

RESOLUTION No. 509-20

A RESOLUTION TO APPROVE THE COOPERATION AGREEMENT FOR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS WITH MARION COUNTY FOR THREE FEDERAL FISCAL YEARS 2021-2023

WHEREAS, Marion County has qualified as an “urban county” eligible to apply for Community Development Block Grant (CDBG) funds from the federal Department of Housing and Urban Development (“HUD”);

WHEREAS, under the CDBG Program, an urban county may enter into Cooperation Agreements with cities within its boundaries to cooperate to undertake, or assist in undertaking, community renewal and lower-income housing assistance activities;

WHEREAS, In April 2020, the City of Donald learned that Marion County had a new Community Development Block Grant entitlement program that allowed the cities in Marion County to join an urban county consortium; and

WHEREAS, the City of Donald was previous slated as over-income and did not qualify for state CDBG funding;

WHEREAS, the attached Agreement, marked Exhibit A includes the policies and procedures for expending the fund revenues, qualifications and selection of funded activities, and responsibilities of each party;

WHEREAS, Marion County staff will perform the grant administration and is responsible for ensuring that the county has the right policies and practices in place and is in compliance with the operations of the program;

WHEREAS, projects selected in the Marion County cities will have particular project agreements, Cooperation Agreements, to ensure proper local management of the grant funds;

WHEREAS, the term of this Agreement shall be for Federal Fiscal Years 2021, 2022, and 2023 after which the term shall be automatically renewed unless action is taken by City to terminate this Agreement; and

WHEREAS, Under Resolution No. 375-15 the City Manager shall have the authority to sign all paperwork related to this grant.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. The City of Donald City Council commits to joining the Marion County Community Development Block Grant consortium of Marion County cities.

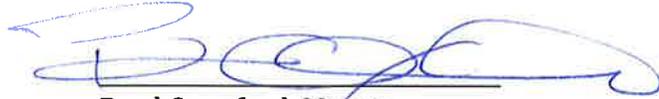
Section 2. The City of Donald City Council will commit to the rights, policies, procedures and responsibilities of each party in Exhibit A, which is attached and by this reference incorporated

herein.

Section 3. Authorizes the City Manager to sign all paperwork related to this grant.

PASSED and ADOPTED by the City Council of the City of Donald at their regular meeting on this 14th day of July, 2020 by the vote of 6 ayes and 0 nays.

DATE: July 14, 2020



Brad Oxenford, Mayor

ATTEST by City Manager this 14th day of July, 2020.


Heidi Bell, City Manager

**COOPERATION AGREEMENT FOR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS
FOR THREE FEDERAL FISCAL YEARS 2021-2023**

This Cooperation Agreement for Community Development Block Grant Funds "AGREEMENT" is made and entered into this 14th day of July, 2020, by and between Marion County, a subdivision of the State of Oregon, hereinafter referred to as "COUNTY", and the City of Donald, a municipal corporation within County, hereinafter referred to as "CITY".

WHEREAS, the Housing and Community Development (HUD) Act of 1974, as amended (24 U.S.C. 93-383 et seq.), "ACT", provides that Community Development Block Grant, hereinafter referred to as "CDBG", funds may be used for the support of activities that provide decent housing and suitable living environments and expanded economic opportunities principally for persons of low- and moderate-income; and,

WHEREAS, CDBG regulations allow contiguous units of general government to join together to qualify as an urban county under the CDBG program; and,

WHEREAS, any urban county and metropolitan city located within that county can ask HUD to approve the inclusion of the metropolitan city as part of the urban county for purposes of planning and implementing a joint community development and housing assistance program; and,

WHEREAS, HUD requires that the County and City enter into a Cooperation Agreement for joint participation in the CDBG Program, the HOME Investment Partnership Program, and Emergency Solutions Grants Program (ESG) for Fiscal Years 2021 through 2023 to define their rights and obligations as a prerequisite to participation in the CDBG program; and

WHEREAS, the CDBG regulations issued pursuant to the Act provide qualified urban counties must submit an application to HUD for funds, and cities and smaller communities within the metropolitan area not qualifying as metropolitan cities may join County in said application and thereby become a part of a more comprehensive County effort; and

WHEREAS, City and County wish to enter an Agreement for a successive three-year period effective in 2021; and

