



COOPERATION AGREEMENT

BETWEEN

THE COUNTY OF SAN MATEO

AND

THE CITY OF SOUTH SAN FRANCISCO

Agency Contact Person:
Jack D. Marquis
HCD Specialist III
802-5035

COOPERATION AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND THE CITY OF SOUTH SAN FRANCISCO

THIS AGREEMENT entered into this _____ day of _____, 2005, by and between the COUNTY OF SAN MATEO, a political subdivision of the State of California, hereinafter referred to as "County", and the CITY OF SOUTH SAN FRANCISCO, a duly incorporated City within the County of San Mateo, hereinafter referred to as "City".

WITNESSETH

WHEREAS, in 1996, San Mateo County entered into a Cooperation Agreement (the "CDBG Cooperation Agreement") with 16 non-entitlement cities ("the cities"), herein jointly referred to as the "Urban County", whereby public entities not eligible to receive Community Development Block Grant (CDBG) funds on its own, could cooperate and participate in the San Mateo County Urban County Program in order to access CDBG funding; and

WHEREAS, the CDBG Cooperation Agreement, providing for automatic renewals every three years between the County of San Mateo and the cities, was renewed in 1999, 2002, and will renew again on July 30, 2005, unless action is taken by any of the cities to terminate; and

WHEREAS, in addition to being eligible to apply for CDBG funds through the Urban County's annual CDBG funding cycle, the cities are also eligible to participate in the County's HOME funding cycle since the Urban County is a member of the San Mateo County HOME Consortium; and

WHEREAS, the National Affordable Housing Act of 1990, Public Law 101-625, enacted November 28, 1990, provides for the distribution of federal funds through the HOME Investment Partnerships Act to eligible public entities; and

WHEREAS, those public entities which are eligible to receive said funds are metropolitan cities, urban counties, or consortia whose formula allocation for distribution of HOME funds is equal to or greater than \$500,000; and

WHEREAS, public entities that do not otherwise come within the definition of an eligible public agency may cooperate and participate with an eligible public entity to form a HOME Consortium for purposes of receiving HOME funds; and

WHEREAS, the County of San Mateo along with 16 participating cities, has heretofore qualified as an Urban County under the Housing and Community Development Act of 1974 and is eligible under the formula allocation to receive HOME funds; and

WHEREAS, the County has solicited the cooperation and co-participation of public entities, eligible to receive HOME funding on its own, such as South San Francisco to establish a San Mateo HOME Consortium for purposes of receiving HOME funds under the National Affordable Housing Act and promoting affordable housing; and

WHEREAS, City desires to cooperate and co-participate with County in a Consortium for purposes of receiving HOME funds and promoting affordable housing; and

WHEREAS, County as the Lead Entity for the HOME Consortium is authorized to amend the Consortium Agreement, apply for funding, or add new members to the Consortium

on behalf of the HOME Consortium; and

WHEREAS, a Cooperation Agreement by and between City and County establishes the formal relationship to cooperate and co-participate as a Consortium and is specifically authorized under the provisions of Government Code Section 26227; and

WHEREAS, Federal regulations 24 CFR Part 92 governing the Home Investment Partnership Act state that the Cooperation Agreement must be completed and submitted by June 30, 2005; and

WHEREAS, City now desires to enter into the instant Cooperation Agreement with the County of San Mateo so that they may qualify, under applicable provisions of the National Affordable Housing Act and HUD regulations, as co-participant with County in eligible activities under the National Affordable Housing Act.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, the parties hereto agree as follows:

1. Purpose: This Agreement is for the purpose of enabling the County and City to continue to cooperate in undertaking, or assisting in undertaking, public-private partnerships to provide more affordable housing within San Mateo County through the use of HOME funds to carry out multi-year housing strategies through acquisition, rehabilitation, new construction of housing, tenant-based rental assistance and financing of rental housing and first-time homeowners programs, primarily to benefit low and very low income households. Accordingly, they agree and declare that they are a Consortium (the "Consortium") as herein described.

2. Term: The term of this agreement shall be for the Federal fiscal years 2006, 2007 and 2008, unless HUD earlier revokes the Consortium's designation as a participating jurisdiction. This agreement shall remain in effect until the HOME funds from each of the Federal fiscal years are closed out pursuant to Federal regulation 24 CFR 92.507.

This Agreement shall renew automatically every three years for a new three year period on the same terms and conditions contained herein unless the Consortium membership has changed or a consortium member (e.g., the City) expressly chooses not to participate and submits a written request to that effect. No later than June 1, of the fiscal year prior to the beginning of the next successive three-year renewal (or such other date that may be specified in HUD's consortia designation notices), the County as lead entity of the Consortium, shall notify each consortium member in writing of its right to not participate for the up-coming three-year period. A member who chooses not to participate must notify the County in writing no later than June 15, of that year. If the County fails to give the required notice, this Agreement shall not automatically renew for the up-coming three year period.

