

24A) **Approval of an Amendment to the Community Development Block Grant (CDBG)
Joint Recipient Cooperative Agreement for Federal Fiscal Years 2024, 2025, and
2026**

Authorize the Mayor to execute an amendment to the Joint Recipient Cooperation Agreement with the County of Riverside to satisfy HUD requirements.



URGENT ITEM AGENDA REPORT
Government Code Section 54954.2(b)(2)

THIS ITEM IS NOT LISTED ON THE SEPTEMBER 12, 2023 REGULAR CITY COUNCIL MEETING AGENDA AND MAY BE ACCEPTED FOR THE AGENDA AS A LATE ITEM, SUBJECT TO THE CITY COUNCIL'S DISCRETION ACCORDING TO GOVERNMENT CODE SECTION 54954.2(b)(2)

Item Description: **Amendment to the Community Development Block Grant (CDBG) Joint Recipient Cooperative Agreement for Federal Fiscal Years 2024, 2025, and 2026**

This item is submitted to the City Council pursuant to Government Code Section 54954.2(b)(2):

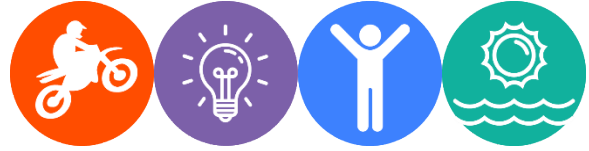
There is a need to take immediate action and the need for action came to the attention of the local agency subsequent to the agenda for this meeting being posted.

Recommendation: Add this item to the City Council Consent Calendar Agenda.

To add this item to the Agenda, requires a two-thirds vote of the City Council. If the item is added, it will be included on the City Council Consent Calendar and must be passed by the standard required majority vote. The Consent Calendar Staff Report is attached

Facts supporting the addition of the item to the agenda under Section 54954.2(b):

On July 11, 2023, the City Council approved a Joint Recipient Cooperation Agreement with the County of Riverside to participate in the Urban County Community Development Block Grant (CDBG) program for Fiscal Years 2024-2025, 2025-2026, and 2026-2027. The United States Department of Housing and Urban Development (HUD) requires additional language regarding compliance with federal statutes, regulations and other applicable laws. To satisfy HUD's requirements, the County has requested all participating jurisdictions to sign the proposed Amendment. Staff was notified after the September 12 Agenda was posted that the deadline to submit the approved Amendment is this Friday, September 15. The proposed Amendment does not change the basic terms or the dollar amounts of the Agreement.



REPORT TO CITY COUNCIL

To: Honorable Mayor and Members of the City Council

From: Jason Simpson, City Manager

Prepared by: Shannon Buckley, Assistant City Manager

Date: September 12, 2023

Subject: **Approval of an Amendment to the Community Development Block Grant (CDBG) Joint Recipient Cooperative Agreement for Federal Fiscal Years 2024, 2025, and 2026**

Recommendation

Authorize the Mayor to execute an amendment to the Joint Recipient Cooperation Agreement with the County of Riverside to satisfy HUD requirements.

Background

On July 11, 2023, the City executed a Joint Recipient Cooperation Agreement with the County of Riverside allowing the City to participate in the Urban County Community Development Block Grant program for Fiscal Years 2024-2025, 2025-2026, and 2026-2027.

Discussion

In order to be compliant with the United States Department of Housing and Urban Development (HUD) requirements, the County has presented an Amendment with the following provisions:

1. Paragraph 4 – Compliance with Federal Statutes, Regulations and Other Applicable Statutes, Regulations and Ordinances
2. Paragraph 28 – Prohibition of CDBG Fund Transfer
3. Added Paragraph – Electronic Signature

Fiscal Impact

The proposed Amendment does not change the basic terms or the dollar amounts of the Agreement. Although the funding levels that will be awarded by HUD for Federal Fiscal Years 2024, 2025, and 2026 are unknown at this time, execution of the Amendment guarantees that the City will be entitled to continued CDBG Program resources allocated by HUD and administered by the County under the Joint Recipient Cooperation Agreement (Metropolitan City).

Attachments

Attachment 1 - Amendment - Joint Metro Cooperation Agreement 2024-2026.

Exhibit A - Joint Recipient Cooperative Agreement FY 2024-25, 2025-26, & 2026-27 CDBG Funds

**AMENDMENT TO JOINT RECIPIENT
COOPERATION AGREEMENT
FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT,
FOR FISCAL YEARS 2024-25, 2025-26, 2026-27**

THIS Amendment to the Joint Recipient Cooperation Agreement for the Community Development Block Grant for Fiscal Years 2024-25, 2025-26, 2026-27, hereinafter referred to as "Amendment to Agreement" is made and entered into this _____ day of _____ 2023, by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California, hereinafter referred to as "COUNTY", and CITY OF LAKE ELSINORE, an incorporated municipality within the geographical boundaries of the COUNTY, hereinafter referred to as "CITY." City and County individually referred to herein as "Party" and collectively as the "Parties."

