



**Item:** Management and Staff Agreement with the Great Falls Housing Authority

**From:** Great Falls Housing Authority

**Initiated By:** Great Falls Housing Authority

**Presented By:** Kevin Hager, Housing Authority Executive Director

**Action Requested:** Approve Management and Staff Agreement

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**Suggested Motion:**

1. Commissioner moves:

“I move that the City Commission (approve/deny) the Management and Staff Agreement with the Great Falls Housing Authority for a three-year term effective July 20, 2016.”

2. Mayor requests a second to the motion, Commission discussion, public comment, and calls for the vote.

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**Staff Recommendation** Staff recommends that the City Commission approve the Management and Staff Agreement with the Great Falls Housing Authority.

**Background:** In 1978, the Great Falls Housing Authority requested management services be provided by the City of Great Falls. The original agreement to provide all staff, as well as management services, to the Great Falls Housing Authority was approved in the early 1980's. Subsequent versions of the agreement were approved in 1990, 1999, and 2007. The agreement approved in 2007 allowed for the City to charge internal service charges for human resource and payroll services and allows for other mutually desired services. This agreement specified a three-year term in lieu of automatic renewals. The auditor hired by the Great Falls Housing Authority recommended that the agreement be for a three-year period so both parties would have the opportunity to review the agreement.

**Purpose:** This agreement with the Great Falls Housing Authority provides for continuing operation and management of the Housing Authority by the City of Great Falls. The proposed agreement continues the management fee at twenty-five percent (25%) of the personnel cost of the City staff person assigned to serve as Executive Director to the GFHA, currently Kevin Hager. The management fee covers costs to manage the Housing Authority and other services supplied by other departments without direct or indirect charge (i.e.: City Manager, and Legal). The personnel cost of the staff members assigned to serve the GFHA would continue to be

reimbursed monthly to the City by the Authority. Other charges for services are outlined in the agreement.

**Concurrences:** The City Manager, Housing Authority Executive Director, and Housing Authority Board all concur with the Management and Staff Agreement.

**Fiscal Impact:** None anticipated.

**Alternatives:** The City Commission could vote to deny the Management and Staff Agreement.

**Attachments/Exhibits:** Agreement



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## AGREEMENT

This Agreement made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2016, by and between the GREAT FALLS HOUSING AUTHORITY BOARD OF COMMISSIONERS, (**hereinafter called the "Housing Authority"**) and the CITY COMMISSION OF THE CITY OF GREAT FALLS, (**hereinafter called the "City"**).

**WHEREAS**, the Housing Authority desires to continue to contract with the City for professional management, staffing and supportive services; and

**WHEREAS**, the City agrees to provide professional management, adequate staff, and supportive services to the Housing Authority.

**NOW, THEREFORE**, the parties hereto mutually covenant and agree as follows:

### I. HOUSING AUTHORITY POWERS

The Great Falls Housing Authority shall retain all authorities, powers, and duties which it possesses at the time of execution of this agreement. The Housing Authority will act in accordance with existing Montana statutes, City ordinances, Great Falls Housing Authority Bylaws, and other such documents, including the power to make and execute contracts and other instruments necessary and convenient to exercise the powers of the Authority as stated in MCA §7-15-4451.

### II. CITY POWERS/RESPONSIBILITIES

The City herein agrees to exert best efforts faithfully and diligently to provide for management, maintenance, and operation of the projects owned by the Housing Authority, pursuant to the provisions of the Montana Landlord Tenant Act, and the United States Housing Act, the stated purpose of which is to provide decent, safe, and sanitary housing for families of low income. The City further agrees, to faithfully and diligently manage any and all contracts with the U.S. Department of Housing and Urban Development.



### **Executive Director**

The City Manager, in agreement with the Housing Authority Board of Commissioners, shall appoint the Executive Director whose duties will be as provided under the statutes of the State of Montana. The Executive Director is responsible for providing staff and management to the Housing Authority, in a manner satisfactory to the Housing Authority and the U.S. Department of Housing and Urban Development.

### **Personnel Services**

The City will provide the staffing and support services required by the Housing Authority and the Department of Housing and Urban Development including, but not limited to, the development and maintenance of a budget and other reports and records of operations; the supervision of the certification of tenant eligibility and the annual re-examination of income; responsibility for leasing and prompt rental of units; collection of rents, security deposits, and other charges; evictions; procurement; routine maintenance; tenant services; personnel management; labor relations, comprehensive grant administration, routine legal services, and the management of all future housing developments.

The City will abide by all instructions relative to the management, rental, and maintenance of the Housing Authority projects issued by the Housing Authority, and adhere to all operating policies that have been, or may be, adopted and promulgated by the Housing Authority.

