

October 7, 2014

To: Mayor Bemrich and City Council
From: David Fierke, City Manager
**Subject: Mid Iowa Regional Housing Association
contract acquired by Fort Dodge Housing**



ACTION: For Vote Monday, October 13, 2014

Brief History

The Fort Dodge Housing Agency has voted to handle the administration of the Housing Choice Voucher program that was once allocated to the Mid Iowa Regional Housing Authority (MIRHA). MIRHA is dissolving and FD Housing will work directly with MIRHA client.

Analysis of Issue

The City Council must approve a resolution expanding the authority of the Fort Dodge Housing Agency for the action to be complete. Attached several document detailing the process and requirements.

Budget Impact

No direct costs to the City.

Signed

A handwritten signature in blue ink, appearing to read "David Fierke", is written over a horizontal line.

David Fierke
City Manager

A RESOLUTION EXPANDING THE JURISDICTION OF
THE FORT DODGE HOUSING AUTHORITY

WHEREAS; that on February 16, 1971 a resolution adopted by the City of Fort Dodge, Iowa, created a public body known as the Low- Rent Housing Agency of Fort Dodge, Iowa, aka The Fort Dodge Housing Authority of Fort Dodge, Iowa; and,

WHEREAS; that the creation of said Fort Dodge Housing Authority of Fort Dodge, Iowa was pursuant to Chapter 403A of the Code of Iowa and that said Housing Authority continues to operate as created.

NOW THEREFORE BE IT RESOLVED: That the City Council of the City of Fort Dodge, Iowa, hereby determines that it is in the public interest to expand the authorized jurisdiction of the Fort Dodge Housing Authority of Fort Dodge, Iowa to allow it to accept the budget authority and reserve funds for the Housing Choice Voucher Program from the Mid Iowa Regional Housing Authority and administer the Housing Choice Voucher Program previously administered by the Mid Iowa Regional Housing Authority to serve the same eligible populations previously served by the Mid Iowa Regional Housing Authority.

The above Resolution passed and adopted by the City Council of the City of Fort Dodge, Iowa this 13th day of October, 2014.

Ayes: _____

Nays: _____

Other: _____

CITY OF FORT DODGE

BY: _____
Matt Bemrich, Mayor

ATTEST:

Jeff Nemmers, City Clerk

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Of Counsel
Dean P. Erb
William J. Good

September 4, 2014

Attorney Mark Crimmins
704 Central Avenue, Suite A
Fort Dodge, IA 50501

Dear Mark:

This follows our discussion yesterday about the acquisition of the Mid Iowa Regional Housing Association (MIRHA) contracts by Fort Dodge Housing. I am enclosing some documents that I think provide a good summary of what is involved here, and then I have prepared a draft resolution for consideration by the City. Essentially, MIRHA has been dissolved. HUD has requested and Fort Dodge Housing has agreed to assume those contracts moving forward and work directly with MIRHA's former clients to provide housing assistance. Enclosed is an email to me from Barb Michaels dated August 22, 2014 that summarizes Barb's request to me for a legal opinion. Also enclosed is a discussion in a document from Section 982.51 of Title 24 of the Code of Federal Regulations. Also enclosed is a letter dated July 8, 2014 from Barb Michaels to HUD regarding the proposed Housing Choice Voucher program transfer. Also enclosed is a resolution dated July 16, 2014 signed by Fort Dodge Housing chair Leslie Hade and Barb Michaels authorizing the Fort Dodge Housing Agency to accept the budget authority, reserves, and administer the HCV program of MIRHA effective October 1, 2014. I don't know if you need it, but I am also sending you another email from Barb Michaels to me dated September 2, 2014 wherein she forwards some legal information from Cindy Blair at HUD that discusses municipalities' ability to enter into agreements to administer housing program in other communities. You may not need this, but I enclosed it for your review anyway.

Also enclosed is a legal memorandum from Frances Cleary, Director of the Office of Public Housing with HUD, on the topic of a housing authority transferring responsibilities to another housing authority.

JOHNSON, KRAMER, GOOD, MULHOLLAND, COCHRANE & DRISCOLL, P.L.C.
Attorneys and Counselors at Law

September 4, 2014

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The long and short of this is that I am confident the Fort Dodge Housing Agency has the legal right to assume and accept responsibility over MIRHA contracts. However, it is also my opinion that because the Housing Agency was established under Chapter 403A.5 of the Iowa Code pursuant to a resolution of the City Council in 1971 that the Housing Agency should have the formal authorization of the City to proceed. Enclosed is a copy of the 1971 city resolution creating the Housing Agency.

I have drafted a proposed resolution for the City. If acceptable to you and the City, this resolution would, in my opinion, permit the Fort Dodge Housing Agency to assume the MIRHA budget authority and permit the Housing Agency to work directly with HUD in former MIRHA served areas. As I indicated, the Housing Agency believes this acquisition provides greater stability and financial strength to the Agency. The Housing Agency has the necessary staff in place to administer these additional contracts. Without the need for any additional staff, the Agency can serve these areas and continue to provide the exact same services within the City of Fort Dodge.

