

**MEMORANDUM OF UNDERSTANDING**

relating to the

**HURRICANE SANDY DISASTER NATIONAL EMERGENCY GRANT**

between the

**NEW YORK CITY DEPARTMENT OF SMALL BUSINESS SERVICES**

and the

**NEW YORK CITY DEPARTMENT OF BUILDINGS**

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This **MEMORANDUM OF UNDERSTANDING** (“MOU”) dated June 18, 2013, is entered into between the **New York City Department of Small Business Services** (“SBS”), with offices located at 110 William Street, 7<sup>th</sup> Floor, New York, New York 10038, and the **New York City Department Of Buildings** (“DOB”), with its principal office located at 280 Broadway, 7th floor New York, NY 10007 (each, a “Party” and collectively, the “Parties”).

**WITNESSETH:**

**WHEREAS**, in order to aid in the recovery of the disaster-impacted areas caused by Hurricane Sandy, restore public infrastructure and services so that regular business and employment activities can resume, and work on projects that provide humanitarian assistance to victims of the disaster, the Secretary of the United States Department of Labor (“USDOL”) awarded a disaster National Emergency Grant (“NEG” or “Grant”) to the New York State Department of Labor (“NYSDOL”) to hire temporary workers to assist in the recovery from damages caused by Hurricane Sandy, and to assist with humanitarian efforts to aid the community, in the following disaster impacted New York State Counties: Bronx, Kings, Nassau, New York Orange, Putnam, Queens, Richmond, Rockland, Suffolk, Sullivan, Ulster and Westchester; and

**WHEREAS**, pursuant to the above-referenced USDOL NEG award, NYSDOL issues *Notices of Obligational Authority for Local Workforce Investment Area (LWIA)-New York City* (“NOA” or “NOAs”) authorizing NEG Disaster Grant Program Year 2012 funding (“Grant Funding”) to Mayor Bloomberg on behalf of the City of New York (the “City”) for identified NYSDOL-approved Project(s) through which funds are used for the provision of NEG eligible services at NEG eligible worksites; to pay (offset) wages of existing employees who directly supervise NEG workers, determined by the percentage of time they spend on such supervision; and to purchase work-related items for eligible individuals hired as NEG workers; and

**WHEREAS**, on March 11, 2013, NYSDOL issued an NOA, attached hereto as Exhibit A, approving up to \$268,134.41 in Grant Funding for the NYSDOL-approved DOB Project(s) as more fully described herein; and

**WHEREAS**, DOB is ready, willing and able to use the Grant funding to provide the eligible services and activities related to the NYSDOL-approved Project(s) and SBS, as the designated distributor of funds for the City’s LWIA and the agency responsible for reporting to NYSDOL on all of the City’s LWIA Projects under the Hurricane Sandy Disaster National Emergency Grant, agrees to reimburse DOB for said services and activities in accordance with the processes and requirements described in this MOU<sup>1</sup>;

**NOW, THEREFORE**, the Parties agree as follows:

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<sup>1</sup>SBS’ mission it is to make it easier for businesses in the City start, operate and expand by providing direct assistance to business owners, fostering neighborhood development in commercial districts, and linking employers to a skilled and qualified workforce.

**ARTICLE 1**  
**TERM**

The “**Term**” of this MOU shall commence on October 30, 2012 and shall expire on September 30, 2013, unless sooner terminated or extended pursuant to Article 4 below.

**ARTICLE 2**  
**SCOPE OF SERVICES**

- A. **Scope of Services.** During the Term, DOB shall use the Grant funding to administer the Project(s) set forth in the “**Project Proposal**” (attached hereto as Exhibit B) initially approved by NYSDOL in the March 11<sup>th</sup>, 2013 NOA (Exhibit A). Unless otherwise approved by SBS in advance, DOB’s use of the Grant Funding to administer the Project(s) identified in the Project Proposal shall be limited to: (1) the hiring of temporary workers; (2) the purchasing of disaster-related supplies; (3) the provision of humanitarian assistance; and (4) paying for Grant-related supervisory wages, fringe, and program operations administration (collectively, “**Services**” or “**Project Services**”). During the Term, DOB shall provide all Project Services in accordance with the applicable NOAs, Project Proposal, and the Project Budget described in Article 3 below. In addition, DOB’s provision of Project Services pursuant to this MOU and the Grant shall comply with all applicable Federal, state and city rules, regulations, guidelines and policies, including the *General Terms and Conditions Applicable to Disaster Grants* and NYSDOL’s *Disaster NEG Desk Guide*.
- B. **Eligibility Criteria for Disaster NEG Supported Workers.** SBS shall ensure that all “Disaster NEG Supported Workers” meet the eligibility criteria established by NYSDOL under the Grant before they perform any work under the NYSDOL-approved DOB Project(s).

