

**TOWNSHIP OF FRANKLIN
R-142-16**

**URBAN COUNTY QUALIFICATION COOPERATION AGREEMENT WITH ELIGIBLE
UNITS OF LOCAL GOVERNMENT FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT
ENTITLEMENT AND HOME INVESTMENT PARTNERSHIP PROGRAM FUNDS**

WHEREAS, Title I of the Housing and Community Development Act of 1974, as amended, commonly known as the Community Development Block Grant Program (hereafter, "CDBG Program"), provides federal funds to certain urban counties for use therein; and

WHEREAS, the Cranston-Gonzalez National Affordable Housing Act of 1991, as amended, provides federal funds to certain urban counties through its Home Investment Partnership Program (hereafter, "HOME Program"); and

WHEREAS, the above Acts establish certain criteria which need to be satisfied for an urban county to receive the aforesaid federal funding; and,

WHEREAS, the term "urban county" means any county within a metropolitan area which:

- (1) is authorized under state law to undertake essential community development and housing assistance activities in its incorporated areas which are not units of general local government; and
- (2) has a combined population of 200,000 or more in such unincorporated areas and in its included units of local government (hereafter, "UGLG"):
 - (A) 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,
 - (B) with which it has entered into cooperation agreements to undertake or to assist in the undertaking of essential community development and housing assistance activities; and

WHEREAS, twenty-three (23) UGLG's located in Gloucester County (hereafter the "County") have a 2010 Census population of less than 50,000: **CLAYTON, DEPTFORD, EAST GREENWICH, ELK, FRANKLIN, GLASSBORO, GREENWICH, HARRISON, LOGAN, MANTUA, MONROE, NATIONAL PARK, NEWFIELD, PAULSBORO, PITMAN, SOUTH HARRISON, SWEDESBORO, WENONAH, WEST DEPTFORD, WESTVILLE, WOODBURY, WOODBURY HEIGHTS, & WOOLWICH**; and

WHEREAS, these same twenty-three (23) UGLG's may join with the County to form a combined 2010 Census population of 200,000 or more persons, thereby qualifying as an urban county, and be eligible for an entitlement of Community Development Block Grant ("CDBG") and HOME Investment Partnership funds; and

WHEREAS, the County passed a resolution authorizing the execution of an Inter-Local Agreement amended to a Shared Services Agreement for the Community Development Block Grant and Home Investment Partnership Programs on July 15, 1998 which has been extended and amended continually since that time period by the County and the participating UGLG's; and

WHEREAS, the UGLG's and the County have previously entered into an Interlocal Services Agreement and amended to a Shared Service Agreement, for the three (3) consecutive fiscal years (2014-2016), which Agreement was subsequently extended by Resolution for three (3) additional, consecutive fiscal year periods, encompassing the periods from 1999-2001, 2001-2004, 2005-2007, 2008-2010, and 2011-2013, 2014-2016 inclusive; and

WHEREAS, the cooperation between the County and the UGLG's is essential for the successful planning of the CDBG program under an urban county designation by US Department of Housing and Urban Development (HUD); and

WHEREAS, the UGLG's have opted to be included in the urban county program for federal fiscal years 2017-2019;

NOW THEREFORE, it is hereby agreed by the County and the participating UGLG's as follows:

A. COMMUNITY DEVELOPMENT PLANNING PROCESS

1. NATURE AND EXTENT OF SERVICES

The purpose of this Agreement is to establish a legal mechanism through which the County may apply for, receive, and disburse federal funds available to eligible counties under the CDBG and HOME Programs, and to take such actions in the benefits of these programs. Federal funds received by the County shall be for such functions as community renewal, water and sewer facilities, neighborhood facilities, public facilities, housing rehabilitation, open space and such other purposes as are authorized by the above mentioned Acts.

Nothing contained in this Agreement shall deprive participating UGLGs or other units of local government of any powers of zoning, development control or other lawful authority presently possessed, nor shall participating UGLGs be deprived of any State or federal aid to which the UGLGs may be entitled, except as excluded herein or in the above mentioned Acts. The participating UGLGs agree not to apply for grants under the Small Cities or State CDBG Programs for the fiscal years during the period in which the UGLGs participate in the urban county's CDBG Program. Participating UGLGs may participate in the HOME Program through both the urban county and the State.

The County CDBG Program Committee (hereafter "Committee") shall recommend for each project or activity to be carried out with these funds a specific means of accomplishment. This may be for the County to carry out the project or function, for a participating UGLG to receive the monies to carry out, or for some other combination of local or State agencies to carry out. Such implementation mechanism shall be established either by means of a separate contract entered into between the County, after approval from the Committee, and the UGLG or UGLGs in which the activity or function is to take place, pursuant to the provisions of the Shared Services Statute, or by inclusion of such information as required this Agreement, subject to the aforementioned approvals. The implementation mechanism shall be established before submission of the application to HUD, and any relevant document becomes part of this Agreement and should be submitted to HUD with it.

