



TOWN OF APPLE VALLEY

TOWN COUNCIL STAFF REPORT

To: Honorable Mayor and Town Council **Date:** June 26, 2018

From: Orlando Acevedo, Assistant Director **Item No:** 6
Economic Development and Housing

Subject: AN AGREEMENT BETWEEN THE TOWN OF APPLE VALLEY AND
THE CITY OF VICTORVILLE TO CONTINUE THE HOME INVESTMENT
PARTNERSHIPS PROGRAM (HOME) CONSORTIUM FOR THE
THREE-YEAR PERIOD JULY 1, 2019 – JUNE 30, 2020

T.M. Approval: _____ **Budgeted Item:** Yes No N/A

RECOMMENDED ACTION

That the Town Council Adopt Resolution No. 2018-27 to approve and authorize execution of the agreement by the Town Manager; and further authorize the Town Manager to make non-substantive modifications or corrections as deemed necessary.

SUMMARY STATEMENT

In July 2003, the Town entered into a Cooperative Agreement to establish a HOME Investment Partnerships Program (HOME) Consortium with the City of Victorville in order to meet the threshold qualifications for obtaining HOME entitlement status with the U.S. Department of Housing and Urban Development (HUD) to increase HOME funding opportunities to both improve and increase the local housing stock by way of the Residential Rehabilitation Loan Program and similar programs. The Town Council last approved a continuance of the Agreement in January 2010.

Renewal of the Agreement will result in an annual allocation of federal HOME funds to each member jurisdiction. The Consortium is a guaranteed annual formula allocation based on the demographics of each respective jurisdiction, subject to the annual HUD budget. For FY 2018-19 the Consortium is expected to receive \$772,659. The Town will receive 36.9% of the allocation or \$285,111. The City of Victorville will receive 63.1% or \$487,548.

The Apple Valley/Victorville partnership has been successful and has worked well for both communities, as both have benefited from the additional funds through the Consortium, which would otherwise be unavailable individually. Both communities have used HOME funds for their down payment assistance programs, owner occupied

rehabilitation programs and Community Housing Development Organizations (CHDO) funds for rehabilitation projects.

As the lead agency, Apple Valley assumes overall responsibility for ensuring that the Consortium's HOME Program is carried out in compliance with HUD requirements, including requirements concerning the Consolidated Plan, as well as all environmental processes, and all reports required. Apple Valley receives 50% of Victorville's HOME administrative budget for taking responsibility of the lead agency role.

Because the Consortium with the Town of Apple Valley has proven advantageous to the City of Victorville for the last 15 years, the City of Victorville approved the Agreement at their meeting in early June.

Although HOME-funded programs generally require a match of 25%, HUD has granted frequent match waivers to grantees located in the County of San Bernardino due to adverse economic conditions and/or federally declared disasters. The Consortium has received a waiver of the 25% match for more than ten years. Although the Consortium currently runs its HOME Program with a match waiver in effect, there is no guarantee that it will continue to qualify for a match waiver as a Consortium. Therefore, it is agreed that if in subsequent years any match requirement arises, it will be contributed by each jurisdiction, based on their percentage share of the allocation.

FISCAL IMPACT

Were an Agreement not approved to renew the Consortium, the Town would be ineligible for HOME Funds via the Consortium beginning in FY2019-20.

ATTACHMENTS:

1. Resolution No. 2018-27
2. Cooperative Agreement to Renew a HOME Consortium

RESOLUTION NO. 2018-27

A RESOLUTION OF THE TOWN OF APPLE VALLEY AUTHORIZING THE EXECUTION OF AN AGREEMENT TO RENEW A HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) CONSORTIUM BETWEEN THE TOWN OF APPLE VALLEY AND THE CITY OF VICTORVILLE AND THE EXECUTION OF ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE HOME CONSORTIUM

WHEREAS, there has been enacted into law the HOME Investment Partnerships Act under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990 (HOME), the primary objective of which is to increase the supply of decent affordable housing to low-and very low-income Americans; and

WHEREAS, HOME authorizes contiguous units of general government to join together in a Consortium; and

WHEREAS, in 2003, the Town of Apple Valley and the City of Victorville formed a Consortium under the HOME program in order to meet the threshold qualifications for obtaining HOME entitlement status with the U.S. Department of Housing and Urban Development (HUD).

