



Sean Rogan
Executive Director

COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles

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ADOPTED

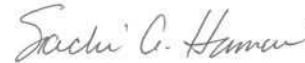
Community Development Commission

July 17, 2012

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The Honorable Board of Commissioners
Community Development Commission
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012


SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Commissioners:

**APPROVE COOPERATION AGREEMENT BETWEEN THE COUNTY OF LOS ANGELES AND
THE CITY OF ARTESIA
(DISTRICT 4) (3 VOTE)**

SUBJECT

This letter recommends approval of a Cooperation Agreement between the County of Los Angeles (County) and the City of Artesia to effectuate the City's participation in the Los Angeles Urban County Community Development Block Grant (CDBG) Program, beginning July 1, 2013.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that approval of the Cooperation Agreement between the County and the City of Artesia is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the action is not defined as a project under CEQA.
2. Authorize the Executive Director or his designee to sign the CDBG Participating Cities Cooperation Agreement with the City of Artesia so that the City may participate in the Los Angeles Urban County CDBG Program, effective July 1, 2013 through June 30, 2015.
3. Instruct the Executive Director or his designee to submit the Cooperation Agreement and related documents to the U.S. Department of Housing and Urban Development (HUD).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Every three years, the cooperation agreements between the County and cities that participate in the CDBG Program are automatically renewed. Each year, the County is required by HUD to ask non-

participating cities whether they wish to join the CDBG Program. The City of Artesia, which currently does not participate, has indicated its desire to join the CDBG Program beginning July 1, 2013.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The attached standard CDBG Participating Cities Cooperation Agreement is presented in substantially final form, and will be effective following approval as to form by County Counsel and execution by all parties.

ENVIRONMENTAL DOCUMENTATION

This action is exempt from the provisions of the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3), because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment.

The action is also not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This action will increase the number of cities participating in the CDBG Program from 48 to 49.

Respectfully submitted,



SEAN ROGAN

Executive Director

SR:rw

Enclosures

**COUNTY OF LOS ANGELES
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
HOME INVESTMENT PARTNERSHIPS PROGRAMS
ASSISTED HOUSING PROGRAMS
PARTICIPATING CITY
COOPERATION AGREEMENT**

This Agreement is being entered into on this____, day of July 2012 to be effective on the 1st day of July 1, 2013, by and between the **City of Artesia**, hereinafter referred to as "City," and the County of Los Angeles, by and through the Executive Director of the Community Development Commission of the County, hereinafter referred to as "County" and shall remain in effect for the remainder of the three-year Urban County Qualification period, which is from July 1, 2012 through June 30, 2015. After this date, this Agreement provides for automatic renewal of participation in successive three-year qualification periods, unless the County or the City provides written notice it elects not to participate in a new qualification period.

WITNESSETH THAT:

WHEREAS, in 1974, the U.S. Congress enacted and the President signed a law entitled, the Housing and Community Development Act of 1974, as amended, herein called the "Act;" and

WHEREAS, County and City desire to cooperate to undertake, or assist in undertaking, community development, community renewal of lower income housing assistance activities, specifically urban renewal and publicly assisted housing, including, but not limited to, the improvement or development of housing for persons of low- to moderate-incomes, and other community or urban renewal activities authorized by the Act, the Cranston-Gonzalez National Affordable Housing Act (NAHA), and the U.S. Housing Act of 1937, as amended;

WHEREAS, the Community Development Block Grant (CDBG) Program, the HOME Investment Partnerships (HOME) Program, and the Emergency Solutions Grant (ESG) Program are required to have an approved comprehensive housing strategy as authorized under NAHA;

WHEREAS, the County has requested of the U.S. Department of Housing and Urban Development, hereinafter referred to as "HUD," that the County be designated as an "Urban County;"

WHEREAS, the City desires to participate with the County in said program;

WHEREAS, as the Urban County designee, the County will take responsibility and assume all obligations of an applicant under federal statutes, including: the analysis of needs, the setting of objectives, the development of community development and housing assistance plans, the consolidated plan, and the assurances of certifications;

WHEREAS, the terms and provisions of this Agreement are fully authorized under State and local law, and this Agreement provides full legal authority for the County, by and through its agents and instrumentalities including the Housing Authority of the County of Los Angeles and the Community Development Commission of the County of Los Angeles, herein referred as "Commission," to undertake, or assist in undertaking, essential community development and housing assistance activities, specifically urban renewal and publicly assisted housing; and

WHEREAS, by executing this Agreement, the parties hereby give notice of the intention to participate in the Urban County CDBG Program.

