

COOPERATION AGREEMENT
HOUSING AND COMMUNITY DEVELOPMENT ACT 1974, AS AMENDED
COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME INVESTMENT
PARTNERSHIPS ACT PROGRAMS
(CONTRA COSTA COUNTY AND THE CITY OF RICHMOND)

This Cooperation Agreement is dated as of December __, 2015 and is between the COUNTY OF CONTRA COSTA, a political subdivision of the State of California (the "County") and the CITY OF RICHMOND, a charter city and municipal corporation of the State of California that is located within the boundaries of the County of Contra Costa, (the "City").

RECITALS

- A. The Congress of the United States has enacted the Housing and Community Development Act of 1974, as amended (the "CDBG Act"). Title 1 of the Act consolidates previously separate grant programs for open space, public facility loans, water and sewer grants, urban renewal, model cities and rehabilitation loans. Also, Title 1 makes available entitlement grants to (1) cities whose population exceeds 50,000 and (2) counties that qualify as an urban county. The CDBG Act's term "urban county" means any county within a metropolitan area that (A) is authorized under State law to undertake essential community development and housing assistance activities in its unincorporated areas, which are not units of general local government, and (B) has a combined population of 200,000 or more (excluding the population of metropolitan cities therein) in such unincorporated areas and in its included units of local government (i) in which it has authority to undertake essential community development and housing assistance activities and which do not elect to have their population excluded or (ii) with which it has entered into cooperation agreements to undertake or to assist in the undertaking of essential community development and housing assistance activities. In the alternative, a county qualifies as an urban county if it has a total population that is at least 100,000 but less than 200,000 from the unincorporated areas and participating incorporated areas, provided that, in the aggregate, those areas include the majority of persons of low and moderate income that reside in the county, (outside of any metropolitan cities).
- B. The Congress of the United States has enacted the Cranston-Gonzales National Housing Act of 1990 ("HOME Act") in order to increase housing for very low and low income households.
- C. Twelve cities in the County of Contra Costa have a population of less than 50,000. Certain of these cities may join with the County to form a combined population of 200,000 or more, thereby qualifying as an urban county that is eligible for an entitlement of Community Development Block Grant (CDBG) funds and of HOME Investment Partnerships Act funds (HOME). Seven cities in the County of Contra Costa have a population of more than 50,000. Two of these cities participate in the urban county.

- D. The City has a population of more than 50,000. The City has been a CDBG and HOME entitlement jurisdiction with an annual allocation of approximately \$1,000,000 in CDBG funds and \$400,000 in HOME funds.
- E. The County and the City desire to engage in housing and community development activities as authorized under the CDBG Act and HOME Act. The County and the City do hereby find and determine that it is to the best interest of the residents of the unincorporated area of the County and the residents of the City that housing and community development activities be performed jointly in accordance with the provisions of this agreement. This Cooperation Agreement covers both the CDBG Entitlement Program and the HOME program.

The parties therefore agree as follows:

AGREEMENT

1. Cooperation. The City and County agree to cooperate to undertake, or assist in undertaking, community renewal and lower income housing activities (each activity, a "program") in fiscal years 2016/17 and 2017/18, in compliance with the five-year Consolidated Plan and annual Action Plan, as may be amended to include eligible activities within the jurisdictional boundaries of the City of Richmond, that include community development objectives and projected use of funds, as submitted to the Federal Department of Housing and Urban Development (HUD) and as provided in this agreement. The County has the authority to carry out activities funded under this program, including any activities funded from program income generated from the expenditure of such funds.
2. Activities. Eligible community development and housing assistance activities are hereby defined for purposes of this agreement to be those designated in Title I of the CDBG Act and in Title I of the HOME Act and the regulations issued thereto. Appropriate eligible activities will be included in the Annual Action Plan adopted by the County's Board of Supervisors pursuant to the CDBG Act and the HOME Act. The County has the full responsibility, and all the obligations, of an applicant under CDBG Act and the HOME Act. The County's obligations and responsibilities include submitting to the Federal Department of Housing & Urban Development (HUD) an annual Action Plan on the projected use of funds, an approved Consolidated Plan and certain assurance or certifications required by the CDBG Act and the HOME Act and regulations adopted pursuant thereto.
3. Information. The City shall provide the County with all information concerning the City that the County requires to prepare its submissions to HUD and to develop an analysis of needs, set objectives, and prepare a community development program, plans and budget. All information required by the County is to be submitted in the form prescribed by the County no later than the dates specified by the County. The County is not liable to the City for any failure to include the City in the documents submitted to HUD.
4. Compliance. The County and the City shall take all actions necessary to assure compliance with the urban county's certification required by the HOME Act and Section 104(b) of Title I