**ARTICLE 3**  
**PAYMENT**

- A. **Maximum Funding Level.** During the Term, the maximum funding approved by NYSDOL for the designated DOB Project(s) shall not exceed Two Hundred Sixty Eight Thousand One Hundred and Thirty Four Dollars and Forty One Cents. (\$268,134.41) (“**Maximum Funding Level**”). Unless otherwise approved by SBS in advance, the “NYSDOL-Approved Project Budget” and “NYSDOL-Approved LWIA Administrative Budget,” which comprises of the Maximum Funding Level, shall not exceed the values set forth in Table 1 below.
- B. **Maximum Reimbursable Amount.** The maximum reimbursable amount for Project Services provided by DOB during the Term and pursuant to this MOU shall not exceed Two Hundred Forty Nine Thousand Three Hundred Sixty Five Dollars (\$249,365.00) (“**Maximum Reimbursable Amount**”) as set forth in the “Project Budget,” attached hereto as Exhibit C. Unless otherwise approved by SBS in advance, the “Total DOB Project Costs” shall not exceed the value set forth in Table 1 below. All payments shall be made in accordance with the “Cost Reimbursement” provisions set forth in Section C of this Article 3 below.

<b><u>Table 1</u></b>	
<b>Summary of Maximum Funding Level and Maximum Reimbursable Amount</b>	
<b>MOU Cost Category</b>	<b>Value (\$)</b>
<b>Maximum Funding Level</b>	<b>\$268,134.41</b>
<i>NYSDOL-Approved Project Budget</i>	<i>\$249,365.00</i>
<i>NYSDOL-Approved LWIA Administrative Budget(total admin. amount being withheld by SBS)</i>	<i>\$18,769.41*</i>
<b>Maximum Reimbursable Amount under MOU</b>	<b>\$249,365.00</b>

*\* This figure represents 7% of the Maximum Funding Level and it corresponds to the total amount that SBS is authorized to withhold for LWIA Administration costs incurred during the Term and related to the NYSDOL-approved DOB Project(s).*

- C. **Cost Reimbursement for Eligible Expenses.** During the Term of this MOU, SBS shall approve DOB vouchers and invoices (“**Invoices**”) in an aggregate amount not to exceed the “NOA new level” value identified in the most recent NOA issued by NYSDOL for the DOB Project(s) *less* 7%.<sup>2</sup> Under no circumstances shall SBS reimburse DOB in an aggregate amount that exceeds the Maximum Reimbursable Amount during the Term of this MOU. All reimbursement requests and payments shall be made in accordance with the following process:
1. Invoices shall be submitted by DOB to SBS by the tenth (10<sup>th</sup>) business day of each month to cover the previous month’s expenses.
  2. The Invoices shall include an itemization of actual expenditures incurred, and shall be accompanied by appropriate supporting documentation and any other information deemed necessary by SBS to validate expenses.
  3. SBS shall review each Invoice submitted by DOB in accordance with the Project Proposal, Project Budget, applicable NYSDOL-issued NOA(s) and all other applicable rules, guidelines and procedures pertaining to reimbursements and payments under the Grant. Once the Invoice is approved by SBS (either in whole or in part), the approved reimbursement amount shall be paid to DOB through an electronic interagency transfer of funds. SBS may disallow for payment any expenses or charges which were not authorized or documented in accordance with the terms of this MOU (including the Project Proposal and Project Budget), applicable NOA(s), the NYSDOL *Disaster NEG Desk Guide* and the *General Terms and Conditions Applicable to Disaster Grants*.
- D. **Additional Payment Provisions.** The Parties expressly acknowledge and understand that the Maximum Funding Level and Maximum Reimbursable Amount do not represent a commitment by NYSDOL to release to SBS the full amounts set forth in Table 1 above. Furthermore, the Parties expressly acknowledge and understand that SBS is serving solely as distributor of funds provided under the Workforce Investment Act (“**WIA**”) and this Grant and that SBS is not obligated to disburse monies from general funds or otherwise to make payments described herein to DOB, and further, that this distribution is contingent upon the receipt of WIA Grant funds by NYSDOL.

#### **ARTICLE 4 MODIFICATION & TERMINATION**

- A. **MODIFICATION.** This MOU may only be amended by the written consent of both SBS and DOB.
- B. **TERMINATION.** Both SBS and DOB shall have the right to terminate this MOU without cause upon thirty (30) days written notice to the other Party.