WHEREAS, COUNTY and CITY entered into that certain Joint Recipient Cooperation Agreement for the Community Development Block Grant for Fiscal Years 2024-25, 2025-26, 2026-27, dated August 4, 2023 ; and

WHEREAS, COUNTY and CITY now desire to Amend the Agreement to include mandatory language that clearly delineates the fair housing and civil rights obligations to which urban counties and participating jurisdictions are subject.

NOW THEREFORE, the parties agree to amend the Joint Recipient Cooperation Agreement for the Community Development Block Grant, for fiscal years 2024-25, 2025-26, and 2026-27 as follows:

1. COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND OTHER APPLICABLE STATUTES, REGULATIONS AND ORDINANCE.
 - a. COUNTY and CITY agree to cooperate to undertake, or assist in undertaking, community renewal and lower-income housing assistance activities.

- 1 b. COUNTY and CITY agree to take all actions necessary to assure compliance with the
2 urban county's certification under section 104(b) of Title I of the Housing and Community
3 Development Act of 1974, that the grant will be conducted and administered in conformity
4 with Title VI of the Civil Rights Act of 1964, and the implementing regulations at 24 CFR
5 part 1, and the Fair Housing Act, and the implementing regulations at 24 CFR part 100,
6 and will affirmatively further fair housing. See 24 CFR § 91.225(a) and Affirmatively
7 Furthering Fair Housing Definitions and Certifications (86 FR 30779, June 10, 2021), to
8 be codified at 24 CFR 5.151 and 5.152; and available at
9 [https://www.federalregister.gov/documents/2021/06/10/2021-12114/restoring-](https://www.federalregister.gov/documents/2021/06/10/2021-12114/restoring-affirmatively-furthering-fair-housing-definitions-and-certifications)
10 [affirmatively-furthering-fair-housing-definitions-and-certifications](https://www.federalregister.gov/documents/2021/06/10/2021-12114/restoring-affirmatively-furthering-fair-housing-definitions-and-certifications).
11 c. COUNTY and CITY agree to comply with section 109 of Title I of the Housing and
12 Community Development Act of 1974, and the implementing regulations at 24 CFR part
13 6, which incorporates Section 504 of the Rehabilitation Act of 1973, and the implementing
14 regulations at 24 CFR part 8, Title II of the Americans with Disabilities Act, and the
15 implementing regulations at 28 CFR part 35, the Age Discrimination Act of 1975, and the
16 14 implementing regulation at 24 CFR part 146, and Section 3 of the Housing and Urban
17 Development Act of 1968.
18 d. COUNTY AND CITY agree to comply with other applicable laws.
19 e. COUNTY AND CITY agree that CDBG urban county funding is prohibited for activities
20 in, or in support of, any cooperating unit of general local government that does not
21 affirmatively further fair housing within its own jurisdiction or that impedes the county's
22 actions to comply with the county's fair housing certification.
23 .

24 **2. PROHIBITION OF CDBG FUND TRANSFERS**

25 The CITY may not sell, trade, or otherwise transfer all or any portion of the CDBG funds
26 to another such cooperating city, metropolitan city, urban county, or Indian tribe, that
27
28

1 **directly or indirectly** receives CDBG funds in exchange for any other funds, credits, or
2 non-Federal considerations, CITY must use the CDBG funds for activities eligible under
3 Title I of the ACT.

4
5 3. ELECTRONIC SIGNATURE

6 Each party of this Amendment to Agreement agrees to the use of electronic signatures,
7 such as digital signatures that meet the requirements of the California Uniform Electronic
8 Transactions Act (“CUETA”) Cal. Civ. Code §§ 1633.1 to 1633.17), for executing this
9 Agreement. The parties further agree that the electronic signatures of the parties included
10 in this Agreement are intended to authenticate this writing and to have the same force and
11 effect as manual signatures. Electronic signature means an electronic sound, symbol, or
12 process attached to or logically associated with an electronic record and executed or
13 adopted by a person with the intent to sign the electronic record pursuant to the CUETA as
14 amended from time to time. The CUETA authorizes use of an electronic signature for
15 transactions and contracts among parties in California, including a government agency.
16 Digital signature means an electronic identifier, created by computer, intended by the party
17 using it to have the same force and effect as the use of a manual signature, and shall be
18 reasonably relied upon by the parties. For purposes of this section, a digital signature is a
19 type of "electronic signature" as defined in subdivision (i) of Section 1633.2 of the Civil
20 Code.

