## 2024-41

## A RESOLUTION

APPROVING AN INTERGOVERNMENTAL AGREEMENT TO ESTABLISH A CONSORTIUM TO ACCESS AND ALLOCATE FUNDS FROM THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR THE HOME INVESTMENT PARTNERSHIPS PROGRAM

WHEREAS, pursuant to C.R.S. § 29-1-203 and §29-1-203.5 as amended, the City of Lakewood (the "City"), has the authority to enter into intergovernmental agreements (IGAs) with other governmental entities;

WHEREAS, in 2012 the Jefferson County (the "County") qualified as an "urban county" and formed a consortium (the "Jefferson County HOME Consortium" or "Consortium") to access and allocate funds from the United States Department of Housing and Urban Development (HUD) for the Home Investment Partnerships Program (HOME);

WHEREAS, these funds are used to support a wide range of local housing and community development activities and programs;

WHEREAS, the City wished to participate in the Consortium and the City and County entered into an Intergovernmental Joint Cooperation Agreement in June of 2013;

WHEREAS, the City of Arvada now wishes to join the Consortium;

WHEREAS, to effectuate the foregoing, the City and other Consortium members must enter into a new IGA, attached hereto as Exhibit A, and commence a new term beginning October 1, 2024, and ending September 30, 2026, after which any future renewals of the IGA will be for a three-year period; and

WHEREAS, the City Council hereby finds and determines that entering into the aforementioned IGA is in the best interests of the City.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lakewood, Colorado, that:

SECTION 1. Approval. The City Council hereby finds and determines that authorizing the IGA is in the best interests of the residents of the City and is hereby approved.

SECTION 2. Execution. The City Council hereby authorizes the City Manager or designee to execute said IGA on behalf of the City.

SECTION 3. Effective Date. This Resolution shall become effective immediately upon its adoption.

INTRODUCED, READ AND ADOPTED by a vote of 10 for and 0 against at a hybrid regular meeting of the City Council on August 26, 2024, at 7 o'clock p.m., at the Lakewood Civic Center, 480 South Allison Parkway, Lakewood, Colorado.

ATTEST:

Wendi Strom, Mayor

Jay Robb, City Clerk

APPROVED AS TO FORM:

Alison McKenney Brown, City Attorney

## INTERGOVERNMENTAL JOINT COOPERATION AGREEMENT AND HOME CONSORTIUM AGREEMENT BETWEEN JEFFERSON COUNTY, COLORADO, THE CITY OF LAKEWOOD, COLORADO AND THE CITY OF ARVADA, COLORADO

THIS AGREEMENT (the "Agreement") is entered into by and between Jefferson County, Colorado, a body corporate and politic of the State of Colorado (the "County"), the City of Lakewood, a home rule municipal corporation located in Jefferson County, Colorado ("Lakewood"), and the City of Arvada, a home rule municipality located in Jefferson County, Colorado ("Arvada"), and is effective October 1, 2024. Lakewood and Arvada may be referred to herein individually as the "City" and collectively as the "Cities," and the County, Lakewood and Arvada may be referred to herein individually as a "Party" and collectively as the "Parties."

