

MEMORANDUM OF UNDERSTANDING BETWEEN HPD AND HRA REGARDING HPD INSPECTIONS FOR THE LINC PROGRAM

THIS MEMORANDUM OF UNDERSTANDING ("MOU"), dated the 10th day of March 2015, between the New York City Department of Housing Preservation and Development ("HPD"), with offices at 100 Gold Street, New York, New York 10038, and the New York City Human Resources Administration ("HRA"), with offices at 180 Water Street, New York, New York 10038, sets forth the mutual understanding of the parties;

WHEREAS, HRA administers the Living in Communities ("LINC") Rental Assistance Programs, a series of New York City administered rental assistance programs that requires the subsidized units to meet certain physical standards prior to occupancy by LINC participants; and

WHEREAS, HPD has expertise in performing Housing Quality Standards ("HQS") inspections in accordance with 24 C.F.R. §982.401 in connection with its administration of the Housing Choice Voucher Program ("Section 8") and other federally funded housing programs; and

WHEREAS, the physical standards required of apartments subsidized under the LINC program ("LINC Apartment Standards") are similar to HQS; and

WHEREAS, HRA is seeking an independent entity to perform LINC Apartment Standards inspections for qualification of dwelling units for its LINC program; and

WHEREAS, HPD is an independent entity that is willing to perform LINC Apartment Standards inspections for HRA prior to occupancy of participating units; and

WHEREAS, HRA is willing to pay for all costs associated with HPD's provision of such Inspection Services:

NOW, THEREFORE, HPD and HRA set forth their mutual understanding as follows:

1. The term of this MOU will be four years October 1, 2014 to September 30, 2018, subject to the availability and appropriation of funds.
2. This MOU is not a legally binding instrument and is only intended to set forth the understandings and expectations of the parties without creating any enforceable rights or obligations; and
3. HPD will not perform any services in accordance with this MOU until the conditions described in Section 4 of this MOU have been satisfied. Upon the satisfaction of the conditions described in Section 4 of this MOU, HPD will provide the Inspection Services as defined below in accordance with the provisions of Sections 5 and Section 6 hereof; and
4. Preconditions to Performance of Services. HPD will commence the performance of the Inspections Services as more particularly described in Section 5, Inspection Services, on the date on which all of the following conditions have been satisfied ("Services Start Date");

- a. HRA will have submitted documentation satisfactory to HPD establishing that adequate funds have been appropriated to commence LINC inspections.
- b. Annexed hereto and made a part hereof as **Exhibit A** is an estimate for FY15 and FY16, prepared by HPD, of the costs to be incurred by HPD in connection with the provision to HRA of the Inspection Services ("Estimated Costs"); and
- c. Within thirty days of following the execution of this MOU, subject to OMB approval, HRA will execute an intra-city mod providing HPD with \$759,365 of budget authority to cover the entire cost of Inspection Services paid through this MOU for FY15.

5. INSPECTION SERVICES:

- a. HPD will perform LINC Apartment Standards inspections in response to specific requests from HRA and the New York City Department of Homeless Services ("DHS").
- b. Such inspections will be performed by HPD employees who will be specifically trained to perform evaluations of physical conditions in accordance with the LINC Apartment Standards Inspection Checklist that is annexed hereto and make a part hereof as **Exhibit B**.
- c. The protocols for communications between the agencies, workload assumptions, and the scope of work are set forth in **Exhibit C**, which is annexed hereto and made a part hereof.

6. FUNDING FOR HPD'S COSTS:

- a. HRA will pay HPD for all costs incurred by HPD in connection with the provision of Inspection Services including the cost of all HPD staff time devoted to the provision of Inspection Services to HRA and other expenses incurred in the administration and effectuation of this MOU. Such cost will include base salaries of staff and any payment made to an employee as a result of work performed pursuant to this MOU that is in addition to base salary and is stipulated in the relevant labor agreement, such as differentials ("side payments"). Such cost will not include fringe payments unless payment for fringe benefits is required by OMB under grant funding rules. Subject to approval from OMB, HRA will increase the budget if the project costs exceed the amount estimated in **Exhibit A**, Estimated Costs.
- b. HPD will submit invoices on a quarterly basis on an official Intra-City invoice, with the final invoice to be submitted no later than July 15th of each fiscal year..
- c. The official Intra-City invoice submitted will include the following typed language. The Intra-City invoice will be signed by HPD's Fiscal Director:

"I hereby certify that this invoice is for articles received, services rendered, or amounts expended on behalf of the City of New York, that it is correct as to the price and amount, that it is necessary for the proper transaction of the business of the

Department, that it was incurred solely for the benefit of the City of New York, that no part of the amount claimed herein has been previously certified, and that the amount is solely for the operation of said program described in this invoice”.

