



## Sample Memorandum of Understanding Between a Nonprofit Housing Developer, Social Service Agency and Property Management Agency

This is a sample agreement between parties collaborating in a supportive housing project. Any agreement to be used in a development should first be reviewed by an attorney.

### MEMORANDUM OF UNDERSTANDING

#### ABC Housing Corporation, Ecumenical Services Incorporated and People's Management Company

#### I. BACKGROUND AND INTENT

This agreement for services entered into \_\_\_\_\_, 2\_\_\_\_, is between ABC Housing Corporation, a nonprofit corporation, Ecumenical Services Incorporated, a nonprofit corporation and People's Management Company, a for-profit corporation.

WHEREAS, the sole purpose of this Memorandum of Understanding is to encourage cooperation between ABC Housing Corporation (ABC), Ecumenical Service Incorporated (ESI), and People's Management Company (PMC) and to further detail the separate and distinct roles and responsibilities of each party;

WHEREAS, ABC owns a 13-unit apartment building at 100 Jackson Street, Anytown, CA, also known as Jackson Street Apartments, which provides housing for very low-income individuals who are physically disabled;

WHEREAS, ABC will be providing federally subsidized housing, under HUD Section 811, for a disabled population, namely persons with any physical disability, and/or persons who have been diagnosed with "acquired immunodeficiency syndrome (AIDS) or with symptomatic HIV disease (formerly classified as AIDS-related complex or ARC)";

WHEREAS, ABC will make available twelve (12) units of affordable housing to those persons described above who are able to live independently with home care services, but do not require skilled nursing care and are unable to maintain their incomes and homes any longer;

WHEREAS, ABC understands that persons with the disabilities acquired from the HIV infection require a set of services which are unique and specialized; and that residents of Jackson Street Apartments will be responsible for the provision of their own service needs, i.e. meals, personal care in hygiene and health, etc.; and the coordination of supportive services is critical to helping the residents of Jackson Street Apartments to live successfully;

---

Note: This document is included within the *Supportive Services* section of CSH's *Toolkit for Developing and Operating Supportive Housing*, which is available at [link to address]. This document has been adapted from CSH's publication *Not a Solo Act*, which is available at [www.csh.org/publications](http://www.csh.org/publications).

WHEREAS, ESI agrees to provide supportive services as defined in **Section II -- Definitions** to twelve (12) very low-income disabled persons residing at Jackson Street Apartments and has trained and experienced staff who work with persons who are disabled, including persons with AIDS/HIV (PWAs);

WHEREAS, it is understood that ESI does not plan to offer full-service case management (i.e., psycho-social, nursing, and/or social services), they will assist those tenants in need of these services in linking with appropriate providers;

WHEREAS, tenants voluntarily participate in the services provided by ESI;

WHEREAS, People's Management Company (PMC) provides property and asset management services and ABC will contract with PMC to manage and maintain the property;

**Therefore, ABC Housing Corporation and Ecumenical Services Incorporated and People's Management Company agree that it is in the best interests of all concerned to enter into this Memorandum of Understanding.**

## **II. DEFINITIONS**

For the purposes of this Memorandum of Understanding, "supportive services" means services provided to residents for the purpose of enhancing the residents' ability to maintain independent living. Supportive services must address the special needs of the residents to be served. These services may include: (a) medical and psychological case management; (b) benefits advocacy and income support assistance such as SSI, AFDC, GA, food stamps, Social Security; (c) money management/payee services; (d) nutritional counseling; and (e) assistance in obtaining other resources and support for residents such as child care, transportation, job training and job placement. These services may be provided directly or by arrangement with other service providers.

For the purposes of this Memorandum of Understanding, a "disabled person" is defined as a person with a physical, mental or emotional impairment which is expected to be of long, continued and indefinite duration, which substantially impedes the person's ability to live independently, and which is of a nature that such ability could be improved by more suitable housing conditions. It is intended that this definition be consistent with HUD's definition of a person with a disability.

For the purposes of this Memorandum of Understanding, "persons with disabling HIV and/or AIDS" means any person who has been diagnosed with "acquired immunodeficiency syndrome (AIDS) or with symptomatic HIV disease (formerly classified as AIDS-related complex, or ARC)" and meets the definition of the above-mentioned "disabled person."

