



# City of Muscatine

ITEM NUMBER 2024-0055

## AGENDA ITEM SUMMARY

DATE: 2/15/2024

### STAFF

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Jodi Royal-Goodwin, Community Development Director

### SUBJECT

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Request to Approve the Interagency Agreement with Department of Inspections, Appeals, and Licensing for services to investigate potential cases of fraud by clients in the Public Housing and/or Section 8 Housing Choice Voucher programs

### EXECUTIVE SUMMARY

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The Muscatine Municipal Housing Agency is seeking to renew the interagency agreement with the Iowa Department of Inspections, Appeals, and Licensing for services to investigate potential cases of fraud by clients in the Public Housing and/or Section 8 Housing Choice Voucher programs. The Agreement identifies the responsibilities of each party, including the hourly rate for requested investigations and provision of an investigation report from DIA to MMHA.

### STAFF RECOMMENDATION

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Staff recommends Council approval of the agreement.

### BACKGROUND/DISCUSSION

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The U.S. Department of Housing and Urban Development requires Muscatine Municipal Housing Agency (MMHA) to investigate cases of suspected fraud by program participants, many of whom are also recipients of services through the Iowa Department of Human Services (DHS). DHS utilizes Iowa Department of Inspections, Appeals, and Licensing (DIAL) to conduct fraud investigations for their program participants. Per Iowa Code governmental entities are authorized to execute agreements to collaborate on such investigations. The first 28E contract MMHA entered into for instigative services was in 2017. The agreement must be and has been renewed each year.

The attached Agreement continues the legal relationship between DIA and MMHA for fraud investigations between February 29, 2024 and February 28, 2025. MMHA will continue to pay \$68.25/hour for DIA to complete fraud investigations, 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, MMHA is able to collect repayment of overpaid assistance and/or terminate assistance when appropriate. When appropriate due to the amount of fraudulent

assistance received, DIA will refer the case to the County Attorney or the US District Attorney for civil action or criminal prosecution.

#### **CITY FINANCIAL IMPACT**

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There is no impact to the general fund for approving this contract. Any charges for investigations are paid for by the housing programs. There are no charges if we do not request an investigation.

#### **ATTACHMENTS**

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1. 2024.DIAL.MuscatineHUD.28E.FiledSOS

Iowa Secretary of State  
321 East 12th Street  
Des Moines, IA 50319  
sos.iowa.gov



**FILED**

Filing Date: **02/28/2024 02:33 PM**  
Filing Number: **M516800**

# 28E Agreement

Participants

	Full Legal Name	Organization Type	County
Party 1	Iowa Department of Inspections, Appeals, & Licensing	State Agency	Polk
Party 2	Muscatine Municipal Housing Agency	City	Muscatine

Participants

140 - Criminal Investigation

Service Type

For DIAL to investigate administrative and criminal cases, obtain evidence, and prepare investigative reports on behalf of the Muscatine Municipal Housing Agency.

Purpose

02/28/2025

Duration

Contact Person: (Optional)

Contact First Name

Contact Last Name

Job Title

Department

Phone Number

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

This agreement (Agreement) is entered into between the Iowa Department of Inspections, Appeals, & Licensing (DIAL) 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 DIAL.

**Rights, Powers, and Responsibilities:**

MMHA agrees to:

1. Refer, in writing, investigations for MMHA to DIAL.
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 DIAL:
  - 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.

DIAL 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:** DIAL 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 DIAL within 30 days of receipt of a billing statement / invoice. If MMHA denies any part of the invoice, MMHA shall provide DIAL with a detailed reason for the denial and give DIAL the opportunity to provide further justification.

**Duration:** This Agreement shall be in full force and effect from February 29, 2024 to February 28, 2025, unless terminated earlier in accordance with the Termination section of this Agreement. MMHA and DIAL 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.



Larry Johnson, Jr., Director  
IOWA DEPARTMENT OF INSPECTIONS, APPEALS,  
& LICENSING

2/28/2024

Date

  
Bradley Bark (Feb 22, 2024 18:32 CST)

Brad Bark, Mayor  
CITY OF MUSCATINE

22/02/2024

Date

Signature:   
Cinda Hilger (Feb 22, 2024 16:51 CST)

Email: [chilger@muscatineiowa.gov](mailto:chilger@muscatineiowa.gov)