of the Housing and Community Development Act of 1974, as amended, including provisions of Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, the Fair Housing Act and other applicable laws. The County and the City shall take all actions necessary to assure compliance with Section 109 of Title 1 of the Housing and Community Development Act of 1974, which incorporates Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975. With respect to the program within its boundaries, the City shall comply with all requirements of the CDBG Act and the HOME Act, as well as the regulations, guidelines, bulletins and circulars that are issued pursuant thereto. The City shall provide the County with all records, documents, certifications and funding activities in, or in support of, any cooperating units of general local government that does not affirmatively further fair housing within its own jurisdiction or that impedes the County's actions to comply with its fair housing certification. All information is to be submitted in the form prescribed by the County. The City agrees to make available upon request all records concerning the program for inspection by the County or Federal officials during regular business hours.

Pursuant to 24 CFR 570.501(b), the City is subject to the same requirements applicable to subrecipients, including the requirement of a written agreement set forth in 24 CFR 570.503. As the applicant, the County has responsibility for ensuring that CDBG funds are used in accordance with all performance standards established under agreements and procurement contracts, and for taking appropriate action when performance problems arise. Therefore, before disbursing any CDBG funds for projects in the City of Richmond, the County and the subrecipient shall enter into a written agreement for each individual project.

5. Prior City Obligations. The County is not responsible for carrying out or concluding any activities or corrective actions that are City obligations under its current or prior HUD contracts. All such City obligations are “Excluded Obligations.” Excluded Obligations include, but are not limited to, payments under any contracts with City subrecipients, payments to cure HUD sanctions, and payments due under any existing Section 108 loans. The City may apply to the County to use CDBG funds to make Section 108 loan payments; however, the County is not obligated to approve such use of CDBG funds.
6. Program Income. The City shall inform the County of any CDBG and HOME income received by the City that is generated by activities funded pursuant to this agreement. The City shall pay all program income that is generated by activities pursuant to this agreement to the County or, with prior written approval of the County, shall use CDBG program income for eligible CDBG activities. To allow the County to comply with its monitoring and reporting responsibilities to HUD, the City shall (i) keep appropriate accounting records regarding any program income and (ii) report to the County quarterly, starting with October 15, 2016.
7. Real Property. The City shall notify the County of any disposition of, or modification or change in the use of any real property acquired or improved with CDBG funds. The City shall reimburse the 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 that does not qualify under

the CDBG regulations. Program income generated from the disposition or transfer of property acquired or improved with CDBG funds is to be reported and handled as set forth in Section 6. This Section 7 and the requirements herein shall apply only to real property acquired or improved with CDBG funds received by the City through the County pursuant to this agreement.