NOW, THEREFORE, the parties agree as follows:

1. The City hereby authorizes the County to perform, or cause to be performed, those acts necessary or appropriate to implement the community development and housing assistance activities, specifically urban renewal and publicly assisted housing, including, but not limited to, improvement or development of housing for persons of low- to moderate-income, and other community or urban renewal activities authorized under the Act specified for the City in the County's Consolidated Plan which will be funded from annual CDBG and applicable HOME Programs from Federal **Fiscal Years 2013 through 2014** appropriations and from any program income generated from the expenditure of such funds. County shall have final authority and responsibility for selecting projects and annually filing its Final Housing and Community Development Plan with HUD.

In the event this Agreement extends into succeeding fiscal years and funds have not been appropriated, this Agreement will automatically terminate as of June 30 of the then current fiscal year. The Commission will endeavor to notify the City in writing within ten (10) days of receipt of non-appropriation notice.

2. This Agreement covers the following formula funding programs administered by HUD where the County is awarded and accepts funding directly from HUD: The CDBG Entitlement Program and the HOME Program.
3. In executing this Agreement, the City understands that it shall not be eligible to apply for grants under the Small Cities or State CDBG Programs for appropriations for fiscal years during the period in which the City is participating in the Urban County CDBG entitlement program; and further, the City shall not be eligible to participate in the HOME and ESG programs except through the Urban County.
4. The City may participate in a 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.
5. The term of this Agreement shall commence on July 1, 2013, through June 30, 2015. In addition, this Agreement will automatically renew every three (3) years, unless the City provides written notice at least 60 days prior to the end of the term that it elects not to participate in a new qualification period. A copy of that notice must be sent to the HUD Field Office. Before the end of the first three-year term, the County will notify the City in writing of its right not to participate in the Urban County for a successive three-year term.

The parties agree to adopt amendments to this Agreement incorporating changes necessary to meet the requirements for cooperation agreements set forth in the Urban County Qualification Notice by HUD, prior to the subsequent three-year extension of the term. Any amendment to this Agreement shall be submitted to HUD as required by the regulations and any failure to adopt required amendments

will void the automatic renewal of the Agreement for the subsequent three-year term.

6. This Agreement shall be effective for the period of time required for the expenditure of all CDBG and/or applicable HOME funds allocated to the City under this Agreement and appropriations from any program income therefrom and for the completion of the funded activities. The County and City agree that they cannot terminate or withdraw from this Agreement while it remains in effect.

The City and the County agree to cooperate to undertake, or assist in undertaking, community development, community renewal and lower income housing assistance activities, specifically urban renewal and publicly assisted housing, including, but not limited to, the improvement or development of housing for persons of low- to moderate-incomes, and other community or urban renewal activities authorized by the Act.

The City and the County in the performance of this Agreement shall take all actions necessary or appropriate to assure compliance with the County's certification required by Section 104 (b) of Title I of the Act, as amended, including the provisions of the National Environmental Policy Act of 1969, Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, Section 109 of Title I of the Act, Section 3 of the Housing and Urban Development Act of 1968, the Fair Housing Act, the Act, and all other applicable laws and regulations.

7. The City and County agree that CDBG and HOME funding is prohibited for any activities in or on behalf of any cooperating City that does not affirmatively further fair housing within its own jurisdiction or that impedes the County's action to comply with its fair housing certification.
8. Pursuant to 24 CFR 570.501 (b), the City is subject to all requirements applicable to subrecipients, including the requirement of a written agreement as set forth in 24 CFR 570.503.
9. The City shall report to the County of any income generated by the use of CDBG or HOME funds received by the City. Any such program income must be remitted to the County within 30 days of receipt if applicable and upon receiving approval from the County. Such program income may be used for eligible activities in accordance with all CDBG and HOME requirements as may then apply.
10. The County shall be responsible for monitoring and reporting to HUD on the use of any program income; therefore, the City shall be required to maintain appropriate record keeping and reporting for this purpose.
11. In the event of grant close-out or termination of this Agreement, any program income that is on hand or received subsequent to the close-out or change in status shall be paid to the County within 60 days after grant closeout.
12. All program income generated from the disposition or transfer of real property acquired or improved by the City, using CDBG and/or HOME funds or program

income, during the term of this Agreement, shall be subject to all the terms and conditions of this Agreement, particularly Sections 6 through 11.