WHEREAS, the proposed Agreement is consistent with City and County policies encouraging cooperation between parties on issues of regional significance such as affordable housing; and

WHEREAS, it is the desire of County and City that this Agreement be automatically renewed every three years unless County or City elect not to participate in the urban county program in an upcoming qualification period; and

WHEREAS, the United States Department of Housing and Urban Development, will review and certify this Agreement in order to assure compliance with HUD requirements; and,

WHEREAS, as the urban county applicant, County must take responsibility and assume all obligations of an applicant under federal statues, including: the analysis of needs, the setting of objectives, the development of community development and housing assistance plans, the consolidated plan, and the assurances of certifications; and

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WHEREAS, by executing this Agreement, the Parties hereby give notice of their intention to participate in the urban county CDBG, HOME, and ESG Programs.

NOW THEREFORE, in consideration of the mutual promises, recitals and other provisions hereof, the parties agree as follows:

1. GENERAL

County and City agree to cooperate to undertake, or assist in undertaking, community renewal and lower income housing assistance activities, specifically urban renewal and publicly assisted housing; economic development, neighborhood facilities, housing rehabilitation, and other appropriate housing assistance to primarily benefit lower and moderate income people. This Agreement includes participation in the Community Development Block Grant (CDBG), the HOME Investment Partnership Program and the Emergency Solutions Grants (ESG) Program.

2. TERM

The term of this Agreement shall be for Federal Fiscal Years 2021, 2022, and 2023 after which the term shall be automatically renewed unless action is taken by City to terminate this Agreement. As provided by HUD rules and regulations, this Agreement shall automatically be renewed for participation in successive three-year qualification periods, unless County or City provides written notice it elects not to participate in a new qualification period, provided however, that this Agreement shall remain in effect until CDBG, HOME and ESG funds and income received with respect to the three-year qualification period are expended and the funded activities completed. County and City cannot terminate or withdraw from this Agreement while the Agreement remains in effect. County and City may not withdraw from this Agreement prior to expiration of Federal Fiscal Year 2023.

By the date specified in HUD's urban county qualification notice for a subsequent qualification period, County will notify City in writing of its right not to participate. Should there be changes necessary to meet the requirements for cooperation agreements set forth in the urban county qualification notice applicable for a subsequent three-year urban county qualification period, amendment(s) to this Agreement shall be executed between County and City. Such amendment(s) shall be submitted to HUD; failure to do so will void the automatic renewal of such qualification period.

3. APPLICANT RESPONSIBILITY

- a. County has final responsibility for selecting CDBG, HOME, and ESG activities and submitting the Consolidated Plan to the Department of Housing and Urban Development.

County and City shall take all actions necessary to assure compliance with the urban county's certifications under Sections 104(b) of Title I of the Housing and Community Development Act of 1974, that the grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 and the Fair Housing Act and will affirmatively further fair housing. See 24 CFR 91.225(a) and 5.105(a). County and City will comply with

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section 109 of Title I of the Housing and Community Development Act of 1974, which incorporates Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act, the Age Discrimination Act of 1975, and Section 3 of the Housing and Urban Development Act of 1968. County and City agree to comply with all other applicable laws.

County shall not provide CDBG, HOME or ESG funds for activities in, or in support of, any cooperating city that does not affirmatively further fair housing within its own jurisdiction or for activities that impede County's actions to comply with its fair housing certification.

- b. Further, pursuant to 24 CFR 570.501(b), County, as applicant, has the responsibility for ensuring that CDBG, HOME and ESG funds are used in accordance with all program requirements, for determining the adequacy of performance under agreements and procurement contracts, and for taking appropriate action when performance problems arise. Therefore, before disbursing any CDBG, HOME or ESG funds to City or projects in the City, County will require City, and City agrees to enter into a written agreement for each individual project.
- c. City may not sell, trade, or otherwise transfer all or any portion of such funds to another such metropolitan city, urban county, unit of general local government, or Indian tribe, or insular area that directly or indirectly receives CDBG funds in exchange for any other funds, credits or non-Federal considerations, but, must use such funds for activities eligible under Title I of the Act. This new requirement is contained in the Transportation, Housing and Urban Development, and Related Agencies Appropriation Act, 2014, pub. L113-76.