## **III. CONSIDERATION**

### **Management Fee**

For executive management services rendered in accordance with this Agreement, the Housing Authority shall pay the City an amount monthly based on 25 percent of the personnel budget for the Executive Director assigned to the Housing Authority. This amount shall be known as the Management Fee. The

Management fee shall include compensation for executive management service as well as support services provided to departments of the City without indirect or direct charge. Such services could include legal services and review of financial reports prepared by staff located at the Housing Authority.

#### **Staff Services**

The Housing Authority shall reimburse the City for all personnel costs (salary and fringes) for staff assigned to the Housing Authority. These amounts will be adjusted, subject to normal increments, for City employees. These costs and any other payment to the City, authorized by this agreement, shall be considered to be an operating expense of the Housing Authority Projects.

#### **Support Services**

The Housing Authority shall reimburse the City for providing Human Resource and Payroll services under the same internal service charge structure, as is afforded other City departments. If the Housing Authority determines it may become beneficial to receive Information Technology services from the City, an internal service charge would be established, based on the same methodology as other City departments. The Housing Authority may also purchase gasoline and automotive services from the City, under the same methodology afforded other City departments.

#### **IV. CHANGE IN LEVEL OF SERVICES**

In the event of a change in level of services related to the Housing Authority, the City Manager or Executive Director shall first obtain the consent of the Housing Authority prior to enacting changes.

**V. ADDITIONAL DUTIES**

In addition to responsibilities for providing low income housing, the Housing Authority will act as an advisory body to the City Commission in all areas of Housing including, but not limited to the following:

- A. Housing Policy and Goals,
- B. Future Development of Assisted Housing,
- C. Other Federal Housing Programs, and
- D. When requested by the City Commission, the Housing Authority will serve as the loan review committee for the Housing Rehabilitation Loan Programs.

**VI. HOUSING STAFF COMPENSATION**

As provided for in Section III above, employees shall be governed by City Personnel Programs, Practices, and Procedures. The employees are City employees with all rights, benefits and responsibilities of other City employees. Employees shall be compensated as determined by the City and any applicable collective bargaining agreement.

**VII. HOUSING BOARD PROPERTY**

All equipment, furniture, files, records, library publication, maps, real estate, etc., which are Housing Authority property shall remain the property of the Housing Authority. Any disposal, change in ownership, or condition of said above-described items shall require Housing Authority action.

**VIII. CONTRACTS AND OBLIGATIONS**

This agreement shall not abrogate or prejudice any contract or obligation of the Housing Authority with other parties, and sufficient staff shall be provided to service such contracts and obligations.

**IX. LAWS AND REGULATIONS**

The Housing Authority shall fully comply with all applicable state and federal laws, regulations and municipal ordinances.

**X. NON-DISCRIMINATION**

All Housing Authority activities, business practices and contracting will be on the basis of merit and qualification and not on the basis of race, color, religion, political ideas, sex, age, marital status, physical or mental disability, national origin, or other class protected by state and/or federal law.

**XI. INDEMNIFICATION**

To the fullest extent permitted by law, the Housing Authority shall fully indemnify, defend, and save City, its agents, representatives, employees, and officers harmless from and against any and all claims, actions, costs, fees, losses, liabilities or damages of whatever kind or nature arising from or related to the Housing Authority's acts or omissions or work of any subcontractor for or supplier to the Housing Authority.

**XII. TERM**

This agreement shall continue for a term of three years, unless terminated in accordance with the provisions below.

**XIII. TERMINATION**

Either party to this agreement may elect to cancel or terminate this contract by giving the other party not less than sixty (60) days written notice of the decision to so terminate this contract. In the event the City elects to cancel this agreement, the City agrees to continue to provide services until staff and management are replaced by the Housing Authority.

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CITY OF GREAT FALLS, MONTANA

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Bob Kelly, Mayor

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Greg Doyon, City Manager

ATTEST:

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Lisa Kunz, City Clerk

APPROVED FOR LEGAL CONTENT\*:


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Sara R. Sexe, City Attorney

\* By law, the City Attorney may only advise or approve contract or legal document language on behalf of the City of Great Falls, and not on behalf of other parties. Review and approval of this document was conducted solely from the legal perspective, and for the benefit, of the City of Great Falls. Other parties should not rely on this approval and should seek review and approval by their own respective counsel.



GREAT FALLS HOUSING AUTHORITY

  
\_\_\_\_\_  
Michael McCleary, Vice Chairperson

ATTEST:

  
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Kevin Hager, Secretary