2. STANDARDS OF PERFORMANCE

Every cooperation agreement shall contain standards of performance as required by the Housing and Community Development Act of 1974, as amended, and the Cranston-Gonzalez National Affordable Housing Act of 1991, as amended. Annually, each recipient of funds shall prepare a report describing whether the desired objectives have been attained and submit it to the Committee. The Committee shall thereupon report its findings to all participating UGLGs, and shall submit such reports to the County's Board of Chosen Freeholders, as may be required for submission to the Federal government. Pursuant to 24 CFR 570.501(b), all units of local government are subject to the same requirements applicable to sub-recipients, including the requirement for a written agreement set forth in 24 CFR 570.503. This Agreement includes, by reference, all provisions authorized by State and local laws that legally obligate the cooperating units to undertake the necessary action, as determined by the County, to carry out a community development program and the approved Consolidated Plan, and/or meet other requirements of the CDBG Program, HOME Program, and other applicable laws.

3. STANDARDS APPLICABLE TO REAL PROPERTY ACQUIRED OR IMPROVED IN WHOLE OR IN PART WITH CDBG/HOME FUNDS

- a. The UGLG must notify the County in a timely manner of any modifications or changes in the use of real property from that planned at the time of acquisition or improvement, including disposition.
- b. The UGLG shall reimburse the County an amount equal to the current fair market value (less any portion thereof attributable to expenditures of non-CDBG or non-HOME funds) of property acquired or improved with CDBG or HOME funds that is sold or transferred for a use which does not qualify under CDBG or HOME regulations.
- c. Program income generated from disposition or transfer of property prior to or subsequent to closeout, change of status, or termination of the cooperation agreement between the County and UGLG shall be paid to the County.

4. PROGRAM FUNDING AND ALLOCATION

The amount of federal funds involved shall be the amount applied for by the Board of Chosen Freeholders pursuant to the recommendation of the Committee, subject to HUD modifications. Any federal funds received by letter of credit or otherwise shall be placed in the County Trust Fund established and maintained pursuant to the regulations promulgated by the Director of the New Jersey Department of Community Affairs' Division of Local Government Services. This fund shall be in a separate bank account, subject to the control of the County, which shall be the designated recipient for the funds provided by the aforementioned federal Acts. Upon authorization by the County, and in compliance with State law and promulgated regulations, the County may expend funds from this Trust Fund by payment to a particular UGLG pursuant to specific contract. Neither the Committee, the County, nor any participating UGLG, may expend or commit funds except as may be authorized pursuant to this Agreement and in full compliance with State and federal laws and regulations.

By executing the CDBG cooperation agreement, the included UGLG understands that it may receive a formula allocation under the HOME Program only through the urban county. Even if the urban county does not receive a HOME formula allocation, the participating unit of local government cannot form a HOME consortium with other local governments.

5. DURATION OF AGREEMENT

This Agreement shall be effective for three (3) consecutive Fiscal Years (2017-2019) for which the County is to qualify and from any program income generated from the expenditure of such funds, including such additional time as may be required for the expenditure of any such funds granted to the respective participating UGLGs. The population of participating UGLGs included in the urban county under this Agreement shall be included in the population of the urban county for (3) successive years, which will include the federal year 2017.

This Agreement remains in effect until the CDBG and HOME funds and program income received with respect to activities carried out during the three-year qualification period (and any successive qualification periods under the provision for automatic renewals) are expended and the funded activities completed, and that the County and participating UGLGs cannot terminate or withdraw from the cooperation agreement while it remains in effect.

The County or participating UGLG may exercise the option to terminate this Agreement at the end of the urban county qualification period. During the period qualification, no participating UGLG may withdraw from the urban county.

This agreement will automatically be renewed for participation for successive three-year qualification period unless either the County or the participating UGLG provides written notice 90 days prior to the start of the Federal Fiscal Year that it elects not to participate in a new qualification period. By the date specified in HUD's urban county qualification notice for the next qualification period, the urban county will notify the participating unit of general local government in writing of its right not to participate.

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 the year in which the next qualification of the urban county is scheduled, and failure to submit such amendment to HUD as provided in the urban county qualification notice will void the automatic renewal of such qualification period.

6. DESIGNATION AND DUTIES OF LIAISON OFFICER

The Administrative Liaison Officer (hereafter "Officer") selected pursuant to this Agreement is hereby designated as the Administrative Agent of the County's Board of Chosen Freeholders for the purposes of compliance with statutory and regulatory responsibilities. The Officer shall be accountable to the County's Board of Chosen Freeholders, and for this purpose shall be subject to the supervision of the Board.