3. Consortium Representative: The County of San Mateo is authorized to act in a representative capacity for all Consortium member units of general local government (including City) for the purposes of the HOME program.

4. Consortium Responsibility:

a. Consortium Representative's Responsibility: County, as designated representative of the Consortium, has the ultimate and overall responsibility, under the Act, and in the view of HUD, for ensuring that the Consortium's HOME program is carried out in compliance with the requirements of 24 CFR Part 92, including the submission of a Program Description for the use of HOME funds which has been mutually agreed upon by City and County, and for providing all assurances or certifications required under 24 CFR Part 92. The Program Description sets forth the Consortium's estimated use of HOME funds (consistent with needs identified in its approved consolidated housing strategy) within each of the eligible activity categories. Therefore, County requires City, and City agrees to, strict adherence to the Program Description as approved, and to all assurances and certifications provided, including agreeing to take all actions necessary to assure compliance with the County's certifications under the Fair Housing Act; Executive Order 11063 (Equal Opportunity in Housing) and Title VI of the Civil Rights Act of 1964; and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. County shall not provide HOME 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 the County's actions to comply with its fair housing certification. In addition, the County and City are responsible for taking all required actions to comply with the provisions of the National Environmental Policy Act of 1969.

b. City Subject to Same Requirements as Subrecipients: Pursuant to 24 CFR 92.504(a), City is subject to the same requirements applicable to subrecipients, including the requirement of a written agreement set forth in 24 CFR 92.504(b). County, as Consortium representative, has the responsibility for ensuring that HOME 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 HOME funds to City or projects in City, County will require City, and City agrees to, enter into a written agreement for each individual project.

5. Membership: The County of San Mateo is authorized to amend the Consortium Agreement on behalf of the entire consortium to add new members to the Consortium. The City and all other Consortium members agree to be bound by any such amendments.

6. Equal Employment Opportunities: Under County's ultimate supervision and responsibility as Consortium representative, City covenants and agrees that they will abide by and enforce all applicable equal employment requirements including, but not limited to, Executive Order 11246 (Equal Employment Opportunities Act).

7. County's Responsibility to City: In addition to the foregoing obligations, County agrees:

a. As Consortium representative, County shall, in preparing future plans under the National Affordable Housing Act, solicit to the extent allowed by the Act and all HUD regulations, City's participation in the development of such future plans which refer to City's activities under the Act.

b. As Consortium representative, County agrees to distribute funding it receives from the Consortium's current plan application and in future plans, in accordance with the terms and provisions therein contained, or in accordance with such terms and conditions as required of HUD by the National Affordable Housing Act. As Consortium representative, the County recognizes that City has specific geographical housing needs that are described in the Consolidated Housing & Community Development Plan, representing approximately 14-16% of the Consortium's needs as defined by HUD allocation formulas. Accordingly, the County will consider these needs in the distribution of the annual HOME funds.

c. As Consortium representative, County agrees to allocate one percent (1%) of the Consortium's total annual allocation to City for general administration activities.

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 the Consortium's plans only in accordance with the terms and conditions stated therein, or as amended by HUD.

b. City agrees to cooperate with County as Consortium representative in the development of future plan applications for HOME funds under the Act, with regard to affordable housing development activities to be continued or undertaken by City within its boundaries.

c. City agrees, in return for the distribution of general administration funds, to participate in the preparation of the Consolidated Housing & Community Development Plan, prepare annual reports as they relate to City, and to perform other activities pertinent for Entitlement Cities participating in the HOME program.

9. Local HOME Investment Trust Fund:

a. As Consortium representative, County must establish a local HOME Investment Trust Fund account.

b. Any repayments of HOME funds and matching, contributions and any payment of interest or other return on the investment of HOME funds and matching contributions must be placed in the local HOME Investment Trust Fund account.

c. County has the responsibility for monitoring and reporting to HUD on the use of any such local HOME Investment Trust Fund monies and County shall require appropriate record keeping and reporting by City as may be needed for this purpose.

d. In the event of close-out or change in status of City, any HOME program income that is on hand or received subsequent to the close-out or change in status shall be paid into the local HOME Investment Trust Fund administered by the County as Consortium representative.

10. Fair Housing: The parties hereto agree to affirmatively further fair housing , which means they will conduct an analysis of impediments to fair housing choice within their jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

11. Headings: The headings in this document are merely for the convenience of the parties, and do not form a material part of this document. Headings shall not be considered in the construction of this document.

12. Minor Amendments to the Agreement: 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 this Agreement, such changes may be made administratively with the written consent of the City Manager of City and the County Manager. All remaining provisions of said agreement shall remain in full force and effect for the term provided herein.

13. Signature in Counterpart: This Agreement may be executed in counterparts, each part of which is deemed an original but all of which shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written and have affixed their hands to this Cooperation Agreement.

COUNTY OF SAN MATEO

Rich Gordon, President Board of
Supervisors, San Mateo County

ATTEST:

Clerk of Said Board

CITY OF SOUTH SAN FRANCISCO

City Manager

ATTEST:

City Clerk