I apologize if I have provided more information than what you needed, but I didn't want to leave something out that may help your review. If you have any questions at all, please let me know. Unfortunately, time is of the essence as you can see from Barb's email. MIRHA has officially dissolved and HUD is now just waiting for the Fort Dodge Housing Agency to formally accept MIRHA's budget authority. Currently, former MIRHA clients are being unserved.

Let me know if there is anything further I can do. Thanks.

Very sincerely yours,

JOHNSON, KRAMER, GOOD, MULHOLLAND,
COCHRANE & DRISCOLL, P.L.C.

By



Stuart J. Cochrane

SJC/amm
Enclosure

Stu Cochrane

From: Barb Michaels <barb@fd-housing.org>
Sent: Friday, August 22, 2014 1:57 PM
To: Stu Cochrane
Subject: FW: legal opinion on transfer of MIRHA Budget Authority to FDHA
Attachments: FDHA Resolution Accepting transfer.pdf; Letter from MIRHA.docx; Transferring Resolution.docx

Hi Stu

Legal Counsel at HUD has asked for an opinion from our legal counsel on our authority to operate in MIRHA's jurisdiction.

As you can see by the message below HUD's legal counsel had several questions. I had a conference call with HUD staff this AM who are working with me to get the transfer of Budget Authority completed in a timely manner (meaning ASAP) As per their conversation this morning their priority is items 3 & 4 below.

First.... MIRHA has agreements in each of their counties to operate (I have copies of those agreements) MIRHA's Board has passed a resolution transferring Budget Authority to us & our Board has passed a resolution accepting their Budget Authority. (see resolutions attached) The question of course is...Is this sufficient to transfer authority to us? Can you write an opinion on that & (you'll love this one) what would be the associated cost to do this? HUD may reimburse us so they are asking cost?

We realize we may have to resign agreements with communities #4 below but that may occur after the transfer is complete.

This is a time critical item so the sooner the better.

I have attached our resolution & letter to HUD & have attached the draft copy of MIRHA's. I will forward MIRHA's signed copy as soon as I receive a signed copied. Please note there will be no Memorandum of Understanding between the agencies. as per mutual agreement of both boards.

Barb



Barbara J. Michaels
Executive Director
Fort Dodge Housing Agency
700 South 17th Street
Fort Dodge IA 50501
515-573-7751 Ext 31
Barb@FD-Housing.org

From: Blair, Cindy [mailto:Cindy.Blair@hud.gov]
Sent: Wednesday, August 20, 2014 3:28 PM
To: 'Barb Michaels (barb@fd-housing.org)'
Subject: legal opinion on transfer

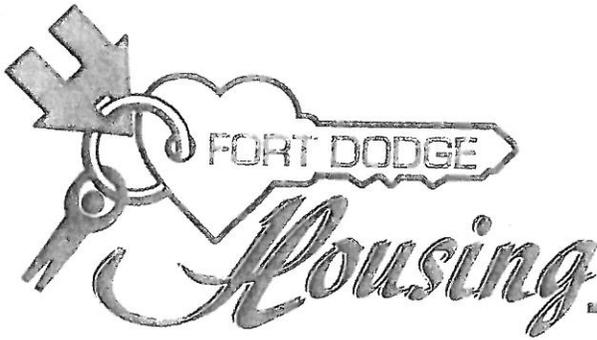
Our legal counsel determined that Ft. Dodge Housing Authority must submit a legal opinion on Ft. Dodge's expanded jurisdiction. Per their memo:

Section 982.51 of Title 24 of the Code of Federal Regulations provides the following with regard to the HCV Program:

- (a) The PHA must have authority to administer the HCV program. The PHA must provide evidence, satisfactory to HUD, of its status as a PHA, of its authority to administer the program, and of the PHA jurisdiction.
- (b) The evidence submitted by the PHA to HUD must include enabling legislation and a supporting legal opinion satisfactory to HUD. The PHA must submit additional evidence when there is a change that affects its status as a PHA, authority to administer the program, or the PHA jurisdiction.

Since Ft. Dodge's jurisdiction will change as a result of the proposed transfer, Ft. Dodge must provide "additional evidence" of the jurisdictional change in the form of a "supporting legal opinion satisfactory to HUD." Such opinion must, at a minimum, include the following:

- 1) An identification and explanation of the legislation that enables Ft. Dodge to administer the HCV Program in municipalities (i.e., cities and counties) currently served under MIRHA's HCV Program;
- 2) An updated list of all municipalities in which Ft. Dodge will administer the HCV Program after the transfer is complete;
- 3) Opine as to whether the July resolutions, along with the Memorandum of Understanding between MIRHA and Ft. Dodge referenced in the July 8 letters, are sufficient to expand Ft. Dodge's jurisdiction in the manner proposed; and
- 4) Opine as to whether the expansion of Ft. Dodge's jurisdiction requires Ft. Dodge to sign an agreement with each municipality that MIRHA currently serves in which those municipalities allow Ft. Dodge to administer an HCV program within their boundaries, and if so, whether the governing body of each municipality must pass a resolution authorizing the municipality to sign such an agreement.