B. QUALIFICATION AS URBAN COUNTY

In addition to such assurances and agreements as may have been made by previously executed ordinances, the County and participating UGLGs agree to cooperate to undertake, or assist in undertaking, community renewal and lower income housing assistance activities, specific urban renewal and publicly assisted housing. The County and participating UGLGs agree to take all actions necessary to assure compliance with the urban county's certification required by section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended, including Title VI of the Civil Rights Act of 1964, the Fair Housing Act, and affirmatively furthering fair housing, 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, the Americans with Disabilities Act of 1990, the Cranston-Gonzalez National Affordable Housing Act of 1991, and other applicable laws.

No urban county funding shall be provided for activities in or in support of participating UGLGs that do not affirmatively further fair housing within their respective jurisdictions or that impedes the County's action to comply with its fair housing certification.

The County and cooperating unit of general local government has adopted and is enforcing:

1. 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
2. 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.

It is understood by all parties to this Agreement that non-compliance by any participating UGLG included in an urban county may constitute non-compliance by the urban county, possibly resulting in funding sanctions or other remedial actions by HUD.

Pursuant to 24 CFR 570.501(b), UGLGs are subject to the same requirements applicable to subrecipients, including the requirement of a written agreement as described in 24 CFR 570.503.

Pursuant to the Consolidated and Further Continuing Appropriations Act, 2015, Pub. L. 113-235, the participating UGLG 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 Agreement shall be effective only when a sufficient number of UGLGs have signed this Agreement so that at least a population of 200,000 is represented, and when all other federal eligibility criteria for designation as an "urban county" under the respective Acts have been satisfied.

This Agreement shall be void in the event that the number of sufficient participating UGLGs to meet the criteria does not sign this Agreement within the time period set forth by HUD, and the County's Freeholder Director shall notify all signatories to this Agreement in the event that the Agreement is declared void.

In order to comply with federal requirements, the County, through its Board of Chosen Freeholders, shall be the applicant for CDBG and HOME funds, and shall have final responsibility as applicant, for selecting activities, and filing annually Final Statements with HUD.

C. AGREEMENTS AS TO SPECIFIC ACTIVITIES

The specific activities to be included in this Section will be developed in cooperation with the parties to this Agreement and shall be adopted by resolution, where applicable, to amend this Section accordingly.

D. USE OF PROGRAM INCOME

1. A participating UGLG must inform the County of any program income generated by the expenditure of CDBG or HOME funds and received by the participating UGLG.
2. Any program income must be paid to the County, unless all parties agree in writing that the participating UGLG may retain such program income.
3. Any program income the UGLG is authorized to retain shall only be used for eligible activities in accordance with all CDBG and HOME requirements as applicable.
4. The County shall be responsible for monitoring and reporting to HUD on the use of any such program income, and therefore, appropriate record keeping and reporting by the participating UGLG may be required by the County as is needed for this purpose.
5. In the event of close-out or change in status of a participating UGLG, any program income that is on hand or received subsequent to the close-out or change in status shall be paid to the County.

E. SEVERABILITY AND MODIFICATION CLAUSE

In the event that any portion of the Agreement shall be made inoperative by reason of judicial or administrative ruling, the remainder of the Agreement shall continue in effect.

In the event that any modification of work activity shall become necessary, the Committee may increase or decrease the cost of any project by not more than 10% subject to concurrence by HUD, the County, and the participating UGLGs involved.

F. MISCELLANEOUS

1. The governing body of the County and the governing body of cooperating UGLGs authorize this Agreement. This contract may be executed in substantially similarly worded counterparts, each of which shall be signed by the County's Freeholder Director and the participating UGLG's Mayor or Chief Executive Officer. Each signatory agency agrees to cooperate with all other signatories and be bound as if all had signed the same Agreement.
2. This Agreement shall supplement any previous agreements on this subject and shall replace and supersede any previously agreed upon provisions to the extent of a conflict of purpose.

3. No party this Agreement shall obstruct the implementation of the County's approved Consolidated Plan.

IN WITNESS WHEREOF, the parties hereunto have affixed their signatures on the dates specified below:

COUNTY OF GLOUCESTER

(Signature)

By: **ROBERT M. DAMMINGER**, Freeholder Director
(Typed Name/Title)

Date: _____

ATTEST:

(Signature)

By: **CHAD M. BRUNER**, Clerk of the Board
(Typed Name/Title)

Date: _____

TOWNSHIP OF FRANKLIN

(Signature)

By: _____
Sheryl Neely, Mayor

Date: _____

ATTEST:

(Signature)

By: _____
Barbara Freijomil, Municipal Clerk

Date: _____