For the purposes of this Memorandum of Understanding, "very low income" is defined as households with incomes 50% or below the median income for Anywhere County. It is intended that this definition be consistent with HUD's definition of very low income.

## **III. ELIGIBILITY DETERMINATIONS**

Eligibility for this project will be based on both disability status and income level as described in

**Section II - Definitions.** Residents of the Jackson Street Apartments will need to have written verification from a physician that their condition or illness is disabling and they can live independently. During the process of tenant screening, the potential tenant will need to complete a standardized form that authorizes his/her physician to release such information.

Tenants will be selected by the management agent, People's Management Company (PMC), based on criteria developed by ABC, ESI and PMC. Selection of tenants for the Jackson Street Apartments will not rely solely on traditional property management standards; standards will be established that reflect a commitment to housing very low-income people with disabilities. Potential tenants will undergo a two-stage screening process: the prospective tenant will be evaluated by PMC to determine if s/he meets the HUD income eligibility and disability requirements. PMC will also run a standard credit and eviction check. ESI will determine whether or not the tenant is able to live independently and whether or not s/he is prepared to abide by the terms of the lease at Jackson Street Apartments. While all parties will respect and seek input from each other, in the case of disagreement over tenant selection, ABC will make the final determination.

#### **IV. GUIDING PRINCIPLES**

WHEREAS, all parties under this Memorandum of Understanding jointly recognize that tenants with low incomes and/or disabilities are diverse in terms of their strengths, motivation, goals, backgrounds, needs and disabilities;

- tenants with low incomes and/or disabilities are members of the community with all the rights, privileges, opportunities accorded to the greater community;
- tenants with low incomes and/or disabilities have the right to meaningful choices in matters affecting their lives;
- in designing and implementing services, the input of the tenant should be sought; and,
- not all persons living at Jackson Street Apartments will need to be clients of ESI or linked to support services in order to live successfully.

#### **V. ROLES AND RESPONSIBILITIES**

##### **Roles of ESI, ABC and PMC**

It is understood that ESI, ABC and PMC staff must work together as a team to effectively meet the needs of the tenants. This level of collaboration will require exceptional, thorough and timely communication between all parties. However, the parties to this agreement understand their separate and distinct responsibilities. ESI agrees in the performance of services, and ABC agrees in the owner of housing, that tenant and client rights are respected and complied with not only as a matter of principle, but as a matter of practice.

It is understood that ESI's roles will be that of advocate and PMC's role will be that of landlord dealing with tenant issues.

ABC and ESI agree to advise one another of highly pertinent matters in the referral and placement process and understand that each is bound by confidentiality standards regarding the exchange of

client information. Appropriate releases will be secured when confidential client information needs to be shared.

### **Role of Ecumenical Services Incorporated (ESI)**

ESI agrees to assign a minimum of one (1) staff member to Jackson Street Apartments. This person will work 3/4 full-time employment (FTE) and will be called the coordinating case manager. The coordinating case manager will be responsible for coordinating the provision of direct services to the physically disabled residents of Jackson Street Apartments. In addition, where necessary and appropriate, each resident will be strongly urged to obtain his/her own individual case manager through the Case Management Program at the Central Health Center (Anywhere County Health Care Services Agency) of the AIDS Minority Health Initiative (Black Consortium for Quality Health Care). Similarly, each tenant, if appropriate, will be strongly urged to obtain home health care services through the Visiting Nurse Association and Hospice of Northern California (VNA).

### **Role of People's Management Company (PMC)**

PMC will be responsible for the overall operations of Jackson Street Apartments, including janitorial, maintenance, repairs and other related services. Such activities and responsibilities will be carried out by an on-site resident manager employed by PMC.