WHEREAS, the Town of Apple Valley and the City of Victorville, not being individually eligible for a formula allocation, desire to continue the Consortium, for purposes of receiving HOME funds and promoting increased and improved housing opportunities;

WHEREAS, it is the desire of both the Town of Apple Valley and the City of Victorville to continue said Consortium Agreement so as to continue to implement the objective of increasing the local supply of decent housing available to low-and very-low income residents; and

WHEREAS, the Town of Apple Valley and the City of Victorville mutually agree that Apple Valley will continue to be the designated lead-sponsoring agency to administer and implement the HOME Program and will assume overall responsibility to ensure that the Consortium's HOME Program is carried out in compliance with all federal requirements of that program.

NOW, THEREFORE, the Town of Apple Valley does resolve as follows:

Section 1: The Cooperative Agreement to Renew a HOME Consortium, attached as Exhibit 1 to this resolution, between the Town of Apple Valley and the City of Victorville for the purpose of receiving Home Investment Partnerships Program (HOME) funds is hereby approved.

Section 2. The continued designation of the Town of Apple Valley as the lead entity acting in a representative capacity for the Consortium and as the Participating Jurisdiction (PJ) is hereby approved.

Section 3. The renewed HOME Consortium Agreement between the Town of Apple Valley and the City of Victorville is hereby approved, and the Town Manager is hereby authorized to execute said agreement.

Section 4. The Town Manager is hereby authorized to execute any other HUD-related documents necessary for the HOME consortium, subject to the review and approval of the Town Attorney.

Section 5. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

APPROVED and **ADOPTED** by the Town Council of the Town of Apple Valley this 26th day of June, 2018.

Art Bishop, Mayor

ATTEST:

LaVonda Pearson, Town Clerk

**COOPERATIVE AGREEMENT TO RENEW
A HOME CONSORTIUM**

This Agreement is entered into by and between the Town of Apple Valley and the City of Victorville as of July 1, 2018. This new agreement replaces in its entirety and supersedes the prior agreement.

WITNESSETH:

WHEREAS, the United States Congress enacted the Cranston-Gonzalez National Affordable Housing Act of 1990 (NAHA), 42 U.S.C. Sec. 12721, as implemented by Federal regulations adopted in 24 CFR Part 92 (hereinafter collectively referred to as the “Act”); and

WHEREAS, Title II of the Act creates the HOME Investment Partnership Program (hereinafter referred to as “HOME”) that provides formula grants to state and local governments to provide decent affordable housing to low and very low income Americans; and

WHEREAS, the Act authorizes contiguous local jurisdictions to form a consortium that would not otherwise qualify for funding under the formula criteria on their own, in order to receive a direct allocation of funds for the purpose of administering activities allowed under the HOME program regulations; and

WHEREAS, in 2003, the Town of Apple Valley and the City of Victorville, not being individually eligible for a formula allocation, entered into a Cooperative Agreement (hereinafter referred to as “Agreement”) to jointly act as a consortium under the Act for the purpose of receiving HOME funds; and

WHEREAS, the Town of Apple Valley is designated as the lead agency of the HOME consortium and agrees to carry out overall responsibility, with cooperation of the City of Victorville, ensuring that the HOME program is carried out in accordance with HUD regulations in 24 CFR Part 92 and the 2017-2021 Consolidated Plan including any associated plans (eg. Strategic Plan, Action Plan, etc.) and any updates thereto; and

WHEREAS, the Town of Apple Valley, in its capacity as lead agency, is authorized to enter into an agreement with the United States Department of Housing and Urban Development (hereinafter referred to as “HUD”); and

WHEREAS, the Town of Apple Valley and the City of Victorville desire to renew their commitment to act jointly as the Apple Valley/Victorville HOME Consortium (hereinafter referred to as “Consortium”) to better serve the affordable housing needs of their jurisdictions, and enter into an Agreement which supersedes all other agreements;

