

**MOORPARK CITY COUNCIL  
AGENDA REPORT**

**TO:** Honorable City Council

**FROM:** Jessica Sandifer, Senior Management Analyst 

**DATE:** June 10, 2015 (City Council Meeting 06/17/15)

**SUBJECT:** Consider Draft 2016-2018 Cooperation Agreement with County of Ventura for Community Development Block Grant (CDBG) Funding

**BACKGROUND & DISCUSSION**

As the Council may recall, beginning in the 2010-11 grant year, the County of Ventura implemented a new process for allocation of funding for the County's CDBG entitlement area funds. This new process meant that the County took over primary responsibility for administration of the CDBG program. All applications for funds are made to the County and all final decisions are made by the County. Initially, as a part of the new process, the County requested input from the entitlement area cities on funding recommendations for those programs that affect their jurisdictions.

Beginning in the FY 2013/14 funding cycle, the Department of Housing and Urban Development (HUD) placed higher priorities on economic development programs, creating affordable housing, and assisting those who are homeless or at risk of becoming homeless with permanent housing opportunities and solutions. At the same time the County took on the responsibility for administering the Continuum of Care Funds (Homeless Funding) for the County. In light of the County's new responsibilities and HUD's new funding priorities, the County changed the process such that County staff reviews all the applications and makes funding recommendations and shares the recommendations with City staff to get feedback. This allows County staff to recommend those programs that meet the higher priority HUD goals for funding. If a City does not agree with County staff recommendations and cannot get reconsideration at the staff level, then we would need to attend a public hearing held by County staff and, subsequently, a Board of Supervisor's public hearing, to request reconsideration of the recommendation.

The City last signed a Cooperation Agreement with the County in 2007 for the 2007-2009 Agreement period. Every three years the County has renewed the existing cooperation Agreement via letter amendment. Under the new process, the County has

attempted to allocate funding according to the existing Cooperation Agreements, however, County staff has found that under HUD's new adoption of annually updated American Communities Survey data, it is difficult to track allocation of funds, which has increased the administrative burden of the County by creating a need to re-allocate funding mid-cycle. In consideration of the new process, County staff will not be renewing the cooperation agreements in their current form. New agreements have been drafted to incorporate HUD required language and articulate strategies to promote the effective and efficient use of CDBG resources. The new Cooperation Agreement no longer includes an allocation amount assigned to each City. Instead, the County staff is working toward a more flexible system to continue to ensure equitable services throughout the entitlement area.

Over the last three fiscal years, the County has worked to ensure that those Moorpark public service programs and projects that apply for CDBG funding are funded. Currently, Catholic Charities is the only social service program in Moorpark funded with CDBG funds. Catholic Charities services meet a HUD high priority need in that they provide services to those at-risk of becoming homeless and they are a good performer under the grant. County staff recommends Catholic Charities for funding each year. Under the new Agreement, as long as Catholic Charities continues to perform well and meet a high priority need, staff expects that they will continue to be funded. CDBG project funding has also been used to fund economic development programs via the EDC-VC, however, in Fiscal Year 14/15 and 15/16, no project funding was spent or is allocated in Moorpark. CDBG funding to the EDC-VC was stopped when the County of Ventura decided to fund it directly with General Fund monies to avoid some of the administrative burden associated with use of CDBG funds. The last CDBG funds the City applied for and received was used for the Ruben Castro Human Services Center project. Unfortunately, the high median income in the City makes it difficult for our public projects to meet the eligibility requirements. Staff has recently been informed that projects to make City facilities accessible under the Americans with Disabilities Act, may be eligible for funding since the population served by these improvements is considered by HUD to be a presumed beneficiary. Staff will continue to monitor City Capital Improvement Projects for CDBG eligible activities.

### **FISCAL IMPACT**

None.

### **STAFF RECOMMENDATION**

Approve the draft 2016-2018 Cooperation Agreement with the County of Ventura and authorize City Manager to sign the Agreement subject to final language approval of the City Manager.

### **ATTACHMENT**

1. FY 2015-2017 Draft CDBG Cooperation Agreement

# ATTACHMENT 1

## COOPERATION AGREEMENT

### COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

THIS COOPERATION AGREEMENT ("Agreement"), is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2015, by and between the COUNTY OF VENTURA, a political subdivision of the State of California (hereinafter called "COUNTY"), and the CITY OF MOORPARK, a municipal corporation located within Ventura County (hereinafter "CITY").

#### WITNESSETH:

WHEREAS, the United States Department of Housing and Urban Development (hereinafter "HUD") has notified COUNTY that it is considered to have the required qualifications (determination of essential powers) to participate in the Community Development Block Grant (CDBG) program as an Urban County as that term is defined in Title I of the Housing and Community Development Act of 1974, as amended, the HOME Investment Partnership (HOME), and Emergency Solutions Grants (ESG) Programs; and

WHEREAS, the CDBG qualification process requires that following HUD's determination that the County possesses the essential powers to participate in the CDBG program as an Urban County, that the units of general local government within the COUNTY be notified of their opportunity to participate in the COUNTY's program by entering into a Cooperation Agreement with the designated Urban County; and

WHEREAS, such Cooperation Agreements provide that the unit of general local government and the COUNTY will cooperate in community development and housing assistance activities and that the area and population of the unit of general local government will be included with that of the COUNTY by HUD in determining funding levels; and

WHEREAS, COUNTY has notified CITY of the opportunity to participate in COUNTY's CDBG program; and

WHEREAS, CITY desires to participate in and be a part of COUNTY's CDBG program;

NOW, THEREFORE, it is mutually agreed between COUNTY and CITY as follows:

1. CITY shall participate in COUNTY's CDBG, HOME, and ESG programs during Federal fiscal years 2016, 2017, and 2018. (The Federal fiscal year is a twelve month period which begins on October 1 and ends on the following September 30. The fiscal year is designated by the calendar year in which it ends).