8. Indemnification. The City shall defend, save, hold harmless and indemnify the County, its officers, agents and employees from all liabilities and claims for any fines, penalties, bodily injury, death, sickness or damages of any type from any cause whatsoever that arises from or is connected with (i) the City's failure to comply with any requirement of the CDBG Act and the HOME Act or the regulations, guidelines, bulletins or circulars that are issued pursuant thereto, and (ii) any City activity that is financed by funds granted hereunder pursuant to the CDBG Act and the HOME Act. Without limiting the foregoing, the provisions of this paragraph apply fully in the event the City participates in the Section 312 Federal Rehabilitation Loan Program in conjunction with the Community Development Block Grant and HOME Investment Partnerships Act programs.
9. Fund Distribution. The County shall distribute funds received under CDBG Act and the HOME Act for fiscal years 2016/17 and 2017/18 or the forty-third, and forty-fourth program years for the undertaking of essential community development and housing assistance activities throughout the Urban County. The County shall distribute funds within the City received under the CDBG Act and the HOME Act if essential community development and housing assistance activities are to be undertaken within the territorial limits of the City. The County cannot guarantee the specific proportion of funds that will be distributed within the jurisdictional boundaries of the City of Richmond in any given year. The County and subrecipient under Section 24 CFR 570.503 of the program regulations are required to enter into a written agreement to implement activities prior to disbursement of any CDBG funds.
10. Effective and Termination Dates. This agreement is effective as of the date shown in the introductory paragraph and shall continue in full force and effect through the forty-third and forty-fourth community development program years, or fiscal years 2016/17 and 2017/18 covered by the County's Action Plan of Community Development activities and projected use of funds and so long as the essential community development and housing assistance activities are being undertaken in accordance with this agreement.

This agreement will automatically be renewed for participation in successive three-year qualification periods, unless the County or the City provides written notice it elects not to participate in a new qualification period. A copy of the notice must be sent to the HUD Field Office. By the date specified in HUD's urban county qualification notice for the next qualification period, the County will notify the City in writing of its right to make such election. A copy of the County's notification will be sent to the HUD Field Office by the date specified in the urban county qualification notice.

Failure by either party to adopt an amendment to the agreement incorporating all 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, and to submit the amendment to HUD as provided in the urban county qualification notice will void the automatic renewal of such qualification period.

This agreement is in effect until the CDBG and HOME funds and income received with respect to the three-year qualification period (and any successive qualification periods which are automatically renewed) are expended and the funded activities completed, and the County and City may not terminate or withdraw from this agreement while this agreement remains in effect.

11. Subsequent Years. Nothing in this agreement is to be construed as requiring the City to provide the County with any information necessary for the preparation of a subsequent Statement of Community Development activities and projected use of funds for the forty-fifth, forty-sixth, and forty-seventh program years. Should the County desire to qualify as an urban county for subsequent fiscal years, the City shall have the option of choosing whether to continue its participation with the County.

12. City Policies. The City has adopted and is enforcing the following policies:

- 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 the entrance to or the exit from a facility or location that is the subject of nonviolent civil rights demonstrations within its jurisdiction.

13. Inclusive Programs. By executing this agreement, the City understands the following:

- a. The City may not apply for grants under the Small Cities or State CDBG Programs from appropriations for fiscal years during the period in which it is participating in the County's CDBG program.
- b. The City may not participate in a HOME consortium except through the urban county, regardless of whether the County receives a HOME formula allocation.

14. Representatives.

- a. The City designates the City Manager, or his or her designee, as the person to whom the County should send all notices and communications that concern anything discussed in this agreement or that is relevant to this agreement.
- b. The County designates the Department of Conservation and Development Director, or his or her designee, as the person to whom the City should send all notices and communications that concern anything discussed in this agreement or that is relevant to this agreement.

15. Changes in Law or Regulations. Any change or amendment to Federal or State law or regulations that affects the subject matter of this agreement is to be considered to be immediately incorporated into the agreement and fully effective as if set forth in this agreement.

16. Funds Not Transferrable. The grantee or unit of general/local government that directly or indirectly receives CDBG funds may not sell, trade, or otherwise transfer any portion of such funds to another metropolitan city, urban county, unit of general/local government, Indian tribe, or insular area that directly or indirectly receives CDBG funds in exchange for any other funds, credits or non-Federal considerations, and must use such funds for activities eligible under Title I of the Housing and Community Development Act of 1974, as amended. The County may not use CDBG funds in support of any cooperating unit of general local government that does not affirmatively further fair housing within its jurisdiction.

The parties are signing this agreement as of the date set forth in the introductory paragraph.

COUNTY OF CONTRA COSTA

CITY OF RICHMOND

By: _____
County Administrator

By: _____
Mayor

ATTEST:

ATTEST:

By: _____
Deputy Clerk

By: _____
City Clerk

Approved as to form:

By: _____
City Attorney