WHEREAS, it is the desire of the Town of Apple Valley and the City of Victorville that the term of this Agreement be automatically renewed every three years unless the Town of Apple

Valley or the City of Victorville elects not to participate in the Consortium in an upcoming qualification period.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. **TRUE AND CORRECT.** The above recitals are true and correct and are incorporated into this Agreement as though fully set forth herein.
2. **RENEWAL OF CONSORTIUM.** The Town of Apple Valley and the City of Victorville hereby renew the Consortium for the purpose of receiving HOME funds and promoting affordable housing within their jurisdictions.
3. **COMPLIANCE WITH LAW.** All members of the Consortium agree to comply with the applicable portions of: Title 24, Subtitle A, Part 92 of the Code of Federal Regulations (C.F.R.); the Housing and Community Development Act of 1974 as amended; Title 24, Chapter V, Part 570 of the C.F.R.; Title 24, Subtitle A, Part 58 of the C.F.R.; Title VI of the Civil Rights Act of 1964; Title VIII of the Civil Rights Act of 1968; Section 109 of the Housing and Community Development Act of 1974; Section 3 of the Housing and Urban Development Act of 1968; Executive Orders 11246, 11063 and 11593; the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970; Title 24, Part 42 of the C.F.R.; Title 2, Parts 200 and 2400 of the C.F.R., which supersede OMB Circular A-122; the Archeological and Historical Preservation Act of 1974; the Architectural Barriers Act of 1968; the Hatch Act (Chapter 15 of Title 5, U.S.C.); the Flood Disaster Protection Act of 1974; the Clean Air Act (42 U.S.C. Section 1857 et seq.) and the Federal Water Pollution Control Act, as amended (33 U.S.C. Section 1251 et seq.); the Drug-Free Workplace Act of 1988.
4. **FAIR HOUSING.** Each member of the Consortium hereby agree to affirmatively further fair housing and to ensure that no HOME funds are expended for activities that do not affirmatively further fair housing within the boundaries of their jurisdiction or for activities that impede the Consortium’s actions to comply with its fair housing certification. For purposes of this section, “affirmatively further fair housing” including participation in the process of developing an Assessment to Fair Housing (AFH), each jurisdiction shall cooperative in the development of said plan. Additionally, each member agrees to further fair housing in their jurisdiction, which may include planning, education, outreach and enforcement.
5. **TERM OF AGREEMENT.** In accordance with section 92.101(e) of the CFR, this Agreement shall remain in full force and effect for the period necessary to plan and carry out all activities that will be funded with HOME funds for the federal fiscal years 2019, 2020 and 2021 or as automatically renewed pursuant to Section 6 below. During the term of the agreement, neither the Town of Apple Valley nor the City of Victorville may withdraw from participation from their respective obligations under this Agreement.
6. **AUTOMATIC RENEWAL AND TERMINATION.** By the date specified in HUD’s HOME Consortia Calendar Summary of Deadlines (beginning March 1, 2021 and every three year term thereafter), the Town of Apple Valley shall notify the City of Victorville in

writing of Victorville's right not to participate in the Consortium for the upcoming three-year qualification period. The Consortium shall also send a copy of the above notice to the HUD Field Office by the date specified above. On or before June 15, 2021 (and every three year term thereafter), prior to the conclusion of each term, any member may withdraw from the Consortium for the upcoming period by notifying the Consortium in writing of its election not to participate. Unless such notice is received, this Agreement shall automatically renew upon the commencement of each three-year qualification period. If a notice not to participate is received from a member of the Consortium, the remaining members, if any, may elect to form a new consortium so long as they continue to meet all applicable requirements.