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2. This Agreement will be automatically renewed for both COUNTY and CITY participation in successive three-year qualification periods unless the COUNTY or CITY elects, by providing written notice thereof, not to participate in any new qualification period. Failure by either party to execute any amendment to the Agreement incorporating changes necessary to meet the requirements for cooperation agreements, as set forth in the Urban County Qualification Notice applicable for a subsequent three-year urban county qualification period, will void the automatic renewal provision as to such qualification period.
3. By the date specified in HUD's urban county qualification notice for the next qualification period, COUNTY will notify CITY in writing of its right not to participate.
4. This Agreement will remain in effect until the CDBG, HOME, and ESG funds and program income received with respect to the initial three-year qualification period (and any successive qualification period) are expended and the funded activities completed, and the COUNTY and CITY may not terminate or withdraw from the Agreement while the Agreement remains in effect under the terms of this paragraph.
5. COUNTY and CITY shall cooperate to undertake, or assist in undertaking, community renewal and lower-income housing assistance activities.
6. COUNTY, as Grantee, shall have the final responsibility for selecting CDBG, HOME, and ESG activities and submitting to HUD the Consolidated Plan required by the rules and instructions governing the CDBG Program.
7. COUNTY and CITY hereby assume the obligation to take all actions necessary to assure compliance with the COUNTY's certification required by Section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended, regarding Title VI of the Civil Rights Act of 1964, the Fair Housing Act, and to affirmatively further fair housing as required by Section 109 of Title I 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, and other applicable laws.
8. Funds shall not be used for activities in, or in support of, CITY if it 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.
9. COUNTY and CITY shall not obstruct the implementation of the approved Consolidated Plan during the period covered by this AGREEMENT, including any extensions.
10. CITY understands and agrees by executing this AGREEMENT that it:

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- A. May not apply for grants from appropriations under the State CDBG Program for fiscal years during the period in which it participates in the COUNTY's CDBG program; and
  - B. May receive a formula allocation under the HOME Program only through the COUNTY. Thus, even if the COUNTY does not receive a HOME formula allocation, the CITY cannot form a HOME consortium with other local governments. This does not preclude the 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 COUNTY. This does not preclude the COUNTY or CITY from applying to the State for ESG funds, if the state allows.
11. COUNTY shall assume no liability for the negligence of CITY or any officer, employee, or agent hereof, and CITY shall hold COUNTY free and harmless from any loss, damage, or liability that may arise out of the performance of this Agreement, except as may otherwise be provided herein or by law.
  12. CITY shall assume no liability for the negligence of COUNTY or any officer, employee, or agent thereof, and COUNTY shall hold CITY free and harmless from any loss, damage, or liability that may arise out of the performance of this Agreement, except as may otherwise be provided herein or by law.
  13. CITY shall indemnify COUNTY in the amount of any CITY expenditure under this Agreement that is determined by HUD to be improper, if such amount is at any time charged against the COUNTY or withheld from COUNTY's share of funds under the Act. This provision shall survive any termination of this Agreement.
  14. COUNTY and CITY shall timely adopt amendments to this Agreement, as and when needed, incorporating changes necessary to meet the requirements for cooperation agreements set forth in any Urban County Qualification Notice applicable for this or a subsequent three-year urban county qualification period, and COUNTY shall submit such amendment to HUD as provided in the urban county qualification notice. Failure to comply with this requirement will void the automatic renewal for such qualification period.
  15. CITY understands and agrees that it 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 requirement is contained in the Consolidated and Further Continuing Appropriations Act, 2015, Pub. L. 113-235.

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- 16. This Agreement is only effective when approved by HUD, and may only be modified by an instrument in writing executed by COUNTY and CITY and approved by HUD.
- 17. Any and all notices sent pursuant to, or in furtherance of the purposes of, this Agreement shall be deemed delivered if personally served upon the Chief Executive Office of COUNTY or upon the City Manager's Office of CITY or if sent via the United States Postal Service, postage prepaid, directed to COUNTY, addressed as follows:

Chief Executive Office  
County of Ventura  
800 South Victoria Avenue, L# 1940  
Ventura, CA 93009

or directed to CITY, addressed as follows:

City Manager's Office  
City of Moorpark  
799 Moorpark Avenue  
Moorpark, CA 93021

- 18. Pursuant to 24 CFR 570.501(b), CITY is subject to the same requirements applicable to subrecipients, including the requirement of a written agreement as described in 27 CFR 570.503 titled "Agreements with Subrecipients."
- 19. CITY certifies 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; and
  - 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.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

CITY OF MOORPARK

COUNTY OF VENTURA

By: \_\_\_\_\_  
Steven Kueny,  
City Manager

By: \_\_\_\_\_  
Michael Powers  
Chief Executive Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_