21
22 In the event that any signature is delivered by facsimile or electronic transmission, such
23 signature shall create a valid and binding obligation of the party executing (or on whose
24 behalf such signature is executed) with the same force and effect as though such facsimile
25 or electronic signature page were an original thereof.

26 The Parties may sign in writing or by electronic signature. An electronic signature,
27 facsimile copy, or computer image of a signature, will be treated, and will have the same
28 effect as, an original signature, and will have the same effect, as an original signed copy of
29 this document. This Acknowledgement may be amended or modified only by a written
30 instrument signed by authorized representatives of both Parties.

31 4. COUNTERPARTS

32 This Agreement may be executed in multiple counterparts, each of which shall be
33 deemed an original, but all of which, together, shall constitute one and the same
34 instrument.

35 **SIGNATURES ON FOLLOWING PAGE**

IN WITNESS WHEREOF, the COUNTY and CITY have executed this Amendment to Agreement on the date shown below.

Date: _____

COUNTY OF RIVERSIDE,
a political subdivision of the
State of California

CITY OF _____,
a general law city

BY: _____
Heidi Marshall, Director
Housing and Workforce Solutions

BY: _____
Mayor

APPROVED AS TO FORM:
Minh C. Tran, County Counsel

ATTEST:

By: _____
Paula S. Salcido, Deputy County Counsel

BY: _____
City Clerk

APPROVED AS TO FORM:

BY: _____
City Attorney

1
2
3 COUNTY COUNSEL CERTIFICATION
4

5 The Office of County Counsel of the County of Riverside confirms that the County of
6 Riverside is authorized to undertake essential community development and housing assistance
7 activities in its unincorporated areas, if any, which are not units of general local government.

8 Cooperation Agreements have been executed and written consent and authorization of the
9 governing body of units of general local governments has been property obtained and provided
10 to U.S. Department of Housing and Urban Development for City of Beaumont, City of
11 Wildomar, City of San Jacinto, City of Rancho Mirage, City of Norco, City of La Quinta, City of
12 Eastvale, City of Desert Springs, City of Coachella, City of Canyon Lake, City of Calimesa, City
of Blythe and City of Banning.

13 Joint Recipient Agreements have been executed and written consent and authorization of
14 the governing body of units of general local governments has been property obtained and
15 provided to U.S. Department of Housing and Urban Development for City of Murrieta and City
16 of Lake Elsinore.

17 The Office of County Counsel of the County of Riverside hereby certifies that the terms
18 and provisions of the Agreement and Amendment to Agreement are fully authorized under state
19 and local law and that the Agreement and Amendment to Agreement provides full legal authority
20 for the County to undertake, or assist in undertaking, essential community development and
21 housing assistance activities specifically urban renewal and publicly assisted housing.

22 Minh C. Tran
23 County Counsel

24 By: _____
25 Deputy, Paula S. Salcido
26
27
28

**JOINT RECIPIENT COOPERATION AGREEMENT
FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT
FOR FISCAL YEARS 2024-25, 2025-26, 2026-27**

This Joint Recipient Cooperation Agreement for the Community Development Block Grant for Fiscal Years 2024-25, 2025-26, 2026-27, hereinafter referred to as "Agreement" is made and entered into this 4th day of August 2023, by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California, hereinafter referred to as "COUNTY", and CITY OF LAKE ELSINORE, an incorporated municipality within the geographical boundaries of the COUNTY, hereinafter referred to as "CITY." City and County individually referred to herein as "Party" and collectively as the "Parties."

RECITALS

WHEREAS, the Housing and Community Development Act of 1974, as amended (42 U.S.C.A. § 5301 et seq.) (Public Law 93-383), hereinafter called "ACT", provides that Community Development Block Grant funds hereinafter referred to as "CDBG", may be used for the support of activities that provide decent housing, suitable living environments, and expanded economic opportunities principally for persons of low and moderate-income; and

WHEREAS, CDBG regulations require counties to re-qualify as an Urban County under the CDBG program every three years; and

WHEREAS, the CITY has attained Metropolitan City status under the "ACT" and has elected to accept its "Entitlement" status and participate in the COUNTY's Urban County program as a joint recipient;

WHEREAS, the execution of this Agreement is necessary to include CITY as a Metropolitan City under COUNTY's Urban County CDBG program.

