



## MEMO

To: Gregg Mandsager, City Administrator

From: Nancy A Lueck, Finance Director  
Jodi Royal-Goodwin, Housing Administrator

Date: July 5, 2016

Re: Agreement with Muscatine Center for Social Action (MCSA) for the Receipt and Use of City Funds for MCSA's Homeless Prevention Program

### **Introduction and Background:**

The City of Muscatine 2015/2016 Budget first included a \$25,000 allocation to the Muscatine Center for Social Action (MCSA) for their Homeless Prevention Program. That same amount has been included in the 2016/2017 budget.

MCSA's Homeless Prevention Program provides a direct benefit to the Muscatine Municipal Housing Agency (MMHA) and the clients receiving assistance through the Agency's programs.

In prior years allocations to all outside service agencies were considered subsidies to those agencies. Two of these agencies, however, MCSA's Homeless Prevention Program and the Muscatine Humane Society, provide services that assist City departments in providing services to the public. Based on City Council discussions during the 2016/2017 budget sessions, it was recommended that agreements be developed with these two agencies documenting the specific services to be provided, reporting requirements, and other provisions related to the allocations of City funds for these programs.

### **Recommendation:**

The proposed agreement with MCSA for their Homeless Prevention Program provides that (1) City funds will only be used for wages and benefits of the Homeless Prevention Navigator, (2) that this position will work with MMHA clients to obtain or maintain appropriate housing, (3) that MCSA will provide reports on the number of MMHA clients receiving financial or supportive services, the number retaining their housing, and the number assisted to lease up on MMHA programs, and (4) that MCSA will submit their annual audit, IRS Form 990, and annual budget to the City.

### **Summary:**

Please include the attached Agreement with the Muscatine Center for Social Action (MCSA) for the Receipt and Use of City Funds on the agenda for the July 7, 2016 City Council meeting.

# **AGREEMENT FOR THE RECEIPT AND USE OF CITY FUNDS**

by and between

The City of Muscatine, Iowa

and

Muscatine Center for Social Action (MCSA)

This Agreement is entered into between the City of Muscatine, Iowa, an Iowa municipal corporation (hereinafter “City”) and Muscatine Center for Social Action (the “Agency” or “MCSA”), an Iowa not-for-profit organization organized in the State of Iowa, on the \_\_ day of \_\_\_\_\_, 2016, for the purpose of establishing certain conditions on the receipt, expenditure and use of City funds received by the Agency.

I. Receipt of City Funds. The City agrees to allocate \$25,000 for fiscal year 2016/2017 to the Agency for use as directed within this Agreement. Such funds shall be paid as follows: two payments of \$12,500 shall be paid during the funding year, the first in July 2016 and the final payment in January 2017. The City retains the right to unilaterally adjust the amount of any disbursement if the City determines that insufficient public funds exist to provide funds to the Agency at the level indicated in this Agreement or if grant funding is received by MCSA for Homeless Prevention through the shared efforts of MMHA and MCSA.

II. Use of City Funds. As a condition of the receipt of the City funds set forth in paragraph I, the Agency agrees to expend such funds pursuant to the following:

- A. Funds shall be used for salary and benefit expenses of the Homeless Prevention Navigator.
- B. The Homeless Prevention Navigator shall work with Muscatine Municipal Housing Agency clients to obtain or maintain appropriate housing. Clients may be referred by MMHA or seek assistance independently.
- C. All such funds shall be used in conformance with all applicable federal, state and local laws.

III. Reporting Requirements. As a condition of the receipt of the City funds set forth in paragraph I, the Agency hereby agrees to abide by the following reporting guidelines:

- A. MCSA staff will contact the client referred by Muscatine Municipal Housing Agency (“MMHA”) within one (1) business day of receiving a referral.
- B. MCSA will provide reports of the following figures to the City on a quarterly basis:
  - a. MCSA will report the number of new referrals that are MMHA clients.
  - b. MCSA will report how long, on average, clients are served with each referral.

- c. MCSA will report the number of referrals (MMHA clients) receiving financial assistance and/or supportive services.
- d. MCSA will report the number of MMHA clients retaining their housing (Section 8 HCV, public housing, or Hershey Manor).
- e. MCSA will report the number of clients assisted to lease up on MMHA programs.

C. MCSA shall provide copies of the following documents within nine (9) months of the end of the Agency's last fiscal year:

- a. The Agency's current IRS form 990 as well as a copy of the current corporate annual report filed with the Iowa Secretary of State.
- b. A copy of the Agency's current financial audit.
- c. A summary of how the City funds were used and an assessment of the Agency's annual accomplishments and outcomes.
- d. A copy of the Agency's budget for the next fiscal year.

IV. Independent Contractor. The Agency agrees that it is an independent contractor of the City, and that the employees, agents, and vendors of the Agency are not employees of the City.

V. Retention and Access to Records. The Agency will give the City, the City Administrator, or any authorized representative of the City access to and the right to examine all records related to the expenditure of City funds. The Agency shall keep financial records and all other records pertaining to these funds for a minimum of three (3) years. The City may, at its sole option, conduct an audit related to this Agreement. The Agency shall, upon City's request, make its records, employees, and property related to the homeless prevention program, MMHA clients, or the use of City funds available within a reasonable timeframe. The City and MMHA agree to maintain files, correspondence and other information confidential and in accordance with the Health Insurance Portability and Accountability Act (HIPAA) requirements.

VI. Withholding of Payment. The City shall retain the authority to withhold any and all payments to the Agency if, in the sole judgment of the City, the proposed or continued use of the funds violates the terms of this Agreement, any applicable law, or is contrary to the appropriate use of public funds.

VII. Assignment. The Agency shall not voluntarily or by operation of law assign, hypothecate, give, transfer, mortgage, sublet, license, or otherwise transfer or encumber all or part of its rights, duties, or other interests in this Agreement or the proceeds thereof without the prior written consent of the City. Any attempt to make an assignment in violation of this provision shall be a material default under this Agreement and any assignment in violation of this provision shall be null and void.

VIII. Miscellaneous. This Agreement, and any dispute arising from the relationship between the parties to this Agreement, shall be governed by the laws of the State of Iowa. This Agreement and all other agreements, exhibits, and schedules referred to in this Agreement constitute(s) the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Agreement and supersedes all prior and

contemporaneous understandings or agreements of the parties. If any term or provision of this Agreement is determined to be illegal, unenforceable, or invalid in whole or in part for any reason, such illegal, unenforceable, or invalid provisions or part thereof shall be stricken from this Agreement, and such provision shall not affect the legality, enforceability, or validity of the remainder of this Agreement.

SIGNED this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

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Diana L. Broderson  
Mayor

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\_\_\_\_\_  
President,  
Muscatine Center for Social Action

ATTEST:

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Gregg Mandsager  
City Clerk