Mission Statement

The Fort Dodge Housing Agency is dedicated to providing and ensuring quality, affordable housing by being an innovative leader in setting housing standards. We are committed to establishing creative partnerships and sound economic practices to benefit the entire community.



July 8, 2014

Ms. Cindy Blair
Public Housing Revitalization Specialist
Department of HUD
400 State Avenue
Kansas City, KS 66101-2406

RE: Housing Choice Voucher Program Transfer

Dear Ms Blair:

This letter is to notify your office in accordance with HUD Notice PIH 2012-11 (HA), Fort Dodge Housing Authority (IA107) is hereby giving notice that we are willing to accept the transfer of the Housing Choice Voucher program, budget authority, and reserves from Mid Iowa Regional Housing Authority (IA 133) effective October 1, 2014

Please find attached, the Fort Dodge Housing Agency Board Resolution # 1-15 Resolution Accepting the Voluntary Transfer of Budget Authority for the Housing Choice Voucher Program from Mid Iowa Regional Housing Authority, Fort Dodge, IA to the Municipal Housing Agency of the City of Fort Dodge DBA Fort Dodge Housing Agency. The resolution was passed, approved and adopted on, July 16, 2014. Fort Dodge Housing Agency is prepared to accept the transfer of the administration, budget authority, reserves and accountability of the existing Mid Iowa Regional Housing Authority Housing Choice Voucher Program to Fort Dodge Housing Agency on October 1, 2014. Please note, the Fort Dodge Housing Agency shall be held harmless for any and all financial and tenant file findings, ACC violations, etc as a result of negligence from the prior administration until all files have been reviewed at their respective renewal dates or until January 1, 2016, whichever comes first. Fort Dodge Housing Agency shall not accept any responsibility for actions of the previous administration of Mid Iowa Regional Housing Authority.

Fort Dodge Housing Agency's Executive Director, Barbara Michaels, and Mid Iowa Regional Housing Authority Executive Director, Beverly Verschoor, will be developing a Memorandum of Understanding between the two agencies which will be approved at each agency's August Board meeting. The Memorandum of Understanding will be forwarded to your office upon approval of both Boards.

We appreciate your guidance in this matter. Please feel free to contact me at (515) 573-7751 Ext 31 or Barb@Fd-Housing.org if you require additional information.

Sincerely

Barbara Michaels
Executive Director

Resolution # 1-15

RESOLUTION ACCEPTING THE VOLUNTARY TRANSFER OF BUDGET AUTHORITY FOR THE HOUSING CHOICE VOUCHER PROGRAM FROM MID IOWA REGIONAL HOUSING AUTHORITY , FORT DODGE , IOWA TO THE MUNICIPAL HOUSING AGENCY OF THE CITY OF FORT DODGE, DBA FORT DODGE HOUSING AGENCY

Whereas, the Municipal Housing Agency of the City of Fort Dodge, DBA Fort Dodge Housing Agency is a participant in the US Department of Housing and Urban Development Housing Choice Voucher Program; and

Whereas, the Mid Iowa Regional Housing Authority is a participant of the US Department of Housing and Urban Development Housing Choice Voucher Program; and

Whereas, the Fort Dodge Housing Agency agrees to accept the transfer of budget authority and reserves for the Housing Choice Voucher Program currently operated by the Mid Iowa Regional Housing Authority; and

Whereas, the Fort Dodge Housing Agency will accept the entire Housing Choice Voucher Program from Mid Iowa Regional Housing Authority including administration, funding and accountability of the Housing Choice Voucher Program; and

Whereas, the Fort Dodge Housing Agency shall be held harmless for any and all financial and tenant filings, ACC violations, etc as a result of negligence from the prior administration until all files have been reviewed at their respective renewal dates or until January 1, 2016;and

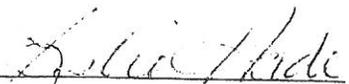
Whereas, Fort Dodge Housing Agency shall not accept any responsibility for actions of the previous administration of Mid Iowa Regional Housing Authority;and

Whereas, the Fort Dodge Housing Agency agrees in accepting the voucher transfer that the vouchers will be used for the same eligible population and for the same purpose as were defined in the original assignment/award; and

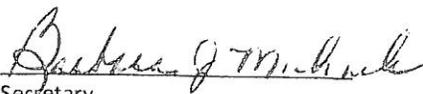
Whereas, the Fort Dodge Housing Agency hereby requests that they be allowed to accept transfer of the Housing Choice Voucher Program currently operating by Mid Iowa Regional Housing Authority after receiving authority from the US Department of Housing and Urban Development.

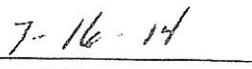
Now therefore be it resolved, by the Board of Directors of the Fort Dodge Housing Agency that the Fort Dodge Housing Agency accepts the budget authority, reserves, and administration of the Housing Choice Voucher program of Mid Iowa Regional Housing Authority effective October 1, 2014.

Passed, approved and adopted this 16th day of July, 2014 by the Board of Directors of Fort Dodge Housing Agency.


Chair


Date


Secretary


Date