

**AMENDMENT NO. 5
EXTENSION OF THE COOPERATIVE AGREEMENT TO FORM THE
TACOMA-LAKEWOOD CONSORTIUM UNDER THE
NATIONAL AFFORDABLE HOUSING ACT**

Program Years 2015-2017

This agreement is entered into between the cities of Tacoma and Lakewood, municipal corporations of the state of Washington, for the purpose of continuing its formation as a consortium under the HOME Investments Partnership (“HOME”) Program. This agreement will become effective upon adoption by the parties and approval by the U.S. Department of Housing and Urban Development (“HUD”).

WHEREAS the Congress of the United State of America has enacted the National Affordable Housing Act (“NAHA:), which authorizes units of general local government to form a consortium to obtain funding as a participating jurisdiction under the HOME Program, and

WHEREAS the City of Tacoma (“City”) is a HOME grant recipient and the City of Lakewood (“Lakewood”) is not eligible as an individual entity to receive a formal allocation in the HOME Program, and

WHEREAS NAHA requires that a consortium select a member to act in a representative capacity for all members and to assume overall responsibility for the program; and

WHEREAS the City and Lakewood have determined that obtaining funding under the HOME Program will increase their abilities to provide affordable housing for their low and moderate income residents;

NOW THEREFORE, the parties hereto agree as follows:

SECTION 1: DEFINITIONS

- a. “Members” mean the cities of Tacoma and Lakewood, municipal corporations of the state of Washington, units of government, which are signatories to this agreement.
- b. “Lead Member” means the unit of local government designated to act in a representative capacity for all members for the purposes of the agreement. The Lead Member will assume overall responsibility for ensuring the consortium’s HOME Program is carried out in compliance with the requirements of the program, including requirements concerning the Consolidated Plan (“Plan”).

SECTION 2: GENERAL PROVISIONS

- a. The Members agree that, as geographically contiguous units of general local government, they are eligible to form a consortium for the purposes of HOME funding.
- b. The Members agree to cooperate to undertake or to assist in undertaking housing assistance activities for the HOME Program.
- c. The Members agree to affirmatively further fair housing.
- d. The Members agree to undertake the development of the Plan for each of the federal fiscal years covered by this cooperative agreement. The Plan will be developed jointly with overall unity; however, each Member will separately prioritize and develop housing policies for areas with differing housing needs within their respective jurisdictions.

SECTION 3: COMPLIANCE WITH FEDERAL REGULATIONS

All Members of the Consortium agree to comply with the applicable portions of CFR Title 24, Part 91 and Part 92, the Housing and Community Development Act of 1974 as amended, CFR Title 24, Chapter V, Part 570, CFR Title 24, Part 58, 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 Acquisitions Act of 1970, OMB Circular A-122 and attachments, the Archeological and Historical Preservation Act of 1974, the Architectural Barriers Act of 1968, the Hatch Act, the Flood Disaster Protection Act of 1974, the Clean Air Act, and the Drug-Free Workplace Act of 1988.

SECTION 4: PROGRAM ADMINISTRATION

- a. The City of Tacoma is hereby designated as the Lead Member for the consortium.
- b. The Lead Member shall assume overall responsibility for ensuring that the HOME Program is carried out in compliance with CFR Title 24, Part 92, and shall serve as the Lead Entity.
- c. The Members shall be specifically responsible for program administration, as defined in Exhibit "A."
- d. The Lead Member shall:
 - I. Establish a local HOME Investment Trust Fund Account;
 - II. Receipt, disburse, and account for all HOME Program and matching funds; and
 - III. Collect all required reports and data from the members and submit them to HUD.

- e. Each Member shall be specifically responsible to supply to the Lead Member, within 30 days after or as otherwise agreed upon, copies of all documents which the Lead Member is required to submit to HUD, and records relating to project activities.
- f. Each Member will be responsible for determining the housing needs of their own jurisdiction.
- g. Each Member will be independently responsible for any administrative costs each incurs which are associated with the development and implementation of the joint Consolidated Plan and the HOME Program within the HUD allowable administrative cap.
- h. Each Member will be independently responsible for generating the matching funds required by the HOME Program Regulations, based on HOME Program activities implemented by each Member within their individual jurisdictions. All matching funds shall be deposited in the Local HOME account and shall be credited to the specific activity for which the funds were intended. Credit for excess matching funds may be used to meet the match requirements for a succeeding year, at the discretion of the Member with excess match funds.
- i. Each Member agrees to make available to the Members upon request, all records concerning the activities carried out under this agreement for inspection by the Members or Federal Officials.

SECTION 5: DISTRIBUTION OF FUNDS

No later than 30 calendar days from notification by HUD that HOME funds have been awarded to the consortium, the Lead Member shall issue a Notification of Fund Availability (“NOFA”), indicating the amount of funds available to each Member and shall grant each jurisdiction 30 calendar days to submit an application. An activity shall be considered eligible if it conforms to the requirements of CFR Title 24, Part 92. HOME funds will be allocated according to information provided by HUD on the amount of funds attributable to each jurisdiction to be divided for the benefit of residents from each jurisdiction. If no information is provided, the City’s amount of funds to be used for the benefit of its residents will be based on a calculation of its previous yearly funded amount increased or decreased by the percentage of increase or decrease in the HOME Program, nationally. The balance of funds will be used to benefit the residents of Lakewood.

SECTION 6: TERM OF THE COOPERATIVE AGREEMENT

- a. The Members agree that the term of this Cooperative Agreement is the length of time necessary to carry out all activities that will be funded from funds awarded for three fiscal years: 2015, 2016, and 2017. Program year start date is July 1.