## **VI. SCOPE OF SERVICES**

### **Ecumenical Services Incorporated (ESI)**

In accordance with the Support Services Plan and the Property Management Plan, a single coordinating case manager, employed by ESI, will be responsible for coordinating the delivery of services for both the ESI programs and other providers. The coordinating case manager, employed 3/4 FTE, will ensure that the ESI individual case managers:

- A. Provide community and social service linkage to residents upon request or as needed;
- B. Assist in developing the tenant screening criteria;
- C. Assist in identifying and referring low-income disabled persons in need of housing to the property manager, PMC;
- D. Assist PMC in screening all potential tenants, specifically assessing tenants' ability to live independently;
- E. Perform the following program support services functions:
  1. Provide case management services, which may include,
    - a) rehabilitation, vocational and employment assistance
    - b) general health and dental services
    - c) income support and benefits
    - d) substance abuse (alcohol, drugs) treatment
    - e) consumer and family involvement

It is understood that ESI does not plan to offer full-service case management (i.e. psycho-social, nursing, and/or social services). Those in need of these services will be linked with

appropriate providers, where such resources exist.

2. Conduct an initial needs assessment and develop an individual self-sufficiency plan for each client, including a periodic evaluation and update of the service plan as the needs of the client change.

3. Refer residents, when needed or upon request, to treatment services or other needed social services. This might include services provided by the Center for AIDS Services, the VNA, General Hospital Medical Center and/or the Bay Area AIDS Clinic.

The VNA has agreed to offer their services to the tenants of Jackson Street Apartments, provided they meet VNA's admission criteria. ESI agrees to take responsibility for referring and ensuring that tenants gain access to VNA services (upon agreement with the tenant). The VNA offers a variety of programs, including home health care services, a Comprehensive AIDS Program (CAP), and Hospice services. CAP services include infusion therapy, nutritional counseling, psychiatric nursing, psychosocial support and spiritual counseling. It is intended that VNA will offer complementary services to ESI so that the tenant can receive full-service case management, if needed.

4. Provide crisis intervention as needed and when requested by PMC or provide consultation in the management of disputes or differences between residents and property management.

5. Assist PMC in household disputes and in conflict resolution.

6. Assist clients in understanding their rights and responsibilities under a tenant lease. This includes explaining the eviction and appeal process.

Consistent with client rights principles, it is understood that referrals and other services will be made available to all Jackson Street Apartments residents. ESI will take no action in making referrals or providing services without the agreement of the individual except when it appears, in their judgment, necessary to do so to protect the individual or others from serious harm.

F. Provide the following administrative services:

1. Keep all records regarding program supportive services as required by HUD regulations and those of other funding sources.

2. Cooperate with ABC in monitoring and/or conducting audits or other reporting requirements with respect to project funders.

3. Assist in the development of House Rules with PMC.

G. ESI agrees to additionally provide the following services to individuals covered under this agreement:

1. Encourage supportive activities that will help clients develop the skills, information and abilities needed to utilize the resources of the Jackson Street Apartments community as well as the larger community, including family, friends, job and school.
2. Facilitate access to treatment services for AIDS health services, social services and physical health needs. This might include referral and advocacy to either the Case Management Program at the Central Health Center (Anywhere County Health Care Services Agency) or the AIDS Minority Health Initiative for any client not in a "full-service" case management program.
3. Help clients learn to use public transportation.
4. Help clients access pre-vocational and vocation/employment assistance, peer counseling, substance abuse counseling, special needs skills training, safe sex education and tenants' rights education.

**ABC Housing Corporation (ABC)**

ABC is strictly the developer and owner of Jackson Street Apartments and will be responsible for asset management and overseeing the ongoing duties of repair, maintenance, management and operation of Jackson Street Apartments. Many of these duties will be contracted by the management company, People's Management Company.

ABC will directly:

- A. Ensure that all regulatory and funding requirements are met;
- B. Prepare all budgets and cost estimates related to Jackson Street Apartments, excluding budgets related to the provision of social services;
- C. Arrange for liability and property insurance for Jackson Street Apartments;
- D. Pay all taxes associated with Jackson Street Apartments; and
- E. Oversee the contract and duties of the management company.

**People's Management Company (PMC)**

In accordance with the Support Services and Property Management Plan, PMC will provide the following property management activities:

- A. Determine income eligibility of tenants;
- B. Pay project bills;
- C. Provide monthly financial reports and any other required information to ABC for regulatory and funding agencies;
- D. Maintain a fully leased building with the assistance of ESI;

- E. Carry out rent collection and administration;
- F. Oversee tenant relations with management with respect to:
  - Notices
  - Evictions
  - Enforcement of house rules, policies and procedures;
- G. Provide building and equipment maintenance and repair;
- H. Provide security;
- I. Provide janitorial services (common areas only); and,
- J. Provide capital improvements including acquisition and maintenance of furnishings for common areas such as the lounge or dining room.