- d. Invoices should be sent for review and approval to:

New York City Human Resources Administration
150 Greenwich Street
New York, New York 10007
Attn: Sara Zuiderveen, Deputy Commissioner, Rental Assistance Programs &
Legal Initiatives

Telephone: (929) 221-6466
Email address: zuiderveens@hra.nyc.gov

- Upon approval, the invoices will be submitted for payment to:

New York City Human Resources Administration
Finance Office – Bureau of Accounts Payable
150 Greenwich Street, 33rd Floor

New York, New York 10007
Attn: Madlyn Korman, Director of Accounts Payable

- e. The initial cost estimates for the first and second years are set forth in **Exhibit A** and will be reevaluated and revised as necessary at the end of each City fiscal year. Within fifteen (15) business days following notification of a cost estimate that exceeds the Estimated Cost for a City fiscal year quarter, HPD will inform HRA and HRA will execute another intra-city mod to provide HPD with the additional budget authority needed to pay HPD's costs and will notify HPD of the intra-city transfer of funds.
- f. Each invoice shall include, at minimum, the number of inspections performed, a list of employees, salaries, salary charged to HRA, and list of non-salary costs charged to HRA.
- g. HPD will submit estimated annual budgets for subsequent years to HRA three (3) months before each City fiscal year ends.
- h. Workload requirements and amounts set forth as line items in **Exhibit A** may be reallocated by mutual written agreement of the parties to this MOU.

7. HPD PARTICIPATION IN AUDITS OR REVIEWS

In the event that HPD is required to provide information and/or otherwise participate in a third party review or audit of HRA's or DHS's activities related to this MOU, HRA will

reimburse HPD for reasonable staff and other agreed-upon direct costs associated with said activities.

8. Contacts:

For HPD:

Ann Marie Johnston-Mierez
Assistant Commissioner
Division of Neighborhood Services – Enforcement and Neighborhood Services
NYC Department of Housing Preservation and Development
100 Gold Street, Room 6A-2
New York, New York 10038
(212) 863-7301
miereza@hpd.nyc.gov

For HRA:

Sara Zuiderveen
NYC Human Resources Administration
150 Greenwich Street
New York, NY 10006
(929) 221-6466
Zuiderveens@hra.nyc.gov

9. To further the purposes of this MOU, HPD and HRA may, by written agreement, modify the scope, terms, and duration of this MOU.

10. Administrative Provisions

- a. HPD will retain all books, records, and other documentation relevant to this MOU for a period of six (6) years after the final payment or termination of this MOU, whichever is later. Any City, State, and Federal auditors and any other person duly authorized by HRA will have full access to and the right to examine any of said materials during said period, after reasonable notice to HPD.
- b. The services rendered under this MOU will be performed in accordance with all applicable provisions of Federal, State, and Local laws, rules, and regulations as are in effect at the time such services are rendered, including, without limitation, the Civil Rights Act of 1964 as amended by Executive Order 11246, 41 CFR 60, Section 504 of the Rehabilitation Act of 1973, and 45 CFR 84 and 85.
- c. HRA will provide any reports and documents that will enable HPD to perform its duties under this agreement.

11. Termination

- a. HRA or HPD will each have the separate and individual right to terminate this MOU:
 - 1. Without cause, by giving the other party thirty (30) days' prior written notice to such effect; or
 - 2. Immediately, if for cause, as determined by HRA or HPD exercising its reasonable judgment. If HRA exercises its right to terminate this MOU for cause, HRA will pay HPD's costs for thirty (30) days after termination or until HPD ends LINC Inspection operations, whichever is first.

- b. In addition, HRA will have, in its sole discretion, the right to terminate this MOU in whole or in part, or to reduce the funding and level of services in the event of a reduction or discontinuance of funding for the LINC programs by action or change of Federal, State or City government policy, law or regulation. If HRA terminates the MOU for this reason, HRA will pay HPD's costs for thirty (30) days or until HPD ends LINC Inspection operations, whichever is first. If HRA decides to reduce the funding and level of services, HRA will notify HPD of the proposed revised terms of LINC apartment inspections in writing at least sixty (60) days before such reduction. If HPD chooses to continue providing Inspection Services on the proposed revised terms, HPD will so notify HRA within thirty (30) days of receipt of HRA's notice. If HPD chooses not to continue providing Inspection Services on the proposed revised terms, HPD will notify HRA of such decision no later than thirty (30) days before the effective date of HRA's proposed reduction of funding.

- c. In the event of termination of this MOU, for whatever cause, HRA will pay all costs and uncancellable obligations incurred up to and including the effective date of such termination.

(Signature page follows)

IN WITNESS WHEREOF, the parties hereto have executed this MOU as of the date first written above.

NEW YORK CITY DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

By:

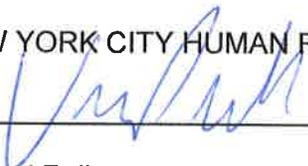


3/13/15
Date

AnnMarie Santiago
Associate Commissioner, Enforcement and Neighborhood Services
NYC Department of Housing Preservation and Development

NEW YORK CITY HUMAN RESOURCES ADMINISTRATION

By:



3/10/15
Date

Vincent Pullo
Agency Chief Contracting Officer
NYC Human Resources Administration