#### **ARTICLE 5 RECORDKEEPING, REPORTING REQUIREMENTS & PROJECT MONITORING**

- A. **Maintenance of Records.** DOB agrees to maintain any and all books, records, documentation, justifications and other evidence which sufficiently and properly reflect all costs expended in connection with this MOU as well as any other documents or information deemed necessary by SBS for SBS to comply with certain NYSDOL reporting requirements related to the Grant including, but not limited to the following (collectively, “**Records**”):
1. Case Management System. The recording and timely entering of NEG-Funded Participant Services in NYSDOL’s case management system; and
  2. Monthly Report Submissions. The Records and related information provided by DOB to SBS for the completion and submission of NYSDOL-required Monthly Reports shall include sufficient information and supporting documentation for SBS to address the following areas:
    - a. Summarize the activities conducted;
    - b. Identify new worksite initiated;
    - c. Identify temporary workers hired/assigned to worksites;
    - d. Summarize local monitoring conducted; and
    - e. Identify accrued expenditures.

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<sup>2</sup> 7% of the each incremental funding allocation identified in the “NOA new level” column for the DOB Project(s) and a total of up to \$11,355.42 is being withheld by SBS for LWIA administrative costs.

- B. **Retention and Availability of Records for Inspection.** DOB agrees to retain all Records for a period of six (6) years after the expiration or termination of this MOU, or for a period otherwise prescribed by Law, whichever is later (“**Retention Period**”). Additionally, during the Term or Retention Period and upon reasonable notice to DOB, DOB shall make available to SBS as well as applicable City, State and federal agencies and auditors all Records maintained or retained by DOB in connection with this MOU.
- C. **NEG Project Monitoring.** During the Term, SBS shall perform the NEG monitoring activities set forth in the *Hurricane Sandy NEG Monitoring Guide; Local Government Agency, Non-profit or Public Education Entity Receiving Grant.*

**ARTICLE 6. MISCELLANEOUS**

- A. All notices required by this MOU shall be delivered to the other Party at the following addresses:

**To DOB:**

280 Broadway, 6th Floor  
New York, New York 10007  
Attn: Edwin Pemberton, Exec Dir. – Budget and Fiscal Operations


**To SBS:**

110 William Street, 7th Floor  
New York, New York 10038  
Attn: Andrew Schwartz, First Deputy Commissioner

- B. If any provision contained in this MOU is held to be unenforceable by a court of law or equity, this MOU will be construed as if such provision did not exist and the non-enforceability of such provision will not be held to render any other provision or provisions of this MOU unenforceable.
- C. The Services provided under this MOU shall be performed in accordance with all applicable provisions of Federal, State, and Local Laws.
- D. This written MOU contains all the terms and conditions agreed upon by the Parties, and no other agreement, oral or otherwise, regarding the subject matter of this MOU shall be deemed to exist or to bind either of the Parties, nor to vary any of its terms.
- E. Neither Party will be deemed to be in violation of this MOU if it is prevented from performing any of its obligations hereunder due to emergencies or weather conditions, strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of the MOU after the intervening cause ceases.
- F. Neither Party will assign, transfer or delegate any rights, obligations or duties under this MOU without the prior written consent of the other Party. Such prior written approval will not be unreasonably withheld, delayed, or conditioned. In addition, DOB is prohibited from undertaking any of the following actions without the prior written approval of SBS: (1) Changing worksite locations; (2) transferring workers to different worksite locations; and/or (3) transferring the management of these worksite locations, including management of the workers and the Project in general, to another agency or entity.
- G. The Parties hereto represent and warrant that the person executing this MOU on behalf of each party has full power and authority to enter into this MOU and that the Parties are authorized by law to perform the Services set forth in the MOU.

IN WITNESS WHEREOF, both Parties have duly executed this MOU on the date herein written.

**NEW YORK CITY DEPARTMENT OF  
SMALL BUSINESS SERVICES**



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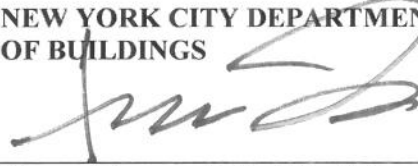
**Name:** Andrew Schwartz  
**Title:** First Deputy Commissioner

6/18/13

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**Date**

**NEW YORK CITY DEPARTMENT  
OF BUILDINGS**



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**Name:** Thomas J. Fariello, R.A.  
**Title:** First Deputy Commissioner

6/12/13

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**Date**

**ACKNOWLEDGMENTS**

State of New York    )  
                                  ) SS.:  
County of New York    )

On this 18<sup>th</sup> day of JUNE, 2013, before me personally came Andrew Schwartz, to me known, and known to me to be the First Deputy Commissioner of the New York City Department of Small Business Services, who executed the foregoing agreement and who acknowledged to me the execution thereof for the purposes therein mentioned.