4. CITY SUBJECT TO SAME REQUIREMENTS AS SUBRECIPIENTS:

Pursuant to 24 CFR 570.501(b), the City is subject to the same requirements applicable to sub recipients, including the requirements of a written agreement set forth in 24 CFR 570.503.

5. THE CITY AFFIRMS THAT IT HAS ADOPTED AND IS ENFORCING:

- a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations;
- b. A policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within jurisdictions.

6. BY EXECUTING THIS AGREEMENT, THE CITY UNDERSTANDS THAT IT:

- a. May not apply for grants from appropriations under the Small Cities or State CDBG Programs for fiscal years during the period in which it participates in the urban county's CDBG program;

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- b. May receive a formula allocation under the HOME Program only through the urban county. Thus, even if Marion County does not receive a HOME formula allocation, City cannot form a HOME consortium with other local governments. This does not preclude County or City from applying to the state for HOME funds, if the state allows; and
- c. May receive a formula allocation under the ESG Program only through the urban county, although this does not preclude the urban county or a unit of government participating with the urban county from applying to the State for ESG funds, if the state allows.

7. COUNTY'S RESPONSIBILITY TO CITY

In addition to the foregoing obligations, County agrees:

- a. County shall, in preparing future plans under the Act, solicit to the extent allowed by the Act and all lawful HUD regulations, City's participation in the development of such future plans which refer to City's activities under the Act.
- b. In accordance with instructions from HUD, County agrees to permit City to carry out the essential community development and housing assistance activities provided for in the application and in future plans.
- c. County agrees to distribute funding it receives in accordance with the terms and provisions therein contained, or in accordance with such terms and conditions as required by the Act of HUD.

8. CITY'S RESPONSIBILITIES TO COUNTY

In addition to the foregoing obligations:

- a. City agrees to expend any funds received by virtue of any of urban county's plans only in accordance with the terms and conditions stated therein, or amended by HUD.
- b. City agrees to cooperate with urban county on the development of future plan applications for funds under the Act, with regard to housing and community development activities to be continued or undertaken by City within its boundaries.

9. PROGRAM INCOME

- a. City must inform County of any income generated by the expenditure of CDBG, HOME or ESG funds received by City.
- b. Any such program income must be paid to the County, or City may retain the program income subject to requirements set forth in this Agreement.
- c. Any program income City is authorized to retain may only be used for eligible activities in accordance with all CDBG, HOME or ESG requirements as may then apply.

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- d. County has the responsibility for monitoring and reporting to HUD on the use of any such program income and County shall require appropriate recordkeeping and reporting by City as may be needed for this purpose.
- e. In the event of close-out or change in status of City, any program income that is on hand or received subsequent to the close-out or change in status shall be paid to County.

10. ACQUISITION, CHANGE IN USE, AND DISPOSITION OF REAL PROPERTY ACQUIRED OR IMPROVED WITH CDBG FUNDS

- a. City shall notify County of any change in use including disposition of real property, within the control of City, which was acquired or improved in whole or in part with CDBG funds, from that approved at the time CDBG funds were authorized for acquisition or improvement.
- b. City shall reimburse County in an amount equal to the current fair market value (less any portion thereof attributable to expenditures of non-CDBG funds) of property acquired or improved with CDBG funds that is sold or transferred for a use which does not qualify under the CDBG regulations at any time prior to or subsequent to the close-out, change of status or termination of this Agreement between the County and City.

11. MINOR AMENDMENTS TO THE AGREEMENT

Notwithstanding, Section 2 above, should it become necessary to change the language of this Agreement to meet HUD approval, without making major changes and without altering the intent of the Agreement, such changes may be made administratively by the city administrator of City. All remaining provisions of said Agreement shall remain in full force and effect for the term provided herein.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

MARION COUNTY, OREGON

CITY of DONALD

Jan Fritz
Chief Administrative Officer



Heidi Bell
City Administrator

Dated: _____

Dated: 7-14-2020

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APPROVED AS TO FORM AND CERTIFIED THAT
THE TERMS AND PROVISIONS OF THIS
AGREEMENT ARE FULLY AUTHORIZED UNDER
STATE AND LOCAL LAWS AND THAT THIS
AGREEMENT PROVIDES FULL LEGAL
AUTHORITY FOR THE COUNTY TO UNDERTAKE
THE ACTIONS DESCRIBED HEREIN.

Jane Vetto
County Counsel

Dated: _____