NOW THEREFORE, in consideration of the mutual covenants herein set forth and the mutual benefits to be derived there from, the parties agree as follows:

1. GENERAL.

(a). This Agreement gives COUNTY authority to undertake, or assist in undertaking, activities for Fiscal Years 2024-25, 2025-26, and 2026-27, that will be funded from

1 the CDBG Entitlement program and from any program income generated from the expenditure of
2 such funds. COUNTY and CITY agree to cooperate, to undertake, or to assist in undertaking,
3 community renewal and lower-income housing assistance activities.

4 (b). COUNTY is qualified as an "Urban County" under the ACT. CITY, by
5 executing this Agreement, hereby gives notice of its election to participate in an Urban County
6 Community Development Block Grant program, hereinafter referred to as "CDBG program" or
7 "Urban County Program."

8 (c). By executing this Agreement, CITY understands that it may not apply for
9 grants from appropriations under the Small Cities or State CDBG Programs for fiscal years during
10 the period in which it participates in the Urban County's CDBG program.

11 (d). By executing this Agreement, CITY understands, acknowledges, and agrees
12 that it will receive no formula HOME fund allocation from the COUNTY'S Urban County
13 Program. Pursuant to 24 CFR 92.101, the CITY may elect to form a HOME Investment Partnership
14 Act (HOME) Consortium with the COUNTY in order to be considered for HOME funding through
15 the COUNTY. CITY may apply for HOME funds from the State of California, if permitted by the
16 State.

17 (e). By executing this Agreement, CITY understands, acknowledges, and agrees
18 that it will receive no formula Emergency Solutions Grant (ESG) funds from the COUNTY'S
19 Urban County Program but may apply for ESG funds from the State of California, if permitted by
20 the State.

21 2. TERM.

22 The term of this Agreement shall be for three (3) years commencing on July 1,
23 2024, and expiring on June 30, 2027, unless an earlier date of termination is fixed by U.S.
24 Department of Housing and Urban Development, hereinafter called HUD, pursuant to ACT. This
25 Agreement shall automatically renew for participation in successive three-year qualification
26 periods, unless COUNTY and CITY provide written notice it elects not to participate in a new
27 qualification period. In the event of termination, a notice shall be sent to the HUD Field Office.
28

1 Notwithstanding the above, the Parties agree that each Party shall adopt amendments to the
2 Agreement incorporating changes necessary to meet the requirement for cooperation agreements
3 set forth in an Urban County Qualification Notice that is applicable for any subsequent three-year
4 urban qualification period and shall submit such amendment to HUD as provide in the Urban
5 County Qualification Notice. The Parties agree that failure to comply shall void the automatic
6 renewal for such qualification periods.

7 During the term and any successive qualification periods should this Agreement
8 automatically renew, the terms of this Agreement shall remain in effect until the CDBG funds and
9 program income received with respect to activities carried out during the three-year qualification
10 period are expended and the funded activities completed. Furthermore, neither the COUNTY nor
11 the CITY may terminate or withdraw from this Agreement while it remains in effect.

12 3. PREPARATION OF FEDERALLY REQUIRED FUNDING
13 APPLICATIONS.

14 The County of Riverside Housing and Workforce Solutions, subject to approval of
15 COUNTY's Board of Supervisors, shall be responsible for preparing and submitting to the U.S.
16 Department of Housing and Urban Development (HUD), in a timely manner, all reports and
17 statements required by the ACT and the Federal regulations promulgated by HUD to secure
18 entitlement grant funding under the CDBG, HOME, and ESG programs. This duty shall include
19 the preparation and processing of COUNTY Housing, Community, and Economic Development
20 Needs Identification Report, Citizen Participation Plan, the County Five-Year Consolidated Plan,
21 One-Year Action Plan, Consolidated Annual Performance and Evaluation Report (CAPER), and
22 other related programs which satisfy the application requirements of ACT and its regulations.

23 4. COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND
24 OTHER APPLICABLE STATUTES, REGULATIONS AND ORDINANCES.

25 (a) COUNTY and CITY will comply with the applicable provisions of the
26 ACT and those Federal regulations promulgated by HUD pursuant thereto, as the same currently
27 exists or may hereafter be amended.
28

1 (b) The COUNTY and CITY are hereby obligated to take all actions
2 necessary to assure compliance with COUNTY's certification regarding affirmatively furthering
3 fair housing pursuant to Section 104 (b) of Title I of ACT, as amended.

4 (c) The COUNTY and CITY are hereby obligated to take all actions
5 necessary to assure compliance with Section 504 of the Rehabilitation Act of 1973 and the Age
6 Discrimination Act of 1975.

