



# City of Muscatine



## AGENDA ITEM SUMMARY

City Council

DATE:  
January 7, 2021

### STAFF

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Jodi Royal-Goodwin, Community Development Director

### SUBJECT

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Request to Approve Annual 28E Agreement with the Iowa Department of Inspections and Appeals

### EXECUTIVE SUMMARY

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The Muscatine Municipal Housing Agency is asking to renew the interagency agreement with the Iowa Department of Inspections and Appeals for services to investigate potential cases of fraud by clients in the Public Housing and/or Section 8 Housing Choice Voucher programs, as required by the U.S. Department of Housing and Urban Development.

### STAFF RECOMMENDATION

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Staff recommends City Council, acting as the Muscatine Public Housing Agency Board of Commissioners, approve the attached Agreement.

### BACKGROUND/DISCUSSION

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The U.S. Department of Housing and Urban Development requires MMHA to investigate cases of suspected fraud by program participants. Under Iowa Code the Muscatine Municipal Housing Authority (MMHA) may enter into an Interagency Agreement with the Iowa Department of Inspections and Appeals (DIA) to conduct these investigations. A DIA investigation is requested when an internal review is unable to confirm or rule out an incident of fraud. In addition, the Iowa Department of Human Services (DHS) utilizes DIA to conduct fraud investigations for their program participants, allowing MMHA and DHS to conduct joint investigations.

MMHA first entered an agreement for investigation services with DIA in 2017, and has renewed the contract each year. The attached Agreement establishes the legal relationship between DIA and MMHA to conduct fraud investigations between March 1, 2021 and February 28, 2022. Services will be provided at a rate of \$68.25/hour, however if the individual under investigation is both a DHS and MMHA client the costs will be shared. Should an investigation verify fraud was committed, DIA will refer the case for civil action or criminal prosecution, as appropriate.

### CITY FINANCIAL IMPACT

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There is no impact to the general fund under this contract. The costs of all investigations will be paid by the appropriate housing authority program.

### ATTACHMENTS

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Interagency Agreement between Iowa Department of Inspections and Appeals and Muscatine Municipal Housing Agency

**INTERAGENCY AGREEMENT  
BETWEEN  
IOWA DEPARTMENT OF INSPECTIONS AND APPEALS  
AND  
MUSCATINE MUNICIPAL HOUSING AGENCY**

This agreement (Agreement) is entered into between the Iowa Department of Inspections and Appeals (DIA) and the Muscatine Municipal Housing Agency (MMHA) pursuant to the authority of Iowa Code sections 28E.5 and 28E.12.

The parties hereto agree as follows:

**Purpose:** The purpose of this Agreement is to authorize the performance of Section 8 Voucher Program / Public Housing investigations of the Muscatine Municipal Housing Agency (MMHA) by DIA.

**Rights, Powers, and Responsibilities:**

MMHA agrees to:

1. Refer, in writing, investigations for MMHA to DIA.
2. Approve, in writing, the inclusion of cases involving the MMHA programs when multiple state, local or federal agencies are involved in an investigation.
3. Provide the following to DIA:
  - a. Access to all case records pertinent to the investigations being conducted.
  - b. Calculations of any overpayments that occurred on cases under investigation.
  - c. Leasing Housing Specialists or other appropriate staff that are required to testify in court about the Section 8 Housing Choice Voucher Program / Public Housing records and determinations of overpayment amounts.
4. Collect all civil and criminal overpayments.

DIA agrees to:

1. Investigate, obtain evidence, and prepare and submit investigative reports to county attorneys or federal prosecutors for criminal prosecution on behalf of MMHA.
2. In criminal cases, request restitution through the courts on behalf of MMHA for the amount of overpayment(s).
3. In civil or administrative cases, submit a copy of the investigative report to MMHA for appropriate action.

**Funding:** DIA will bill MMHA for investigations conducted pursuant to this Agreement at the initial rate of sixty-eight dollars and 25 cents (\$68.25) per hour, modified annually, by the thirtieth (or last day) of each month. MMHA shall reimburse DIA within 30 days of receipt of a billing statement / invoice. If MMHA denies any part of the invoice, MMHA shall provide DIA with a detailed reason for the denial and give DIA the opportunity to provide further justification.

**Duration:** This Agreement shall be in full force and effect from March 1, 2021 to February 28, 2022, unless terminated earlier in accordance with the Termination section of this Agreement. MMHA and DIA shall meet at least thirty (30) days prior to the expiration of this Agreement to determine renewal and any modifications to the Agreement, including but not limited to, funding.

**Legal or Administrative Entity Created:** No new legal or administrative entity is created by this Agreement.

**Property:** Nothing in this Agreement shall be deemed to effect any change with respect to the ownership of the real or personal property of either party to this Agreement.

**Dispute Resolution:** The parties to this Agreement shall attempt to mediate disputes that arise under this Agreement by engaging in mediation with a mutually agreed-upon mediator. Each party will bear fifty percent (50%) of the costs of such mediation. In the event the parties are unable to reach agreement during the mediation, the parties shall submit their dispute to binding arbitration as provided for in Iowa Code section 679A.19.

**Filing and Recording:** Copies of this Agreement shall be filed with the Secretary of State before the Agreement shall be in full force and effect, all pursuant to Iowa Code section 28E.8

**Termination:** Either party to this Agreement may terminate this Agreement without cause by providing the other party a written notice of intent to terminate this Agreement, at least thirty (30) days prior to the intended date of termination. The notice shall specify the reasons for termination and shall be delivered by U.S. Certified Mail to either party.

The undersigned hereby execute and enter into this interagency 28E Agreement. Each signatory represents that he/she has been authorized in accordance with state law to sign and bind the agency represented.

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Larry Johnson Jr. Director  
**IOWA DEPARTMENT OF INSPECTIONS AND APPEALS**

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Date

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Diana Broderson, Mayor  
**CITY OF MUSCATINE**

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Date