7. **REQUIRED AMENDMENTS.** Notwithstanding the above, in the event that amendments to this Agreement are necessary to meet cooperation agreement requirements identified in this Agreement, the participating jurisdictions shall amend this Agreement for the subsequent three-year qualification period. In such event the Consortium shall submit the amendment to HUD as specified in the Agreement by HUD guidelines. Failure to comply with the requirements set forth in this Section 7 will void the automatic renewal provision of this Agreement set forth in Section 6 above.
8. **PROGRAM ADMINISTRATION.** The Town of Apple Valley and the City of Victorville mutually agree that the Town of Apple Valley shall remain the Lead Agency and Program Administrator for this Consortium (hereinafter "Program Administrator"). The Program Administrator shall assume overall responsibility for ensuring that the Consortium's HOME Program is carried out in compliance with Title 24, Part 92 of the Code of Federal Regulations and the Consortium's Consolidated Plan. Each member agrees to carry out program activities in conformance with HUD regulations in 24 CFR part 92.

8.1 APPLE VALLEY AS LEAD AGENCY. As the Lead Agency for the Consortium, Apple Valley agrees to the following specific responsibilities:

- a. Consolidated Plan. Apple Valley shall lead development and submission to HUD of the Apple Valley/Victorville Consolidated Plan every five years. For each Consolidated Plan, Apple Valley agrees to contribute two-thirds of the staff time necessary to develop the plan. Any required Consolidated Plan submittals or amendments shall be made in accordance with 24 CFR Part 91. The Consolidated Plan shall not be submitted to HUD until it has been approved by a majority of the designated representatives of the Consortium.
- b. Annual Action Plan and Consolidated Annual Performance Evaluation Report (CAPER). Apple Valley shall lead the development and submission to HUD of the Annual Action Plans and Consolidated Annual Performance Evaluation Reports with support from Victorville, except for the Action Plan and CAPER elements related to use of Victorville's Community Development Block Grant funds, for which Victorville shall be solely responsible. The Consolidated Plan shall not be submitted to HUD until it has been approved by a majority of the designated representatives of the Consortium.

- c. Consortium Management. Apple Valley shall be responsible for the development of Consortium operating policies and procedures consistent with HUD requirements in consultation with Victorville and completion of data reporting into HUD's Integrated Disbursement and Information System (IDIS).
- d. HOME Account and Financial Management. Apple Valley shall manage the HOME account, including preparation of all financial draws from the HUD's IDIS as well as the receipt, disbursement, and accounting of all HOME program and matching funds.
- e. Environmental Review. In accordance with 24 CFR 92.504(c)(2)(iv), Apple Valley as lead agency may not delegate its environmental review obligation to any Consortium member. Apple Valley agrees to complete environmental reviews for Victorville HOME activities, with support from Victorville. All reviews must be completed and approved prior to entering into any HOME written agreement.
- f. Community Housing Development Organizations. Apple Valley shall certify and monitor Community Housing and Development Organizations (CHDO) on behalf of the Consortium.
- g. Subrecipient Agreements. Apple Valley shall prepare all subrecipient agreements for Apple Valley subrecipients only.

8.2 VICTORVILLE AS CONSORTIUM MEMBER. As a Consortium member, Victorville agrees to cooperate with Apple Valley in its role as Lead Agency and to be responsible for the following actions:

- a. Participation in the development of the Consolidated Plan. Victorville shall provide staff support to develop the Consolidated Plan and submit applicable documents to HUD as necessary. For each Consolidated Plan, Victorville agrees to contribute one-third of the staff time necessary to develop the plan. Victorville shall have sole responsibility for completion of the Consolidated Plan elements related to use of Victorville's CDBG funds.
- b. Participation in the development of the Annual Action Plan and Consolidated Performance Evaluation Report (CAPER). Victorville shall provide staff support to develop the Annual Action Plan and CAPER and submit applicable documents to HUD as necessary. Victorville shall be consulted by Apple Valley on the development of the shared elements of the Action Plan. Victorville shall have sole responsibility for completion of the Action Plan or CAPER elements related to use of Victorville's CDBG funds.
- c. Consortium management. Victorville shall provide input on Consortium policies and procedures, annual budget estimates for use of HOME funds and other Consortium management issues as needed and shall also be responsible for the receipt, disbursement and accounting of all HOME program and matching funds.