7 (d) COUNTY and CITY will comply with the applicable provisions of
8 the following: National Environmental Policy Act of 1969; Title VI of the Civil Rights Act of 1964
9 and Title VIII of the Civil Rights Act of 1968; the Fair Housing Act; Title 24 Code of Federal
10 Regulations part 570; Cranston-Gonzales National Affordable housing Act (Public Law 101-625);
11 Executive Order 11063, as amended by Executive Order 12259; Executive Order 11988; the
12 Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42
13 U.S.C. §4630, et. seq.); Section 109 of Title I of the ACT and implementing regulations at 24 CFR
14 part 6; the implementing regulations at 24 CFR part 8, Title II of the Americans with Disabilities
15 Act; the implementing regulations at 28 CFR part 35, the Age Discrimination Act of 1975; the
16 implementing regulations at 24 CFR part 136, and Section 3 of the Civil Rights Act of 1963, as
17 amended; and other Federal or state statute or regulation applicable to the use of CDBG, HOME
18 Investment Partnerships Act (enacted as Title II of the National Affordable Housing Act of 1990),
19 and Emergency Solutions Grant funds.

20 (e) CITY agrees that the Urban County Program funding for activities in, or in
21 support of, the CITY are prohibited if CITY does not affirmatively further fair housing within
22 CITY'S jurisdiction or impedes COUNTY actions to comply with its fair housing certification.

23 (f) CITY and COUNTY shall meet the citizen participation requirements of 24
24 CFR 570.301 and provide Urban County Program citizens with all of the following:

25 i. The estimate of the amount of CDBG funds proposed to be used for
26 activities that will benefit persons of low and moderate-income;
27
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1 ii. A plan for minimizing displacement of persons as a result of
2 activities assisted with CDBG funds and to assist persons actually displaced as a result of such
3 activities;

4 iii. A plan that provides for and encourages citizen participation, with
5 particular emphasis on participation by persons of low and moderate-incomes, residents of slum
6 and blighted areas, and of areas in which funds are proposed to be used, and provides for
7 participation of residents in low and moderate-income neighborhoods;

8 iv. Reasonable and timely access to local meetings, information, and
9 records relating to the grantee's proposed use of funds, as required by the regulations of the
10 Secretary, and relating to the actual use of funds under the ACT;

11 v. Provide for public meetings to obtain citizen views and to respond
12 to proposals and questions at all stages of the community development program, including at least
13 the development of needs, the review of proposed activities and review of program performance.
14 Meeting shall be held after adequate notice, at times and locations convenient to potential or actual
15 beneficiaries, and with accommodation for the disabled.

16 (g). CITY shall develop a community development plan, for the period of this
17 Agreement, which identifies community development and housing needs and specifies both short
18 and long-term community development objectives.

19 (h). CITY certifies, to the best of its knowledge and belief, that:

20 i. No Federal appropriated funds have been paid or will be paid, by or
21 on behalf of the CITY, to any person influencing or attempting to influence an officer or employee
22 of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a
23 Member of Congress, in connection with the awarding of any Federal contract, the making of any
24 Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and
25 the extension, continuation, renewal, amendment or modification of any Federal contract, grant,
26 loan or cooperative agreement.

27 ii. If any funds other than Federally-appropriated funds have been paid
28 or will be paid to any person for influencing or attempting to influence an officer or employee of

any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

iii. The CITY shall require that the language provided in Sections 4(e)(i) and 4(e)(ii) of this Agreement be included in the award documents for all sub-awards at all tiers (including subcontracts, sub- grants and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into.

(iv). In accordance with Section 519 of Public Law 101-144, (the 1990 HUD Appropriations Act), the CITY certifies that it has adopted and is enforcing 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, and that it has adopted and is 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 its jurisdiction.

5. COMPLIANCE WITH POLICY AND PROGRAM OBJECTIVES.

The COUNTY's Board of Supervisors have adopted policies and procedures to ensure efficient and effective administration of the CDBG program. COUNTY will provide these policies and procedures to CITY within a reasonable time after this Agreement's commencement date. COUNTY and City agree to comply with these said policies and program objectives and to take no actions to obstruct implementation of the approved 2024-2029 Five Year Consolidated Plan and the subsequent Five Year Consolidated Plan.

6. OTHER AGREEMENTS.

Pursuant to Federal regulations at 24 CFR 570.501(b), CITY is subject to the same requirements applicable to sub-recipients, including the requirement of a written agreement set forth in Federal regulations at 24 CFR 570.503. For each fiscal year during the term of this

1 Agreement, COUNTY and CITY shall enter into an additional agreement, commonly known as a
2 Metropolitan City Supplemental Agreement, that will have a term coinciding with a CDBG
3 Program Year and enumerate the project(s) CITY will implement with its entitlement funds. Said
4 Supplemental Agreement will set forth the time schedule for completion of said project(s) and any
5 funding sources, in addition to entitlement funds, that will be used in completing the project(s). If
6 substantial compliance with the completion schedule, due to unforeseen or uncontrollable
7 circumstances, cannot be met by CITY, the schedule for the project(s) may be extended by
8 COUNTY. If COUNTY determines that substantial progress toward drawdown of funds is not
9 made during the term of the Supplemental Agreement, the entitlement funds associated with the
10 project(s) may be reprogrammed by COUNTY, to other activities as determined by COUNTY,
11 after COUNTY provides appropriate written notice to CITY. COUNTY's decision not to extend
12 the completion schedule associated with the project(s), or to reprogram the entitlement funds
13 associated with the project(s), will not excuse CITY from complying with terms of this Agreement.

