



41 Perimeter Center East, Suite 250
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MEMORANDUM

To: Mayor and City Council
From: Kimberly Greer, Assistant to the City Manager
Date: June 10, 2013
Subject: **Community Development Block Grant Cooperative Agreement**

ITEM DESCRIPTION

To be eligible to apply for Community Development Block Grants, the City must first enter into a Cooperative Agreement with DeKalb County.

BACKGROUND

The Community Development Block Grant (CDBG) program is administered through the United States Department of Housing and Urban Development. The CDBG program focuses on providing decent housing, a suitable living environment, and opportunities to expand economic opportunities for low- and moderate-income persons.

CDBG funds are allocated to states and "entitlement communities" which include counties with populations over 200,000 and cities with populations over 50,000. After receiving their budgetary appropriation, HUD allocates the available funds based on a formula considering several factors including community need, poverty rates, and housing characteristics.

For Dunwoody to receive CDBG funding, we need to apply to the DeKalb County Human and Community Development Department.

UPDATE

Last month staff attended a workshop detailing the requirements and application process for 2014 CDBG cycle. Through the workshop, we learned that in order to be eligible to apply for CDBG funds, we must first sign a Cooperative Agreement with DeKalb County.

In 2011, the City received a Cooperative Agreement from the County. At the time, staff members, that are no longer with the City, determined we should not sign the agreement. Based on e-mail exchanges, it appears their determination was based on the fact the Cooperative Agreement left decision making about the CDBG grant, such as selecting projects for award, solely at the discretion of the County.

Staff has reviewed the 2011 Cooperative Agreement with the City Attorney's office. The agreement does leave decision making with the County (see paragraph 6 of the attached agreement). However, staff believes the determination as to whether or not to enter into such an agreement is a policy decision for the Council.

ALTERNATIVES

1. Enter a Cooperative Agreement

Benefits: Eligibility to apply for CDBG funds



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Challenges: Based on the census block level breakdown of low- and moderate-income areas, Dunwoody does not have any areas that meet the most recent available income threshold levels (\$69,300 for a family of four). In order to apply for funds, we would have to follow HUD's process to survey an area of the City smaller than a census block and show the area to be low- and moderate-income prior to applying for a grant to benefit that area.

Process: Staff would inform the County of our intent. The County law department would prepare and updated Cooperative Agreement for Council and then the Board of Commissioner's consideration.

2. Continue without a Cooperative Agreement

Benefits: No further expenses related to applying for a CDBG

Challenges: The City will not be eligible to apply for a CDBG

Process: No further Council action needed at this time. Staff would continue to monitor this grant source in light of any future changes to our population or housing characteristics while looking for other potential grant sources.

RECOMMENDATION

The decision as to whether or not to enter into a Cooperative Agreement is a policy choice for Council.

COOPERATION AGREEMENT

STATE OF GEORGIA

COUNTY OF DEKALB

This COOPERATION AGREEMENT made this _____ day of _____, 20__, by DeKalb County, a political subdivision of the State of Georgia (hereinafter sometimes referred to as "COUNTY") and the _____, a political subdivision of the State of Georgia (hereinafter sometimes referred to as "CITY").

WHEREAS, the U.S. Department of Housing and Urban Development has determined that DeKalb County possesses the powers necessary to undertake essential community development and housing activities in only the unincorporated areas of the COUNTY; and;

WHEREAS, the consent of the governing body of an incorporated area in the COUNTY must be provided and a written agreement executed in order for the COUNTY to undertake essential community development and housing activities in the incorporated areas of the COUNTY; and

WHEREAS, this COOPERATION AGREEMENT covers the Community Development Block Grant Program (CDBG) and, as applicable, the HOME Investment Partnership Program (HOME); and

WHEREAS, this COOPERATION AGREEMENT covers the three-year period January 1, 2012 through December 31, 2014 and will be automatically renewed for

each successive three-year period, unless the COUNTY or the CITY provides written notice that it elects not to participate for a new qualification period.