\_\_\_\_\_  
Notary Public

**CHRISTIAN STOVER**  
Notary Public, State of New York  
Registration #02ST6172505  
Qualified In New York County  
Commission Expires Dec.14, 2015

State of New York )  
                                  ) SS.:  
County of New York )

On this 12<sup>th</sup> day of June, 2013, before me personally came Thomas J. Fariello, to me known, and known to me to be the First Deputy Commissioner of the New York City Department of Buildings who executed the foregoing agreement and who acknowledged to me the execution thereof for the purposes therein mentioned.



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Notary Public

**CHANTAL N. SENATUS**  
Notary Public, State of New York  
No. 02SE6081815  
Qualified in Kings County  
Commission Expires Oct. 15, 2014  
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## EXHIBIT A



New York State Department of Labor  
 Andrew M. Cuomo, Governor  
 Peter M. Rivera, Commissioner

March 11, 2013

The Honorable Michael R. Bloomberg  
 Mayor  
 City of New York  
 City Hall  
 New York, New York 10007

Dear Mayor Bloomberg:

Attached is Notice of Obligational Authority (NOA) for Local Workforce Investment Area (LWIA) - New York City for the amount of \$2,889,918.60. This NOA identifies an allocation of funding to your LWIA under the Department's Hurricane Sandy disaster National Emergency Grant (NEG). This funding is for the New York City direct hire, Small Business Services (SBS), Sanitation Department (DSNY), and Department of Buildings (DOB) projects.

Disaster NEG supported workers must meet the eligibility criteria as established under this grant. Funds can only be used to hire temporary workers and to purchase disaster-related supplies. Available funds may be used to provide humanitarian assistance, clean-up, demolition, repair and renovation related to public facilities, structures and lands. Up to 7% of your total expenditures may be charged to administration. All charges against this program must be reported monthly to PeopleSoft to Program 187 as follows:

<i>NEG Hurricane expense</i>	<i>Peoplesoft Account/Description</i>
LWIA Administration	516000 Administration
Participant Wages	516100 Wages
Participant Fringe Benefits	516101 Fringe
Supplies and Transportation	516107 Other
Supervisor Wages, Fringe, Prgm Oper Admin	511000 General

This NOA reflects the following projects approved for your LWIA.

Project name	Budget request	LWIA Admin	NOA prior level	Change this NOA	NOA new level
NYCHA	6,816,445.00	513,065.75	1,800,000.00	-0-	1,800,000.00
NYC SBS	522,023.00	39,292.05	130,506.00	130,000.00	260,506.00
NYC direct hire	15,000,000.00	1,129,032.26	7,500,000.00	2,500,000.00	10,000,000.00
NYC DHS	324,800.00	24,447.31	87,311.83	-0-	87,311.83
NYC MOCS	167,395.79	12,599.68	45,736.77	-0-	45,736.77
NYC JBRC	4,523,596.00	340,485.72	1,593,399.14	-0-	1,593,399.14
NYC DYCD	1,416,093.38	106,587.67	365,275.65	-0-	365,275.65
NYC DFTA	150,864.86	11,355.42	40,555.07	-0-	40,555.07
NYC DSNY	508,811.11	35,616.78	-0-	132,885.00	132,885.00
NYC DOB	249,365.00	18,769.41	-0-	127,033.60	127,033.60
Totals	29,679,394.14	2,231,252.05	11,562,784.46	2,889,918.60	14,452,703.06

NEG funded participant services must be properly recorded and entered timely into our case management system. The Department created a Disaster NEG desk guide which is located on the internet at: <http://labor.ny.gov/workforcenypartners/osos-desk-guide-neg-disaster.pdf>.

A monthly report summarizing activities conducted, new worksites initiated, temporary workers hired/assigned to worksites, local monitoring conducted and accrued expenditures will be required for this project.

Any questions concerning this information should be directed to Mr. Jeffrey Martin, State Representative at 212-775-3352.