ABC and PMC will enter into a property management agreement that further details these activities.

## **VII. FUNDING**

ESI currently has the funds to provide the supportive services identified in this Memorandum of Understanding and anticipates continuation of this funding. ESI is committed to providing appropriate and exceptional services to the tenants of Jackson Street Apartments and is committed to providing these services over the long-term, pending available resources. Where necessary, ABC and ESI will co-apply for service funds.

It is understood that ESI's responsibilities as defined in this Memorandum of Understanding are contingent upon continued and expanded funding. While it is impossible to guarantee continued funding or secure such guarantees from ESI's funding sources, it is expected that the Coordinated Housing Program's operating budget will be stable and may increase over the next five years. The objective of ESI's Coordinated Housing Program (CHP) is to ensure that all persons living with AIDS/HIV in Anywhere County have a decent, affordable, permanent place to live which supports their ability to access medical care and support services. CHP currently operates at an annual budget of \$425,000 and is funded through a series of contracts administered through the county's AIDS programs. More specifically, this money comes from contracts with the HIV/AIDS Services Division of Anywhere County's Health Care Services Agency, the Anywhere County component of the Ryan White Title I C.A.R.E. Planning Council, Anywhere County's Housing and Community Development Program (Housing Opportunities for People with AIDS and Emergency Shelter Program) and private donations. The coordinating case manager and supportive services identified in this Memorandum of Understanding will be funded under existing contracts and continue so long as the same contract level is renewed.

## **IX. GENERAL TERMS**

**Terms.** This Agreement will begin effective the date of January 1, 1996 and will continue through December 31, 1996. While lease up is anticipated to begin in July, 1996, ESI's and PMI's responsibilities begin on January 1, 1996 so as to begin coordinating the start-up of Jackson Street Apartments. This Agreement will be automatically renewed with the same terms and conditions annually thereafter except where either party provides written notice of non-renewal three (3)

months before the annual termination date. Otherwise, this Agreement may be terminated in accordance with the section on Termination below.

**Termination.** Either party may terminate this Agreement by giving the other party ninety (90) days prior written notice. The party wishing to terminate this agreement for cause must provide a written intent to terminate notice to the party in breach or default. The notice will provide thirty (30) days for the party in breach or default to respond to said notice with an acceptable plan to cure cause for termination.

**Confidentiality.** ABC, PMC and ESI agree that by virtue of entering into this Agreement they will have access to certain confidential information regarding the other party's operations related to this project. ABC, PMC and ESI agree that they will not at any time disclose confidential information and/or material without the consent of that party unless such disclosure is authorized by this Agreement or required by law. Unauthorized disclosure of confidential information shall be considered a material breach of this agreement. Where appropriate, client releases will be secured before confidential client information is exchanged. Confidential client information will be handled with the utmost discretion and judgment.

**Arbitration.** Should either party wish to commence an action for damages under this Agreement, it shall be required to adjudicate the dispute through binding arbitration under the rules of the American Arbitration Association or under such rules to which the parties may agree. Any award rendered by the arbitrator shall be final and binding upon each of the parties, and judgment there upon shall be borne equally by both parties. During the course of the arbitration and until a final settlement has been reached, this Agreement shall remain in full force and effect unless otherwise terminated as provided in this Agreement.

**Nondiscrimination.** There shall be no discrimination of any person or group of persons on account of race, color, creed, religion, sex, marital status, sexual orientation, age, handicap, ancestry or national origin in the operation of the project of program at Jackson Street Apartments by ABC, PMC or ESI.

**Severability.** In the event any provision of this Agreement shall be found to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the validity, legality and enforceability of the remainder of the Agreement.

**Amendments.** This Agreement may be amended only in writing and authorized by the designated representative of ABC, PMC and ESI.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Executive Director, ABC Housing Corporation

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Executive Director, Ecumenical Services Incorporated

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Executive Director, People's Management Company