13. Any real property which is acquired or improved by the City during the term of this Agreement, in whole or in part, using CDBG and/or HOME funds or program income, shall be subject to the following standards:
 - a. The County shall be notified by the City in writing of any modification or change in the use or disposition of such real property from that planned at the time of the acquisition or improvement. Such notification shall be made prior to the modification, change in use or disposition.
 - b. If such real property is sold within five (5) years or transferred for a use which does not qualify as an eligible activity under CDBG and/or HOME regulations, the City shall reimburse to the County an amount equal to the current fair market value of the property less any portion thereof attributable to expenditures of non-CDBG and/or non-HOME funds.
14. The City shall make available for inspection and audit to County's and HUD's representatives, upon request, at any time during the duration of this Agreement and for a period of five (5) years, thereafter, all of its books and records relating to CDBG and HOME program activities and income.
15. Following the end of the three-year reimbursable contract period and after resolving any financial or programmatic findings, if a City elects to leave the Los Angeles County Grant Program, and is not eligible to become an entitlement City, the City will be unable to request that its allocation or any remaining balance be transferred to the City. The City will have two (2) options: the City may exchange its remaining balance for another City's general funds; or the City can forgo selling its funds, in which case any remaining balance will be transferred to the funding pool of the Supervisorial District in which the City is located.
16. The City 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 its jurisdiction.
17. The City shall or shall continue to provide a drug-free workplace by:
 - a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the City's workplace and specifying the actions that will be taken against employees for violation of such prohibition.
 - b. Establishing an ongoing drug-free awareness program to inform employees about:

- i The dangers of drug abuse in the workplace;
 - ii The City's policy of maintaining a drug-free workplace;
 - iii Any available drug counseling, rehabilitation, and employee assistance programs; and
 - iv The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
- c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph “a” of this Section 17.
- d. Notifying the employee in the statement required by paragraph “a” of this Section 17 that, as a condition of employment funded by the CDBG and/or HOME grant, the employee will:
 - i Abide by the terms of the statement; and
 - ii Notify the City in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five (5) calendar days after such conviction.
- e. Notifying the County in writing, within ten (10) calendar days after receiving notice under subparagraph d(ii) of this Section 17 from an employee or otherwise receiving actual notice of any such conviction; and the City must provide written notice, including position or title, of any City employees convicted of any criminal drug statute to every County officer or other designee who processed a CDBG or HOME grant which funded any activity on which the convicted employee was working, unless HUD has designated an identification number(s) of each affected grant.
- f. Taking one (1) of the following actions, within thirty (30) calendar days of receiving notice under subparagraph d(ii) of this Section 17, with respect to any employee who is so convicted:
 - i Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - ii Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purpose by a federal, State, local health, law enforcement, or other appropriate agency.
- g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a, b, c, d, e, and f, of this Section 17.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Agreement to be subscribed by the Executive Director of the Community Development Commission of the County of Los Angeles, and the City has subscribed the same through its duly authorized officers, on the day, month, and year first above written

County Counsel Certification

The office of the County Counsel hereby certifies that the terms and provisions of this Agreement are fully authorized under State and local laws, and that the Agreement provides full legal authority for the County to undertake or assist in undertaking essential community development and housing assistance activities, specifically urban renewal and public assisted housing.

By: _____
Deputy County Counsel

Date: _____

CITY OF ARTESIA

COUNTY OF LOS ANGELES

By _____
MAYOR or DESIGNEE

By _____
SEAN ROGAN, Executive Director
Community Development Commission
of the County of Los Angeles

ATTEST:

City Clerk

By _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

JOHN F. KRATTLI
County Counsel

By _____
City Attorney

By _____
Deputy