## **RECITALS**

- A. In 1974 the U.S. Congress enacted the Housing and Community Development Act of 1974, as since amended (42 U.S.C. 5301 et seq.) ("HCDA"), permitting and providing for the participation of the United States government in a wide range of local housing and community development activities and programs under Title I of HCDA which activities and programs are administered by the U.S. Department of Housing and Urban Development ("HUD"); and the Home Investment Partnerships Program ("HOME") was enacted under Title II (42 U.S.C. 12701-12839) of the Cranston-Gonzalez National Affordable Housing Act ("NAHA") which activities and programs are administered by HUD;
- B. The primary objective of Title I of HCDA is the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income, and the primary objective of the HOME program is to expand the supply of decent, safe, sanitary and affordable housing for low and moderate income Americans. These objectives are to be accomplished by the federal government providing financial assistance pursuant to HCDA and NAHA in the form of Community Development Block Grant ("CDBG") funds and HOME funds to the state and local governments to be used in the conduct and administration of housing and community development activities and projects as contemplated by the primary objectives of the HOME program;
- C. To implement the policies, objectives and other provision of HCDA and NAHA, HUD has issued rules and regulations governing the conduct of HOME program, published in 24 Code of Federal Regulations (C.F.R.), Part 92 (the "Regulations"), which provide that a county that qualifies as an urban county may form a consortium with one or more geographically contiguous units of local government, as outlined in Section 92.101, and that a metropolitan city that qualifies for a separate entitlement grant may be included as a part of the HOME consortium by entering into a HOME consortium agreement with the urban county in accordance with the requirements of the Regulations;
- D. In 2012, the County qualified as an "urban county" and formed a HOME consortium (the "Jefferson County HOME Consortium" or the "Consortium"). Pursuant to an Intergovernmental Joint Cooperation Agreement and HOME Consortium Agreement between the County and Lakewood (the "Original Consortium Agreement"), which became effective on June 1, 2013, Lakewood elected to participate in the Jefferson County HOME Consortium. The City of Wheat Ridge, the City of Golden, the City of Edgewater, the Town of Lakeside and the Town of Morrison comprise the other members of the Jefferson County HOME Consortium through their participation in the Jefferson County urban county;
- E. Arvada wishes to join the Jefferson County HOME Consortium beginning with its ensuing qualification period;

- F. The County also desires to modify the Jefferson County HOME Consortium's qualification period to synchronize with the federal fiscal year and the County CDBG program's qualification period. To effectuate the foregoing, the initial term of this Agreement will be an abbreviated term beginning October 1, 2024, and ending September 30, 2026, after which any future renewals of the Agreement will be for a full three-year qualification period;
- G. Upon execution of this Agreement by all parties, an executed copy thereof will be included in the documentation for the Jefferson County HOME Consortium's ensuing qualification period and, if the County re-qualifies as a HOME consortium, the Cities will be included as a part of the Jefferson County HOME Consortium and be eligible to participate in the County's HOME program. As metropolitan cities, Lakewood and Arvada will continue to receive their respective annual entitlement CDBG funds from HUD;
- H. The County recognizes and understands that it does not have independent legal authority to conduct community development and housing assistance activities within the boundaries of the Cities and therefore, its ability to conduct the HOME program in the Cities is limited by the requirement that it must obtain permission from the Cities to perform activities therein, and accordingly, in order for the Cities to be considered a part of the Jefferson County HOME Consortium and be included in the County's annual request to HUD for HOME funds, it is required by the Regulations that the Cities and the County enter into a cooperation agreement whereby the Cities authorize the County to undertake or to assist in undertaking essential community development and housing assistance activities within the Cities as may be specified in the "Consolidated Plan" to be submitted to HUD annually by the County to receive its annual HOME entitlement grant;
- I. Under general provisions of Colorado law governing contracting between governmental entities and by virtue of specific authority granted in Part 2 of Article 1 of Title 29, C.R.S., any two or more political subdivisions of the state may enter into agreements with one another for joint cooperative action and any one or more political subdivisions may contract with another or with a legal or administrative entity created pursuant to that act to perform any governmental service, activity or undertaking which each political subdivision entering into the contract is authorized by law to perform, and
- J. Accordingly, the Parties have determined that it will be mutually beneficial and in the public interest of all Parties to enter into this intergovernmental agreement regarding the conduct of the County's HOME program.

THEREFORE, in consideration of the premises and cooperative actions contemplated hereunder, the Parties agree as follows:

- 1. The initial qualification period for the Jefferson County HOME Consortium under this Agreement is from Federal fiscal year 2025 to Federal fiscal year 2026. The initial term of this Agreement shall encompass this same time period, beginning October 1, 2024, and ending September 30, 2026. The initial term of this Agreement is intended to cover activities carried out with HOME consortium grant funds from federal fiscal year 2025 and 2026 appropriations and from any Program Income (as that term is defined in the Regulations) generated from the expenditures of those funds, and will remain in effect, at a minimum, until such funds are expended on eligible activities or returned to HUD.
- 2. Upon expiration of the initial term of this Agreement, this Agreement will be automatically renewed for the Jefferson County HOME Consortium's participation in successive qualification periods of three federal fiscal years each. No later than the date specified by HUD's consortia designation notice or HOME consortia web page, the County, as lead entity for the Consortium, shall (a) notify each Consortium member in writing of its right to decide not to participate in the Consortium for the next qualification period and (b) send a copy of each notification to the HUD Field Office.