14 7. DETERMINATION OF PROJECTS TO BE FUNDED AND
15 DISTRIBUTION OF ENTITLEMENT FUNDS.

16 CITY agrees to submit to COUNTY in writing, no later than the date specified by
17 COUNTY prior to each program year, the activities that the CITY desires to implement with its
18 entitlement funds, said designation to comply with statutory and regulatory provisions governing
19 citizen's participation. Said designation is to be reviewed by the COUNTY's Housing and
20 Workforce Solutions to determine that the projects are eligible under Federal regulations for
21 funding and inclusion in the One Year Action Plan of the County's Five-Year Consolidated Plan
22 and consistent with both Federal and COUNTY policy governing use of Community Development
23 Block Grant (CDBG) funds.

24 In the event that CITY fails to submit to COUNTY the identified activities that the
25 CITY desires to implement with its entitlement funds by the date specified prior to each program
26 year, the COUNTY may determine the activities to be funded, without consent of the CITY,
27 consistent with both Federal and COUNTY policy governing use of Community Development
28 Block Grant (CDBG) funds.

1 Consistent with Sections 3, 4, 5, 6, and 7 of this Agreement, COUNTY's Board of
2 Supervisors will make the final determination of the distribution and disposition of all CDBG
3 funds received by COUNTY pursuant to the Act.

4 8. COMMUNITY DEVELOPMENT BLOCK GRANT MANUAL.

5 CITY warrants that those officers, employees, and agents, retained by it and
6 responsible for implementing projects funded with CDBG have received, reviewed, and will
7 follow the Community Development Block Grant Manual that has been prepared and amended by
8 COUNTY, which Manual is incorporated herein and made a part hereof by this reference.

9 9. REAL PROPERTY ACQUIRED OR PUBLIC FACILITY
10 CONSTRUCTED WITH CDBG FUNDS.

11 When CDBG funds are used, in whole or in part, by CITY to acquire real property
12 or to construct a public facility, CITY shall comply with the National Environmental Policy Act
13 of 1969 (42 U.S.C. § 4321, et seq.), the California Environmental Quality Act (Cal. Pub. Resources
14 Code § 21000, et seq.), the Uniform Relocation Assistance and Real Property Acquisition Policies
15 Act of 1970 (42 U.S.C. § 4630, et seq.), and California Government Code Sections 7260 et seq.,
16 as those laws may be amended from time-to-time and any Federal or state regulations issued to
17 implement the aforementioned laws.

18 In addition, the following is to occur:

19 (a) Title to the real property shall vest in CITY;

20 (b) The real property title will be held by or the constructed facility will be
21 maintained by the CITY for the approved use until five years after the date that the project is
22 reported as "Completed" within the annual Consolidated Annual Performance and Evaluation
23 Report.

24 (c) While held by CITY, the real property or the constructed facility is to be
25 used exclusively for the purpose for which acquisition or construction was originally approved by
26 COUNTY;

27 (d) CITY shall provide timely written notice to COUNTY of any action which
28 would result in a modification or change in the use of the real property purchased or improved, in

1 whole or in part, with CDBG or HOME funds from that planned at the time of acquisition or
2 improvement, including disposition.

3 (e) CITY shall provide timely written notice to citizens and opportunity to
4 comment on any proposed modification or change;

5 (f) Written approval from COUNTY must be secured if the property or the
6 facility is to be put to an alternate use that is or is not consistent with Federal regulations governing
7 CDBG funds;

8 (g) Should CITY desire during the five (5) year period to use the real property
9 or the constructed facility for a purpose not consistent with applicable Federal regulations
10 governing CDBG funds or to sell the real property or facility, then:

11 (i) If CITY desires to retain title, it will have to reimburse either COUNTY
12 or the Federal government an amount that represents the percentage of current fair market value
13 that is identical to the percentage that CDBG funds initially comprised to when the property was
14 acquired or the facility was constructed;

15 (ii) If CITY sells the property or facility, or is required to sell the property
16 or facility, CITY is to reimburse the COUNTY an amount that represents the percentage of
17 proceeds realized by the sale that is identical to the percentage that CDBG funds comprised of the
18 monies paid to initially acquire the property or construct the facility. This percentage amount will
19 be calculated after deducting all actual and reasonable cost of sale from the sale proceeds.