- d. Environmental review. Victorville shall provide support to Apple Valley in the completion of environmental reviews for Victorville projects.
- e. Additional HUD requirements and reporting. Victorville agrees to supply Apple Valley information and records necessary for participation, including but not limited to HOME Program Activity set up forms and completion information as required in IDIS, to maintain records and files of all HOME funded activities and CHDO and Minority Business Enterprises and Woman Business Enterprises (MBE/WBE) reporting information. All files and documents relating to HOME programs will be open to inspection by Apple Valley or its designee, upon request.

9. CONTRACT ADMINISTRATION. The Town of Apple Valley's Economic and Community Development Department shall administer this Agreement. The Program Administrator may monitor the City of Victorville for compliance with this Agreement. The Program Administrator agrees to provide reasonable technical assistance to promote compliance. The City of Victorville agrees to supply to the Town of Apple Valley within a reasonable period of time after request, progress reports, performance measurements, or other documentation as shall be required by the Town of Apple Valley's contract administrator to audit performance of this Agreement.

10. RECORDS AND REPORTS. The Program Administrator shall maintain records as required by HUD

10.1 HUD RECORDS REPORTING. All records of the Town of Apple Valley respecting individual projects and programs shall be open and available for inspection by auditors assigned by HUD during normal business hours of the Town of Apple Valley. The Town of Apple Valley and the City of Victorville shall maintain records and submit such reports and information as may be necessary for the Town of Apple Valley to fulfill its obligations as administrator of the Consortium.

10.2 REIMBURSEMENT RECORDS AND REPORTING. The Program Administrator shall provide confirmation of drawdown provided to HUD via the Federal Integrated Disbursement and Information System (IDIS) which may take the form of a copy of the Approved Voucher within 7 calendar days of submission to HUD. Within 30 days of reimbursement submission to HUD via IDIS, the Program Administrator shall cause the delivery of a reimbursement check to City of Victorville.

11. LIABILITY AND INDEMNIFICATION. Pursuant to Section 895.4 of the Government Code, The Town of Apple Valley and the City of Victorville agree that each will assume the full liability imposed upon it or any of its officers, agents, or employees for injury caused to the extent of its own negligent or wrongful act or omission occurring in the performance of this Agreement, and each party or parties agree to indemnify and hold harmless the other party for any loss, cost or expense that may be imposed upon such other party by virtue of Sections 895.2 and 895.6 of the Government Code.

12. NOTICE. Any notice or notices required or permitted to be given pursuant to this agreement may be personally served on the other party by the party giving such notice or may be served by certified mail.

13. DISTRIBUTION OF FUNDS. HOME funds shall be distributed to Consortium Members pursuant to the formula(s) determined by the HOME Consortia Participating Members Percentage Report as provided by HUD. Apple Valley and Victorville agree to the following conditions for use of HOME Consortium funds:

13.1 METHOD OF DISTRIBUTION. No later than 30 calendar days from notification by HUD that HOME Investment Partnerships funds have been awarded to the Consortium, the Program Administrator shall notify each of the participating jurisdictions of their respective funding amount. Each jurisdiction will have 60 calendar days from the time of notification to sponsor or submit a proposal for an eligible activity. If a proposal is not sponsored by or received from the participating jurisdictions during that time period, that jurisdiction's share of HOME funds shall be distributed according to paragraph 13.2 below. An activity shall be considered eligible if it conforms to the requirements of Title 24, Part 92, Subpart E of the C.F.R. and is within the administrative capacity of the implementing jurisdiction.

13.2 USE OF HOME CONSORTIUM NEW ENTITLEMENT FUNDS. Apple Valley and Victorville shall annually use up to 75 percent of HOME Funds for HOME projects, a minimum of 15 percent of funds for CHDO projects and a maximum of 10 percent of funds for administration. In accordance with HOME requirements, each allocation of funds must be committed to eligible uses within two years of receipt and expended within five years.

13.3 USE OF HOME PROGRAM INCOME. Apple Valley and Victorville agree that at least 90 percent of HOME program income will be reserved for use of projects in the jurisdiction where the program income originated; up to 10 percent will be available for use of eligible HOME program administration cost by the jurisdiction where the program income originated. Victorville shall submit any program income, within 30 days of receipt, to Apple Valley for deposit into the Consortium HOME account and receipt into IDIS. Program income must be allocated for use through the Action Plan.