If a member of the Jefferson County HOME Consortium decides not to participate in the Consortium for the next qualification period, the Consortium member shall notify the County, and the County shall notify the HUD Field Office, before the beginning of the new qualification period.

Before the beginning of each new qualification period, the County shall submit to the HUD Field Office a statement of whether or not any amendments have been made to this Agreement, a copy of each amendment to this Agreement, and, if the Consortium's membership has changed, the state certificate required under 24 C.F.R. § 92.101(a)(2)(i). The Consortium shall adopt any amendments to this Agreement that are necessary to meet HUD requirements for consortium agreements in successive qualification periods.

The automatic renewal of this Agreement will be void if the County fails to (a) notify a Consortium member as required under this automatic renewal provision, or (b) submit a copy of each amendment to this Agreement as required under this automatic renewal provision.

If the Jefferson County urban county fails to re-qualify as an urban county for the CDBG program during the qualification period included in this Agreement, the Agreement shall terminate following the last fiscal year for which the urban county qualified for the CDBG program.

At a minimum, this Agreement will remain in effect until the HOME funds received by the Consortium during each federal fiscal year of the Agreement's initial qualification period, and each successive qualification period for which the Agreement is renewed, are expended on eligible activities or returned to HUD.

- 3. By entering into this Agreement with the County, the Cities shall be included as a part of Jefferson County HOME Consortium for qualification and grant calculation purposes, upon the re-qualification by HUD of the Jefferson County HOME Consortium.
- 4. The County shall submit a fully executed copy of this Agreement, together with the authorizing resolutions of each Party, to HUD as part of its qualification documentation.
- 5. The Jefferson County HOME Consortium's program year shall begin on June 1st each year and end on May 31st of the following year.
- 6. The Cities agree to, and shall cooperate in, the preparation of detailed HOME program activities and projects to be conducted or performed in their respective jurisdiction during each qualification period covered by this Agreement, and these activities and projects will be included in the Consortium's Consolidated Plan and requests for funds for those periods. The Cities understand and agree, however, that the County shall have final responsibility for selecting the program activities and projects to be included in each annual grant request and project grant request and for filing the Consolidated Plan with HUD on an annual basis.
- 7. The Parties agree that the County will serve as the lead entity for the Jefferson County HOME Consortium. The County, as lead entity, is authorized to act in a representative capacity for all members of the Jefferson County HOME Consortium for the purposes of administering the HOME program. As the lead entity for the Consortium, the County agrees to assume overall responsibility for ensuring that the Jefferson County HOME Consortium's HOME program is carried out in compliance with all applicable requirements, including requirements concerning the Consortium's Consolidated Plan. Further, the County, as lead entity, will to the extent required by HUD, be the responsible entity under all HOME program fund grant agreements received from HUD, including for projects and activities conducted within the Cities' jurisdictions. Accordingly, the Cities agree that, as to all projects and activities performed or conducted in their jurisdictions under any HOME grant agreement, the County shall have the ultimate supervisory and administrative control and compliance responsibility. The County will accept project recommendations from all Jefferson County HOME Consortium members but reserves the right to make final funding decisions based upon the recommended projects.
- 8. The Parties agree to cooperate to undertake or to assist in undertaking housing assistance activities for the HOME program. The Cities shall cooperate fully with the County in all HOME program efforts planned and performed hereunder and allow and permit the County to undertake or assist in undertaking essential community development and housing assistance activities within the Cities' jurisdictions, as may be approved and authorized in the County's agreements, including the

Consolidated Plan. The Parties also agree to cooperate to undertake, or assist in undertaking, community development housing assistance activities for the HOME program, as they may be planned and specified in the Consortium's Consolidated Plan submitted annually to HUD for the qualification periods specified herein and for such additional time as may be required for the expenditure HOME funds granted by the County for such activities.