NOW THEREFORE, the CITY and the COUNTY herein agree to the terms and provisions outlined herein:

1. The COOPERATION AGREEMENT shall remain in effect until the CDBG (and HOME, where applicable) funds and program income received with respect to the activities carried out during current and subsequent three-year qualification periods are expended and the funded activities completed. Neither party can terminate or withdraw from the COOPERATION AGREEMENT while it remains in effect.
2. Both parties agree to cooperate to undertake, or assist in undertaking, community renewal and lower income housing assistance activities, specifically urban renewal and publicly assisted housing.
3. COUNTY agrees to notify CITY of its right to elect not to participate in subsequent three-year periods that would otherwise, in accordance with the terms of this COOPERATION AGREEMENT, be automatically renewed within the timeframes required by HUD.
4. CITY agrees to notify COUNTY of its determination to elect not to participate in subsequent three-year periods, in accordance with the requirements established by HUD.
5. As required by HUD, both parties agree to adopt any amendment to the COOPERATION AGREEMENT to incorporate the changes that are necessary to comply with requirements established by HUD, as written in the Urban Qualification Notice that is applicable to the three year period. The parties further

- agree to ensure that such amendment is submitted to HUD as required in order to avoid the automatic nullification of the automatic renewal of the qualification period.
6. The COUNTY shall have the final responsibility for selecting CDBG (and HOME, where applicable) activities and submitting a Consolidated Plan to HUD.
 7. Neither party shall be permitted to veto or otherwise restrict the implementation of the approved Consolidated Plan during the period covered by the COOPERATION AGREEMENT (including subsequent automatically renewable qualification periods, as applicable).
 8. Urban County funds may not be used for activities, in or in support of, any CITY that does not affirmatively further fair housing within its own jurisdiction or that impedes the COUNTY's actions to comply with the COUNTY's fair housing certification.
 9. The CITY shall not apply for grants from appropriations under the Small Cities or State CDBG Programs for the fiscal years during the period in which it participates with the Urban County.
 10. The CITY may only participate in the HOME Program through the Urban County. If the COUNTY does not receive a HOME allocation, the CITY cannot form a HOME consortium with other local governments during the period in which the CITY is a part of the Urban County.
 11. Pursuant to 24 CFR 570.501(b), the unit of local government is subject to the same requirements applicable to subrecipients, including the requirement of a written agreement described in 24 CFR 570.503.

12. Both parties agree to take all actions necessary to assure compliance with all Federal, State, and local regulatory requirements, specifically including but not limited to, 24 CFR 570, 24 CFR 92 (if applicable), Urban County Certification required by section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended, Title VI of the Civil Rights Act of 1964, the Fair Housing Act, Section 109 of Title I of the Housing and Community Development Act of 1974, and other applicable laws.
13. The cooperating unit of general local government (CITY) shall have adopted and be 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.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in three counterparts, each to be considered an original by their authorized representative, the day and date hereinabove written.

CITY NAME, GEORGIA

DEKALB COUNTY, GEORGIA

By: _____ (SEAL)
Signature

_____ by Dir. (SEAL)
W. BURRELL ELLIS, JR.
Chief Executive Officer
DeKalb County, Georgia

Name (Typed or Printed)

Mayor

ATTEST:

ATTEST:

Signature

BARBARA H. SANDER, CCC
Clerk of the Chief Executive Officer and
Board of Commissioners of
DeKalb County, Georgia

Name (Typed or Printed)

Clerk

APPROVED AS TO FORM:

County Attorney Signature

I, the County Attorney, do hereby certify that the terms and provisions contained in the above COOPERATION AGREEMENT, to the best of my knowledge and belief, are fully authorized under the laws of the State of Georgia and DeKalb County. Moreover, I do hereby certify that the COOPERATION AGREEMENT provides full legal authority for the COUNTY to undertake essential community development and housing assistance activities, specifically urban renewal and publicly-assisted housing.

County Attorney