20 10. DISPOSITION OF INCOME GENERATED BY THE EXPENDITURE
21 OF CDBG FUNDS.

22 CITY shall inform COUNTY in writing of any income generated by the
23 expenditure of CDBG funds received by CITY from COUNTY. CITY may retain program income
24 so generated and may only be used for eligible activities, as determined by the COUNTY, in
25 accordance with all CDBG requirements, including all requirements for citizen participation.

26 The COUNTY is required by HUD to monitor and report the receipt and use of all
27 program income. CITY is required to track, monitor, and report any and all program income as
28 requested by COUNTY.

11. TERMINATION.

Except as provided for in Section 2, CITY and COUNTY cannot terminate or withdraw from this Agreement while it remains in effect.

12. NOTICES.

All correspondence and notices required or contemplated by this Agreement shall be delivered to the respective parties at the addresses set forth below and are deemed submitted two days after their deposit in the United States mail, postage prepaid:

COUNTY OF RIVERSIDE

Heidi Marshall, Director

County of Riverside HWS

P.O. Box 1528

Riverside, CA 92502

CITY OF

Jason Simpson, City Manager

City of Lake Elsinore

130 South Main Street

Lake Elsinore, CA 92530

13. AGREEMENT ADMINISTRATION.

The City Manager in the case of the City of Lake Elsinore, and the Director of Housing and Workforce Solutions, in the case of the County of Riverside, or their designee, shall administer the terms and conditions of this Agreement for their respective city or county.

14. COOPERATION; FURTHER ACT.

The PARTIES shall cooperate fully with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purpose of the Agreement.

15. NO THIRD-PARTY BENEFICIARIES.

1 This Agreement is made and entered into for the sole protection and benefit of the
2 PARTIES hereto and shall not create any rights in any third parties. No other person or entity shall
3 have any right or action based upon the provisions of the Agreement.

4 16. SECTION HEADINGS.

5 The Section headings herein are for the convenience of the PARTIES only and shall
6 not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the
7 provisions or language of this Agreement.

8 17. FORMER AGREEMENTS UTILIZING COMMUNITY
9 DEVELOPMENT BLOCK GRANT FUNDS BETWEEN COUNTY AND CITY.

10 All agreements between CITY and COUNTY regarding the use of CDBG funds for
11 fiscal years 1975-76 through fiscal years 2023-2024, and any Supplemental Agreements there
12 under, shall remain in full force and effect. If the language of this Agreement is in conflict or
13 inconsistent with the terms of any prior said agreements between CITY and COUNTY, the
14 language of this Agreement will be controlling.

15 18. INDEMNIFICATION

16 CITY agrees to indemnify, defend, and hold harmless COUNTY and its authorized
17 officers, employees, agents, and volunteers from any and all claims, actions, losses, damages,
18 and/or liability arising from CITY acts, errors or omissions and for any costs or expenses incurred
19 by COUNTY on account of any claim therefore, except where such indemnifications is prohibited
20 by law. CITY shall promptly notify COUNTY in writing of the occurrence of any such claims,
21 actions, losses, damages, and/or liability.

22 CITY shall indemnify and hold harmless COUNTY against any liability, claims,
23 losses, demands, and actions incurred by COUNTY as a result of the determination by HUD or its
24 successor that activities undertaken by CITY under the program(s) fail to comply with any laws,
25 regulations, or policies applicable thereto or that any funds billed by and disbursed to CITY under
26 this Agreement were improperly expended.

27 19. COMPLIANCE WITH LAWS AND REGULATIONS.
28

1 By executing this Agreement, the Parties hereby certify that they will adhere to and
2 comply with all Federal, state and local laws, regulations and ordinances.

3 20. ENTIRE AGREEMENT.

4 It is expressly agreed that this Agreement embodies the entire agreement of the
5 Parties in relation to the subject matter hereof, and that no other agreement or understanding,
6 verbal or otherwise, relative to this subject matter, exists between the Parties at the time of
7 execution.

8 21. SEVERABILITY.

9 Each paragraph and provision of this Agreement is severable from each other
10 provision and in the event any provision in this Agreement is held by a court of competent
11 jurisdiction to be invalid, void, or unenforceable, the remaining provision will never the less
12 continue in full force without being impaired or invalidated in any way.

13 22. ASSIGNMENT.

14 CITY shall not make any sale, assignment, conveyance or lease of any trust or
15 power, or transfer in any other form with respect to this Agreement, or delegate or assign any
16 interest in this Agreement without prior written approval of the County.