- 9. The County will identify and review projects through the Consortium's online application portal. Projects will be selected based on funding availability, timing, compatibility with the goals identified in the Consortium's current Consolidated Plan, and other appropriate criteria. In the event that the Consortium has insufficient funding to support competing projects located within the boundaries of the Urban County, Lakewood and/or Arvada, the County agrees to select projects in reference to the Parties' respective HOME funding allocations identified by HUD's Consortia Builder Tool, available here: https://www.hudexchange.info/resource/2450/home-consortia-builder-a-tool-to-estimate-funding.
- 10. HOME program funds may be accessed by the Cities in two ways: (a) each City may approve a project or activity, carried out by a third entity, as appropriate for the needs of such City, and endorse the application; or (b) each City may originate a grant or loan request on its own behalf for an eligible project or activity. If a City applies for HOME funds itself, then the provisions in Paragraph 11 shall apply. For example, if a City opts to create an eligible homeowner rehabilitation program, such City would be subject to the same requirements as a subrecipient, including a written agreement. If a City approves or endorses a third-party application, then such City's continuing participation in the project or activity is not required.
- 11. Pursuant to 24 C.F.R. 92.504, if the Cities receive HOME program funds, the Cities shall be subject to the same requirements applicable to all subrecipients. The Cities understand and agree that, pursuant to Section 92.504 of the Regulations, the Cities will need to enter into separate written agreements or subgrants with the County with respect to the actual conduct of the projects and activities approved for performance by such City and that the funds designated in the Consortium's Consolidated Plan for those projects and activities will also be funded to such City under those separate project agreements or sub-grants. Subject to the provisions of Paragraph 7 above, the Cities will administer and control the performance of the projects and activities specified in those separate project agreements and will be responsible for the expenditure of the funds allocated for each such project or activity and will conduct and perform the projects and activities in compliance with the Regulations and all other applicable federal laws and requirements relating to the HOME program.
- 12. All HOME program funds that are approved by HUD for expenditure under the County's grant agreements, including those that are identified for projects and activities in the Cities, will be budgeted and allocated to the specific projects and activities described and listed in the Consortium's Consolidated Plan and One Year Action Plan to the Consolidated Plan submitted annually to HUD, and those allocated funds shall be used and expended only for the projects or activities to which the funds are identified. No project or activity, nor the amount allocated therefore, may be changed, modified, substituted or eliminated by the Cities without the prior written approval of the County and the approval of HUD, if required by the Regulations.
- 13. During the term of this Agreement, each City shall:
  - (a) Inform the County of any income generated by the expenditure of HOME program funds received by such City;
  - (b) Pay over to the County any Program Income received by such City, or retain and use that Program Income subject to, and in accordance with, the requirements and provisions of the applicable separate HOME project agreement;
  - (c) Use any Program Income such City is authorized by the County to retain only for eligible activities in accordance with all HOME program requirements as may then apply and the terms of all applicable project agreements;

- (d) Keep appropriate records regarding the receipt of, use of, or disposition of all Program Income by such City and make reports therein to the County as will be required under the separate project agreements; and
- (e) Pay over to the County any Program Income that may be on hand in the event of close-out or change in status of such City or that may be received subsequent to the close-out or change in status as provided for in the separate project agreement.
- 14. The separate project agreements or sub-grant agreements that will be entered into between the County and the Cities for the conduct of the HOME program shall include provisions setting forth the standards which shall apply to any real property acquired or improved by the Cities, in whole or in part, using HOME program funds. These standards will require the Cities to:
  - (a) Notify the County in a timely manner of any modification or change in the use of that property from that which was planned at the time of acquisition or improvement and this notice requirement shall include any disposition of such property;
  - (b) Reimburse the County in an amount equal to the current fair market value of property acquired or improved with HOME funds (less any portion thereof attributable to expenditures of non-HOME funds) that is sold or transferred for a use which does not qualify under the Regulations; and
  - (c) Pay over to the County any Program Income that is generated from the disposition or transfer of property either prior to, or subsequent to, any close-out, change of status or termination of this Agreement.
- 15. The Cities understand and agree that they may not participate in a HOME consortium except the Jefferson County HOME Consortium, regardless of whether the Jefferson County HOME Consortium receives a HOME formula allocation. The Cities may, however, apply for State HOME funds. As metropolitan cities, the Cities may also continue to receive their respective annual entitlement CDBG funds from HUD.
- 16. The County shall, in accordance with the applicable requirements of 24 C.F.R. Part 92, collect an administrative fee for the performance of its duties administering the HOME program, pursuant to this Agreement. In no event shall the administrative fee exceed ten percent (10%) of the overall annual HOME allocation. The County can elect to enter into an annual agreement with a City if the County and City mutually agree that the City will perform administrative functions relating to the HOME program. In this occurrence the City would be subject to the same requirements as a subrecipient, including execution of a written agreement and adherence to all Regulations.
- 17. Each Party agrees that it will affirmatively further fair housing.
- 18. Pursuant to the provisions of 24 C.F.R. § 91.225, each Party affirms that it has adopted and is enforcing the following policies:
  - (a) A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and
  - (b) A policy enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such nonviolent civil rights demonstration within its jurisdiction.
- 19. The Cities authorize the County to amend this Agreement on behalf of the entire Consortium to add new members of the Consortium or for other reasons approved by HUD. With the exception of the foregoing, any changes and modifications to this Agreement shall be made in writing and shall be executed by all Parties and be approved by HUD, if necessary to comply with the Regulations.