13.4 COMMUNITY HOUSING DEVELOPMENT ORGANIZATION SET ASIDE FUNDS. The parties agree that annually 15 percent of new entitlement funds available for projects must be set aside for use in projects developed, owned or sponsored by eligible CHDOs in accordance with HUD requirements.

- a. All CHDO funds recaptured, at risk of being de-obligated and recaptured, or unused by any member of the Consortium shall be pooled and made available to either jurisdiction with an eligible and ready project with sharing or pooling mechanisms addressed in a future memorandum of understanding or loan agreement as necessary. Every attempt shall be made to expend the funds in the housing market area from which they were recaptured; however, a future memorandum of understanding or loan agreement may allow expending funds in

specific housing market areas if those funds are to be reimbursed in future program years for the housing market area from which they were originally intended.

13.5 METHOD OF REDISTRIBUTION. Each member of the Consortium is responsible for complying with the fund reservation, commitment and expenditure time frames under 24 CFR 92.500(d).

7.1 The Town of Apple Valley and the City of Victorville may agree to share funds, sponsor joint projects, or allocate all or some portion of their annual share to each other.

7.1 Funds not used, including positive balances remaining after an activity is completed may be used by the jurisdiction for future projects unless the Consortium is in danger of recapture in which case the excess funds will be made available to all members of the Consortium with sharing or pooling mechanisms addressed in a future memorandum of understanding or loan agreement as necessary.

7.1 Should any member fail to meet any of the obligations or exceed any of the limitations described above and should such failure jeopardize compliance of the Consortium as a whole, the Lead Agency has final control over re-distribution of funds among the members in order to insure that all grant requirements are met. The Lead Agency shall consult with the other member of the Consortium prior to any potential redistribution of funds under this provision.

7.1 Should funds be de-obligated and recaptured by HUD for any reason, the Lead Agency will calculate the impact of de-obligation on each consortium member and make appropriate adjustments to the amount allocated to each member. The reduction in funds to each member will be approximately proportionate to the member's contribution to the cause of the de-obligation, unless members agree otherwise. No reduction in allocation funds will be made if member has met all their expenditure time frames.

13.6 ADMINISTRATIVE FEES. Administrative fees, at a percentage not to exceed that allowed by HUD regulations, shall be retained by the Program Administrator for the management of the HOME Program. Only costs associated with the management and administration of the HOME program may be charged against HOME administrative allocations. The Town of Apple Valley shall retain an amount between 5% and up to, but not-to-exceed 10% each successive year as reasonably determined by the Town of Apple Valley and reasonably approved by the City of Victorville, in order to fairly compensate the Town of Apple Valley for its administrative responsibilities under the Agreement. If applicable, the Town of Apple Valley will provide reasonable justification for administrative charges exceeding 5% on an annual basis during the remaining term of this agreement.

13.7 MATCHING CONTRIBUTIONS. The Town of Apple Valley and City of Victorville shall be proportionately responsible for meeting the federal matching requirements of sections 92.218-92.222 of the C.F.R. for all activities proposed under the

Consortium. Any eligible sources of match which are contributed on eligible projects in a member jurisdiction, shall also be reported to the Program Administrator as a matching contribution. Upon request the Program Administrator shall assist and advise member jurisdictions in determining eligible projects and sources of matching funds. If City of Victorville and/or Town of Apple Valley fees are waived for a project, such fee waivers shall be provided as HOME match. All program income generated by matching funds shall be deposited into the local HOME Trust Fund as defined in section 14 of this Agreement.

13.8 EXCLUSION OF FUNDS. This Agreement applies only to those funds received under the HOME Program and program income generated by HOME funds and matching contributions. This Agreement does not apply to or control funds other than those described in this section.

13.9 CONSORTIUM'S OBLIGATION TO DISTRIBUTE FUNDS. If HOME funds are not awarded to the Consortium by HUD, the Consortium's obligation to distribute those funds to Consortium members will be terminated.

