

MUTUAL COOPERATION AGREEMENT
UNDER
THE HOUSING AND COMMUNITY DEVELOPMENT ACT AND
THE NATIONAL AFFORDABLE HOUSING ACT

The CDBG Entitlement Program and the HOME Consortium Program for Federal Fiscal Years
2014-2016

This Cooperation Agreement is entered into between Waukesha County, a political subdivision of the State of Wisconsin (hereinafter "County") and the City of Waukesha, a municipal corporation of the State of Wisconsin (hereinafter "Municipality" and collectively "Parties").

WHEREAS, the Housing and Community Development Act of 1974 (42 U.S.C. § 5301 et seq.) as amended, (hereinafter "The Act") provides Federal assistance for 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

WHEREAS, The Act makes possible the allocation of funds to Waukesha County for the purpose of undertaking only community development program activities identified in 42 U.S.C. § 5305 of The Act; and

WHEREAS, the Cranston-Gonzalez National Affordable Housing Act of 1990(42 U.S.C. § 12701 et seq.) as amended, (hereinafter "NAHA") provides Federal assistance for the HOME Investment Partnership Program (hereinafter "HOME Program"); and

WHEREAS, NAHA allows units of general local government to enter into a mutual cooperation agreement to form a consortium to obtain Federal funds as a participating jurisdiction under the HOME Program (hereinafter "HOME Consortium"); and

WHEREAS, the Parties have mutually developed a Consolidated Housing and Community Development Plan and Analysis of Impediments to Fair Housing Choice; and

WHEREAS, the Parties have determined that obtaining funds under the HOME Program will increase their ability to provide affordable housing, and meet other identifiable and eligible housing needs of the Municipality's residents; and

WHEREAS, the County intends to apply to the U.S. Department of Housing and Urban Development (hereinafter "HUD") for funds authorized under The Act and NAHA; and

WHEREAS, County and the Municipality have determined that joint action is an effective way to accomplish the purposes of The Act and NAHA; and

WHEREAS, counties in Wisconsin pursuant to § 59.01, Wis. Stats. and municipalities in Wisconsin pursuant to § 66.0301, Wis. Stats. have the necessary authority to enter into agreements of the type herein contemplated;

NOW THEREFORE, upon the consideration of the mutual promises contained herein, it is agreed between County and Municipality as follows:

SECTION 1 – PURPOSE

- A. The purpose of this Cooperation Agreement is to establish the mutual desire to cooperate to undertake, or assist in undertaking, essential community renewal and lower income housing assistance activities, by means of submitting a Consolidated Plan and Annual Action Plan for both HUD Community Development Block Grant Funds (CDBG Funds) as an Urban County for Federal Fiscal Years 2014, 2015, and 2016 appropriation and from any program income generated from the expenditure of such funds, and HUD HOME funds as a HOME Consortium for Federal Fiscal Years 2014, 2015, and 2016 appropriation and from any program income generated from the expenditure of such funds.
- B. Nothing contained in this Cooperation Agreement shall deprive any municipality of any power of zoning, development control or other lawful authority that it presently possesses.

SECTION 2 – CONSIDERATION

- A. For purposes of the CDBG Program, Municipality, by the execution of this Cooperation Agreement, agrees to have its population, its number of impoverished residents, its extent of housing over-crowding and its age of housing, all as defined in the Act, included in the formula allocation set forth in the Act for the purpose of determining the allocation of funds to the County as an Urban County, as defined in the Act, as amended. The County agrees to include the Municipality as part of its annual Final Statement of Community Development Objectives and Projected Use of Funds, to be submitted to HUD under the terms and conditions of the Act. In addition, Municipality agrees to comply with this Cooperation Agreement which enables its residents to apply for HOME funds.
- B. All funds will be used within Waukesha County for CDBG Funds and the HOME Consortium counties with respect to the HUD HOME funds. County agrees to include

Municipality as part of its Annual Action Plan to be submitted to HUD under the terms and conditions of The Act and NAHA.

SECTION 3-- FUNDING

- A. The CDBG Program shall be governed by a board of directors (hereinafter "CDBG Board"). The CDBG Board holds an annual grant application process every spring for potential subgrantees, which include nonprofit organizations and municipalities. CDBG funds are used for a variety of public services programs that address issues such as: homeless prevention and shelter, food and nutrition, medical care, domestic abuse, parenting, mental health, and transportation for low and moderate income people. Funds are also used for affordable housing, public facilities and improvements, and economic development.
- B. The County will undertake activities that will address priority needs and objectives established as adopted by the CDBG Board.
- C. The HOME Consortium shall be governed by a board of directors (hereinafter "HOME Board"). The HOME Board, by mutual agreement, shall establish "core" programs, which shall serve to benefit residents of each participating municipality and county equally. The annual distribution of "core" project funding shall continue until all allocated funds on a first come first serve basis are fully committed to eligible households.
 - a. Core programs may include, but are not limited to:
Downpayment / Closing Cost, Housing Rehabilitation, Homebuyer Counseling, Rental Rehabilitation, Rental Assistance, Purchase / Rehab or Housing Development.
 - b. HOME regulations require that 15% of HOME funds received on an annual basis must be set-aside and utilized for HOME programs using a HUD eligible Community Development Organization (CHDO), who will either own, develop, manage or sponsor a housing project.
- D. The HOME Board shall determine the allocation of HOME funds within the HUD regulation limits for program administration to Waukesha County, as the lead agent (PJ), not to exceed 10% of the annual grant.