- 20. The Parties agree not to veto or otherwise obstruct the implementation of the Consortium's approved Consolidated Plan during the applicable three-year qualification period and for such additional time as may be required for the expenditure of funds granted for that period.
- 21. The Parties agree to maintain a complete set of books and records that account for the HOME monies and the supervision and administration of the HOME program. The Parties agree that they will provide access to these books and records to each other and to HUD, as necessary or requested, to confirm compliance with Federal laws and regulations.
- 22. The Parties agree that no Consortium member may withdraw from nor be removed from inclusion in the Jefferson County HOME Consortium during any qualification period.
- 23. This Agreement and the rights and duties of the Parties shall be interpreted in accordance with the laws of the State of Colorado applicable to contracts made and to be performed entirely within the state.
- 24. The courts of the State of Colorado shall have sole and exclusive jurisdiction of any disputes or litigation arising hereunder.
- 25. Venue for any and all legal actions arising hereunder shall lie in the District Court in and for the County of Jefferson, State of Colorado.
- 26. No City or County employees, commissioners, city council members or other elected officials shall receive any share or part of this Agreement or any benefit that may arise therefrom.
- The Cities hereby give the County the authority to carry out and administer HOME program activities and projects using Program Income paid over to the County from a City prior to such City joining the Jefferson County HOME Consortium. With respect to the rental housing project located at 500 South Reed Street, Lakewood, CO 80226 (the "Cityscape Project"), Lakewood grants the County the authority to continue providing oversight and monitoring as required by the Regulations and the applicable contracts between Lakewood and the County and the Lakewood Housing Authority d/b/a Metro West Housing Solutions ("MWHS"). The County will thereby be able to provide the monitoring and oversight for the overall Cityscape Project, which was funded by both Jefferson County HOME Consortium funds and Lakewood HOME funds. Lakewood shall remain responsible for the enforcement of its contract with MWHS and for preparation and filing of any required reports for Lakewood's portion of the HOME funding for the Cityscape Project. The County's monitoring of the Cityscape Project may include monitoring compliance with the occupancy requirements, HOME rent limits, inspections for construction progress and suitability for occupancy, and any other monitoring deemed necessary by the County.
- 28. Upon execution of this Agreement by all Parties, this Agreement shall supersede and replace the Original Consortium Agreement, which shall be deemed to have been terminated by mutual agreement of Lakewood and the County. Notwithstanding the foregoing, the terms and conditions of the Original Consortium Agreement shall remain in effect for funding received by the Consortium during the 2022-2024 qualification period.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly authorized and executed by each on the date specified as follows:

JEFFERSON COUNTY, COLORADO

Lesley Dahlkemper, Chair

**Board of County Commissioners** 

Approved as to form:

Assistant County Attorney

CITY OF LAKEWOOD

ATTEST:

Jay Robb, City Clerk

Attestation Date

Approved as to form:

Lauren Stanek, Senior Assistant City Attorney

Recommended and approved as to gontent:

Travis Parker

Chief of Sustainability and Community Development

CITY OF ARVADA, COLORADO	Z N ARTA
By: Lauren Simpson	(SEAL)
Lauren Simpson, Mayor	19458AP
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Approved as to form:	ATTEST:
- Provide to Solidi	Kristen R. Rush
By Emily Grogg	City Clerk
City Attorney	