14. HOUSING PROGRAMS AVAILABLE TO CONSORTIUM MEMBERS. The Program Administrator will administer the programs which will be available to Consortium member jurisdictions. Availability of the programs will be determined by each member jurisdiction and will be available until there are sufficient resources to operate the program and the administrative capacity of the Program Administrator.

14.1 HOMEBUYER ASSISTANCE PROGRAM. The Program Administrator will operate a program for low-income, homebuyers. The program will provide deferred payment loans to eligible families to purchase eligible housing and, depending upon the circumstances, for targeted new developments. Each member jurisdiction will develop and implement their programs based on their respective guidelines and available resources.

14.2 HOUSING REHABILITATION PROGRAM. The Program Administrator will administer the rehabilitation programs for low-income homeowners on owner-occupied units and for small rental projects occupied by low-income renters. Each member jurisdiction will develop and implement their programs based on their respective guidelines and available resources.

14.3 HOUSING DEVELOPMENT PROGRAM. The Program Administrator will work with housing developers, as well as Community Development Housing Organizations (CHDOs) to develop single family, multi-family or other housing development that is determined to be needed within the communities. Each member jurisdiction will develop and implement their programs based on their respective guidelines and available resources.

15. LOCAL HOME TRUST FUND. The Program Administrator shall be responsible for maintaining a local HOME Trust Fund account. 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 Trust Fund account. The Town of Apple Valley has the responsibility for monitoring and reporting to

HUD on the use of any such local HOME Fund moneys and the Consortium shall require appropriate record keeping and reporting by its members as may be needed for this purpose. In the event the Consortium dissolves, any HOME program income that is on hand or received subsequent to the dissolution shall be paid into the local HOME Trust Fund administered by the Town of Apple Valley as a Program Administrator for use by former consortium members from which the program income was received. In the event the Consortium is renewed at the end of the 3-year term of this Agreement, any currently participating jurisdiction that does not continue to participate, automatically forfeits any and all future program income.

16. NEW MEMBERS. New members to the Consortium may be allowed to participate, upon proof that they do not belong to any other Consortium and upon request to join the Consortium as provided for below.

16.1 AUTHORIZING RESOLUTIONS. Each request to join the Consortium must be accompanied by certified copies of authorizing resolutions by the governing body of the local government.

16.2 AVAILABILITY OF HOME FUNDS. HOME funds shall not be available to a new member of the Consortium until the fiscal year in which HUD includes that locality in its calculations for distribution of HOME funds.

16.3 AUTHORITY TO AMEND AGREEMENT TO ADD NEW MEMBERS. If approved by all Consortium members, the Program Administrator is authorized to amend the Consortium Agreement on behalf of the entire Consortium to add new members to the Consortium.

17. AUTHORITY TO JOIN CONSORTIUM. Each member of the Consortium hereby certifies that it is authorized to enter into this Agreement. Authorizing Resolutions from the governing body of each unit of local government joining the Consortium are incorporated into this Agreement under Attachment A and made part of this Agreement.

18. COOPERATION UNDERTAKING HOUSING ASSISTANCE UNDER HOME. Each member of the Consortium agrees to cooperate to undertake or to assist in the undertaking of housing assistance activities for the HOME Program.

19. MINOR AMENDMENTS TO THE AGREEMENT. Should it become necessary to change the language of this agreement to meet HUD approval, without making substantive changes and without altering the intent of this Agreement, such changes may be made administratively with the unanimous written consent of the City of Victorville City Manager and the Town of Apple Valley Program Administrator.

SIGNATURE PAGE TO
COOPERATIVE AGREEMENT TO RENEW A HOME CONSORTIUM

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date stated below for execution.

TOWN OF APPLE VALLEY

By:

Douglas B. Robertson, Town Manager

ATTEST:

La Vonda M-Pearson, Town Clerk (Seal)

APPROVED AS TO FORM:

John Brown, Town Attorney

CITY OF VICTORVILLE

By:

City Manager

ATTEST:

City Clerk (Seal)

APPROVED AS TO FORM:

City Attorney