This agreement will be in effect until all funds allocated to the benefit of Lakewood residents, including any program income, have been expended. The agreement will remain in effect throughout this time period and neither party will withdraw from the consortium unless HUD allows withdrawal. During this time frame, the City will designate Lakewood as a HOME Program sub-recipient and transfer assets identified to benefit Lakewood residents. Upon execution of a sub-recipient agreement, Lakewood will assume legal responsibility for its HOME Program, and the City will pass through funds designated for Lakewood residents to Lakewood. In addition, the City may, with the concurrence of Lakewood, enter into an agreement with another organization to administer HOME funds and assets attributable to Lakewood.

- b. The Members also agree that they will remain Members of the Tacoma-Lakewood consortium for this period.
- c. The Lead Entity may amend the consortium agreement on behalf of the entire consortium to add new members to the consortium upon written approval from the Members of the consortium.

SECTION 7: ADMINISTRATIVE FEES

Ten (10) percent of the grant or the maximum allowed by the program regulations shall be retained by the Lead Member for the administration of the HOME Program. Only costs associated with the management and administration of the HOME Program may be charged against HOME administrative allocations. See Exhibit "A," Section B.4, Responsibilities of the City of Lakewood.

SECTION 8: AUTOMATIC RENEWAL

This agreement shall automatically be renewed for the 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 Lead Entity shall notify each Consortium Member in writing of its right to decide not to participate in the Consortium for the next qualification period and the Lead Entity shall send a copy of each notification to the HUD Field Office.

If a Consortium Member decides not to participate in the Consortium for the next qualification period, the Consortium Member shall notify the Lead Entity, and the Lead Entity shall notify the HUD Field Office, before the beginning of the new qualification period.

Before the beginning of each new qualification period, the Lead Entity 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 certification 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 the agreement will be void if: the Lead Entity fails to notify a Consortium member or the HUD field office as required under this automatic renewal provision or the Lead Entity fails to submit a copy of each amendment to this agreement as required under this automatic renewal provision.

CITY OF LAKEWOOD

John J. Caulfield, City Manager

Date:_____

ATTEST:

Alice M. Bush, MMC, City Clerk

APPROVED AS TO FORM:

Heidi Ann Wachter, City Attorney

CITY OF TACOMA

T.C. Broadnax, City Manager

Date:_____

Ricardo Noguera, Director
Community & Economic Development

Robert Biles, Finance Director

Debbie Dahlstrom, Risk Manager

ATTEST:

Doris Sorum, City Clerk

APPROVED AS TO FORM:

Debra Casparian, City Attorney

EXHIBIT "A"

A. Responsibilities of the City of Tacoma

1. As the lead entity in the Consortium, the City of Tacoma will administer development of a joint Consolidated Plan and administer funds awarded to the Consortium under the HOME Investment Partnership Program.
2. Tacoma will incorporate into the joint 5-Year Consolidated Plan and Annual Action Plans the portion of the plan provided by the City of Lakewood necessary to qualify for HOME funding and also incorporate a summary of Lakewood's Analysis of Impediments to Fair Housing provided by Lakewood to be included in the 5-Year Consolidated Plan.
3. Tacoma will assist Lakewood in determining the eligibility of specific projects for HOME funding.
4. Tacoma will prepare environmental assessments, publish public notices of funding allocations and amendments, prepare requests for release of funds, and other documents necessary to receive an annual allocation of HOME funding.
5. Tacoma will handle the set up of HOME projects in HUD's IDIS system.
6. Tacoma will prepare and submit required HOME progress reports to HUD.
7. Tacoma will coordinate and cooperate with the State Auditor and HUD officials on any required audits or monitoring visits.

B. Responsibilities of the City of Lakewood

1. Lakewood will develop, in consultation with Tacoma, a portion of the joint 5-Year and Consolidated Plan and Annual Action Plans necessary to receive HOME funding and a summary of Lakewood's Analysis of Impediments to Fair Housing, and provide these planning documents to the City of Tacoma to incorporate into the joint planning documents.
2. Lakewood will notify Tacoma after it approves planning documents, so the documents can be sent to the appropriate HUD office for review.
3. Lakewood will provide any documents necessary to audit or monitor programs and will take responsibility for resolving and audit or monitoring findings.
4. To assist with the approval of Lakewood projects, Lakewood may prepare environmental reviews and assessments, publish public notices, prepare requests for release of funds, and other documents necessary for project

specific reviews. All reviews will be subject to review and approval by the City of Tacoma prior to submittal. All environmental review documentation must be approved by the City of Tacoma, the “Responsible Entity” under the HOME consortium prior to commitment of any funds, federal or otherwise.

5. Lakewood will determine the type of housing assistance programs it wants to offer residents of its jurisdiction and notify Tacoma of its determinations. Using the administrative allowance from the HOME Program, Tacoma will provide necessary staffing to operate housing programs that are similar to programs currently being offered by Tacoma or other programs which the parties may mutually agree to provide. Costs for providing services and the administration of these services will be taken from the portion of funds designated for Lakewood residents.

6. Tacoma and Lakewood acknowledge that a certain percentage of the HOME funds must be allocated to designated Community Housing Development Organizations (CHDO). Lakewood hereby agrees that CHDOs designated by the City of Tacoma will be used to meet this requirement. Tacoma will retain its right to designate CHDOs that operate in the City of Tacoma without approval from Lakewood. If Lakewood wants to designate organizations as CHDOs, it will compile the necessary documentation that the organization meets the HUD requirements and will submit this information for Tacoma to review. If Lakewood recommends approval and the organization meets HUD requirements, Tacoma will officially designate the organization as a CHDO for Lakewood. Such organizations would not automatically qualify as CHDOs in the City of Tacoma.