction Administrator)
- Prepares detailed materials list and estimate of the costs for the construction of the proposed house. (Construction Administrator)
- Reviews and refines estimates until the approved budget has been met. (Construction Administrator)
- Prepares contract documents, articles of agreement and annexes as required. (Construction Secretary)
- Prepares land transfer documents for revolving loan collateral. (Lands, Memberships, Estates Administrator)

- Confirms building lot can accommodate the construction of the proposed house. (Public Works Supervisor)
- Signs and initials all contracts, loans and land transfer documents and agreements as required. (Housing Subsidy Recipient initials every page, Community Services Director, Construction Administrator)

CONSTRUCTION PHASE:

Actions required by Housing Subsidy Recipient:

- Clear lot of trees, stumps and debris so that the construction crews and equipment can gain access to the building lot.

NOTE: For sites with septic systems, removal of topsoil is to be minimized until a confirmation has been received on the type of sewage treatment system to be installed for the project. In certain instances, the undisturbed topsoil that is in place may be the only soil condition that will make the septic system work properly. Removal of the topsoil may make the building lot unusable for the intended septic treatment system and the subsidy recipient may have to look for another building lot. (Check to confirm with Public Works Supervisor)

- Be available to the KZA Construction staff in order to make on-the-spot decisions regarding unforeseen circumstances affecting the design and/ or budget of the project.
- Be available to review the budget with the KZA Construction Department on a regular basis taking into account unforeseen circumstances during the different phases of the construction
- If Sweat Equity is provided, it must be performed in a timely manner, these items are then evaluated in a monetary value to be deducted from the contract.

RESPONSIBILITIES OF KZA DEPARTMENTS

- Install a driveway culvert following the KZA band's norms for roads or the Ministry of Transport norms for those building on lots adjacent to highway 105
Note: Only one 20 ft. culvert and installation will be provided by the KZ Band. Any additional lengths of culverts along with extra labour, materials, equipment, and installation of extra lengths must be paid for by the subsidy recipient.
- If Housing Subsidy Recipient hires their own crew, the Construction Department will supervise the construction crew and/or tradesmen hired for the phases of construction. If work is performed by a general contractor, all the phases will be monitored on a regular basis:

- Excavation (to be inspected)
- Concrete footing, foundation and floor slab (possible plumbing)
Note: A flat rate will be charged to the recipient's housing budget to cover the cost of the rental of the concrete forms from KZA, ties, and oil. This amount does not, however, cover the cost to transport the concrete forms to/from the construction site.

A separate amount would have to be allocated in the budget by the subsidy recipient in their housing budget to cover the additional cost of transportation.

- Damp proofing and drainage
- Backfill (to be inspected)
- Floor framing
- Exterior wall framing
- Roof & trusses
- Interior wall framing
- Rough electrical
- Rough plumbing
- Windows & doors
- Insulation and vapour barrier (to be inspected)
- Gyproc
- Plastering & painting
- Interior doors
- Ventilation
- Suspended ceiling (if any)

- Interior finishing (eg. Baseboards, casings, etc)
- Exterior siding, soffit & fascia
- Porches, ramps, etc.
- Masonry & brick work, if any
- Exterior site work, finishing grade, driveway, clean up

- **Construction Administrator** coordinates regular inspections of the work site by an independent inspection agency (eg. AANTC Technician) during the following phases of the project:
 - Verify soil compaction is evenly distributed before pouring a footing
 - Pouring of foundation walls (require the builder to ensure all openings are in place and concrete formwork is secure, straight, and to elevations as per plan).
 - Verify the installation of the foundation coating, foundation drain and crushed stone, to ensure proper drainage around the foundation and lead off pipe (ABS or PVC) away from building.
 - Verify wood framing of the floor, walls, and roof to ensure it adheres to the construction plan.
 - Verify installation of the insulation and vapour barrier.

KZA Construction Administrator

- Evaluates any unforeseen problems at the excavation stage and adjusts the budget accordingly, which may affect the contract amount. Any changes to plans should be made prior to signing the construction contract (i.e. not done during construction).
- Supervises the work of contractors/sub-contractors hired by the general contractor or the subsidy recipient for specialized work (e.g. Electricians, Plumbers, Flooring Contractors, Kitchen Cabinet Makers, Excavation Contractors, Heating & Ventilation, Plasterers & Painters, Finish Trim Work, etc.)
- Performs weekly inspections of the work done by the Construction crews (if subsidy recipient is acting as the contractor) prepares payroll requisitions as required.
- Orders construction materials for the project as required.
Note: specialized materials are to be ordered at the start of the project to account for the normal delays in fabrication and delivery (eg. Trusses, Windows and Doors, Roofing material, Special Floor structures)
- Coordinates Water & Sewer crews for the installation of the water supply and Sewage Treatment Systems. (Public Works executes the work) Organizes and coordinates work done by professionals or required from professionals (eg. Engineers, Geo-Technical Technicians, Architects, etc)
- Determines how these changes will affect the budget or work schedule. Informs the subsidy recipient in a timely manner of the situation and the impact these changes may have on their housing budget.
- Reviews the budget with the subsidy recipient on a regular basis to account for expenditures.

FINAL CONSTRUCTION PHASE

Requirement of Subsidy recipient (Rep) with the Inspector and Builder Rep

- Before moving into the home, a final inspection of the home by the above will occur and any visible deficiencies will be reported to the KZA Construction Department so that remedial actions are taken by the Builder. KZA will ensure access to an acceptable inspector in a timely manner so not to delay homeowner from moving into the home.
- Signs the final inspection report provided by the Inspector to the KZA Construction Department within the fiscal year.