17 23. INTERPRETATION AND GOVERNING LAW.

18 This Agreement and any dispute arising hereunder shall be governed by and
19 interpreted in accordance with the laws of the State of California. This Agreement shall be
20 construed as a whole according to its fair language and common meaning to achieve the objectives
21 and purposes of the Parties hereto, and the rule of construction to the effect that ambiguities are
22 to be resolved against the drafting Party shall not be employed in interpreting this Agreement, all
23 Parties having been represented by counsel in the negotiation and preparation hereof.

24 24. WAIVER.

25 Failure by a Party to insist upon the strict performance of any of the provisions of
26 this Agreement by the other Party, or the failure by a Party to exercise its rights upon the default
27 of the other Party, shall not constitute a waiver of such Party's right to insist and demand strict
28 compliance by the other Party with the terms of this Agreement thereafter.

1 25. JURISDICTION AND VENUE.

2 Any action at law or in equity arising under this Agreement or brought by a Party
3 hereto for the purpose of enforcing, construing or determining the validity of any provision of this
4 Agreement shall be filed in the Superior Court of California, County of Riverside, State of
5 California, and the Parties hereto waive all provisions of law providing for the filing, removal or
6 change of venue to any other court or jurisdiction.

7 26. AMENDMENTS

8 No change, amendment, or modification to the Agreement shall be valid or binding
9 upon CITY or COUNTY unless such change, amendment, or modification is in writing and duly
10 executed. CITY and COUNTY agree to adopt any necessary amendments to this Agreement to
11 incorporate changes required by HUD as set forth in the Urban County Qualification Notice.
12 Amendments must be submitted to HUD as provided in the Urban County Qualification Notice
13 and failure to do so will void the automatic renewal for such qualification period.

14 27. SPECIAL PROVISIONS FOR METROPOLITAIN CITY/URBAN
15 COUNTY JOINT RECIPIENT:

16 (a) The CITY is part of the Urban County Program for purposes of planning
17 and implementation for the entire period of the Urban County Qualification for program years
18 2024-25, 2025-26, and 2026-27 under the CDBG program.

19 (b) HUD will consider the CITY as a unit of general local government that is
20 part of the COUNTY's Urban County program.

21 (c) HUD shall determine the annual amount of CDBG allocation to which the
22 CITY is entitled, and the COUNTY will be the grant recipient.

23 (d) The CITY's allocation will be that portion of the total annual allocation as
24 specified by written notice from HUD, less thirteen (13%) to be retained by the COUNTY for
25 administration of the Urban County CDBG program.

26 (e) In the event that the COUNTY receives supplemental CDBG funding from
27 HUD, pursuant to a national emergency, disaster, or economic recovery, the CITY will receive
28 its allocation of said supplemental CDBG funding if HUD has determined the CITY's portion of

1 **IN WITNESS WHEREOF**, the COUNTY and CITY have executed this Agreement on
2 the date shown below.

3
4 Date: 8/4/2023

5
6 COUNTY OF RIVERSIDE,
7 a political subdivision of the
8 State of California

9
10 BY: Heidi Marshall
11 Heidi Marshall, Director
12 Housing and Workforce Solutions

CITY OF LAKE ELSINORE,
a general law city

BY: Yolanda
Mayor

13
14 APPROVED AS TO FORM:
15 Minh C. Tran, County Counsel

16
17 By: Paula S. Salcido
18 Paula S. Salcido, Deputy County Counsel

ATTEST:

19
20 BY: [Signature]
21 City Clerk

22 APPROVED AS TO FORM:

23 BY: Barbara Fialdo
24 City Attorney

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Minh C. Tran
County Counsel

By:

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HWS HOUSING AND WORKFORCE SOLUTIONS

ENGAGE. ENCOURAGE. EQUIP.

August 7, 2023

Jason Simpson, City Manager
City of Lake Elsinore
130 South Main Street
Lake Elsinore, CA 92530

**SUBJECT: Executed Cooperation Agreement for Fiscal Years 2024, 2025,
and 2026 Urban County Qualification**
Community Development Block Grant, HOME Investment
Partnerships Program, and Emergency Solutions Grant.

Dear Ms. Simpson,

For your records, please find enclosed a fully executed copy of the Cooperation Agreement between your City and the County of Riverside.

This Cooperation Agreement becomes effective July 1, 2024, for the 2024-2025, 2025-2026, and 2026-2027 program years.

If you have any questions, please contact Susana Orozco at 951-955-5933.

Sincerely,

Susana Orozco
HWS Principal Development Specialist - CDBG/ESG Programs

Enclosure: Executed Cooperation Agreement