Sincerely,



Karen A. Coleman  
Deputy Commissioner  
for Workforce Development

Attachment

cc: Mr. Ismail Mohamed  
Ms. Michelle Light  
Mr. Jeffrey Martin  
Mr. Yona Tapuchi  
Ms. Delores Caruso



NOTICE OF OBLIGATIONAL AUTHORITY LWIA# 67

NOA #PY12- 11

LWIA: New York City  
Grantee: Michael R. Bloomberg  
Mayor, New York City

GRANTOR: The Governor of New York through  
the New York State Department  
of Labor

This NOA authorizes Program Year 2012 funding for the period (07/01/12  
through 6/30/14), except Youth (04/01/12 through 6/30/14)  
NEG Hurricane Sandy (10/30/12 - 9/30/13)

NYSDOL Contacts: Jeff Martin

TELEPHONE: (212) 775-3352

WIA GRANT	PRIOR LEVEL	CHANGE THIS NOA	NEW LEVEL
CFDA# 17.259 T-1B Youth	\$18,999,810.90	\$0.00	\$18,999,810.90
CFDA# 17.258,17.259,17.278 T-1B Admin	\$5,997,330.00	\$0.00	\$5,997,330.00
CFDA# 17.258 T-1B Adult	\$20,450,578.50	\$0.00	\$20,450,578.50
CFDA# 17.278 T-1B Dislocated Worker	\$14,525,580.60	\$0.00	\$14,525,580.60
CFDA# 17.277 T-1B NEG Disaster	\$11,562,784.46	\$2,889,918.60	\$14,452,703.06

Approved by:

  
Karen A. Coleman  
Deputy Commissioner for Workforce Development

03/11/13

EXHIBIT B  
PROJECT PROPOSAL

**SANDY INFO HUB PROJECT**  
**Assistant Projector Director Justification and Job Description**

The NYC Department of Buildings is responsible for ensuring the safe and lawful use of buildings and properties by enforcing the NYC Construction Codes, Energy Code and Zoning Resolution. We facilitate compliant development with integrity, efficiency and professionalism. We are committed to becoming a premier municipal building organization, dedicated to enhancing the quality of life for all New Yorkers and making our city safer. We are committed to improving our performance and developing procedures that are streamlined, understandable and transparent.

On November 12<sup>th</sup> the Mayor signed an Executive Order allowing for the waiver of certain filing and inspection fees for applications for permit.

[http://www.nyc.gov/html/dob/downloads/pdf/pr\\_storm\\_related\\_building\\_fees\\_waived.pdf](http://www.nyc.gov/html/dob/downloads/pdf/pr_storm_related_building_fees_waived.pdf)

City Council has voted on legislation, pending the Mayor's signature that will extend the Executive Order.

<http://legistar.council.nyc.gov/LegislationDetail.aspx?ID=1244304&GUID=A0D349CE-0A2C-40AF-A8D7-6CE6FDCDEC33&Options=ID|Text|&Search=storm>

When the legislation is signed by the Mayor outreach programs designed to assist property owners affected by the storm with guidelines on how to repair and rebuild will be implemented. The Department has requested additional staff (Project Directors) to be assigned to the various Borough Offices to accelerate the approval and inspection process for construction, electrical and plumbing projects for properties affected by the Super storm Sandy.

The Project Directors will act as case managers for each property from the filing process to sign-off. The Project Directors will collaborate with the licensed professionals, property owners, plan examiners and inspectors involved with the construction projects.

The Assistant Project Directors will report to the Project Directors in the borough offices and their general duties will include:

- Greeting the public upon arrival to the Sandy Info Hub
- Answering customer questions from phone calls or in person and directing them to the relevant office or City Agency.
- Scheduling plan examination and inspection appointments
- Performing general clerical operational functions; filing, data entry and spreadsheets (reports)
- Attending outreach seminars and/or meetings to distribute information

EXHIBIT c  
PROJECT BUDGET

National Emergency Grant (NEG) - Detailed Cost Breakdown					Revised 3.6.13
Agency: Department of Buildings		Contact: Edwin Pemberton			
		Tele: 212-566-4004			
<b>Staffing Request</b>					<u>Incl Fringe</u>
					<u>(42.17%)</u>
10 Per Diems	\$107,744	\$10.36 Per/Hr	Max 1040 hrs/staff		\$153,180
<b>Borough Office Costs - Total 5 Boroughs</b>					
5 WorkStation Reconfiguration	\$50,000	\$10 K per reconfiguration			\$50,000
5 Computers	\$10,000	\$2 K per computer and printer			\$10,000
5 Printing Services	\$20,000	\$4 K allocation for flyers, mailings			\$20,000
5 Borough Supervisors	\$11,385	\$21.89 Per/Hr	\$2,277 per Supv		\$16,186
Subtotal	\$91,385		10% supv per week		\$96,186
<b>Total Request</b>	<b>\$199,129</b>				<b>\$249,365</b>