- E. HOME regulations require that match funds or credit shall be provided at \$0.25 for every dollar spent as part of HOME programming. This match is generally provided through pledged commitments by developers of affordable housing projects. If a match cannot be provided through development projects, it shall be the responsibility of the HOME Consortium, as a whole, to provide match funds.
- F. No participating municipality / county will need to provide any funds for the administration / operation of the HOME Program.

SECTION 4 – ACTIVITIES

- A. Municipality and County agree to undertake all actions necessary to assure compliance with County's certification required by Section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended, regarding Title VI of the Civil Rights Act of 1964, the Fair Housing Act, and affirmatively furthering fair housing. In addition, Municipality and County shall comply with Section 109 of Title I of the Housing and Community Development Act of 1974, which incorporates Section 504 of the Rehabilitation Act of 1973 and the Age Discrimination Act of 1975, and other applicable laws. In addition, Municipality is subject to the same requirements applicable to subrecipients, pursuant to 24 CFR § 570.501(b), including the requirement of a written agreement as set forth in 24 CFR § 570.503.
- B. Noncompliance by Municipality with any of the provisions above may constitute noncompliance by County which may provide cause for funding sanctions or other remedial actions by HUD.
- C. Municipality shall establish and maintain appropriate record keeping and reporting of any retained program income and make such available in order to meet the monitoring and reporting responsibilities to the U.S. Department of Housing and Urban Development.
- D. Municipality shall cooperate to undertake, or assist in undertaking, community renewal, lower-income housing assistance activities, and other eligible HOME Program activities in compliance with the regulations at 24 CFR Part 92.
- E. Municipality shall take affirmative action to further fair housing in its jurisdiction. Such actions may include planning, education and outreach, and enforcement components.
- F. CDBG Funds and HOME Consortium funding are prohibited for activities in, or in support of, any cooperating unit of general local government that does not affirmatively

further fair housing within its own jurisdiction or that impedes County's actions to comply with its fair housing certification.

- G. Municipality shall select at least two (2) action items from the list below to affirmatively further fair housing for the duration of this Agreement. Items listed are from the 2015—2019 Analysis of Impediments to Fair Housing Choice for Waukesha County and the HOME Consortium. Municipality shall keep records documenting actions taken to affirmatively further fair housing and provide an annual report to County of such actions within 15 days of the end of the calendar year. Municipality shall obtain updated versions of the Analysis of Impediments to Fair Housing Choice when they are published every five years and select action items from the current document.

a. Impediment #1: Zoning Regulations and Housing Mix Ratios that Reduce Opportunities for Affordable Housing Development

1. In municipalities served by sewer service, allow for the development of new single-family and two-family homes on lots of 10,000 square feet or smaller.
2. Allow for home sizes less than 1,200 square feet.
3. In municipalities served by sewer service, allow for the development of multi-family housing at a density of at least 10 units per acre.
4. To support higher density residential development, expand sanitary sewer services consistent with adopted Regional Sewer Service Plans.
5. Adopt flexible zoning regulations such as Planned Unit Developments (PUD) and Traditional Neighborhood Developments (TND) to permit higher densities and a mix of housing types.
6. Adopt inclusionary zoning provisions, such as higher density allowances and a waiver or modification of other development standards where certain set-asides are made for affordable housing for moderate and low-income families.
7. Amend design regulations to promote flexibility in development and construction costs.

b. Impediment #2: Lack of Fair Housing Knowledge

1. Attend a fair housing seminar or educational opportunity.
2. Provide education or training for rental property owners and managers on the requirements of the Fair Housing Act, the definitions of protected classes, discriminatory practices, and potential consequences for non-compliance.

c. Impediment #3: Imbalance Between Job Centers and Affordable Housing Options

1. Encourage the development of new affordable and/or mixed-income housing near job centers by offering density bonuses, fee waivers or other incentives.

d. Impediment #4: NIMBY/Prejudiced Attitudes

1. Develop and integrate appropriate diversity awareness information into staff and organizational development training.
2. Create and disseminate information regarding what affordable, workforce and mixed-income housing is and what economic benefits they offer to your community, via printed materials, training sessions, website education or other methods.
3. Participate in regional housing initiatives and collaborative efforts.

e. Impediment #5: Limited Housing Options for People with Disabilities and the Aging Population

1. Prioritize public funding for housing developments that address the needs of people with disabilities or the elderly.
2. Adopt or promote construction design concepts such as universal design (UD) and Visit-ability standards and features in all new housing, including consideration of providing density bonuses or other incentives to encourage such housing.

H. Municipality, as a cooperating unit of general local government, attests that it 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.

SECTION 5 – CDBG PROGRAM ADMINISTRATION

- A. Municipality shall undertake all necessary actions, as determined by County and authorized by State and local laws, to carry out a community development program and the approved Consolidated Plan and meet all other requirements of the CDBG Program and other applicable Federal laws.
- B. If the Waukesha County Urban County Community Development Program is, at some future date, closed out, or if the status of the Municipality's participation in the Waukesha County Urban County Community Development Program changes, any program income retained by the Municipality, or received subsequent to the close-out or change in status, shall be paid to the County.
- C. If the Municipality utilizes, in whole or in part, CDBG Funds covered by this Cooperation Agreement to acquire or improve real property which is or will be within the control of Municipality, then the following standards shall apply:
 - a. Municipality will notify the County of any modification or change in the use of the real property from that planned at the time of the acquisition or improvement, including disposition; and,
 - b. Municipality will, if acquired or improved property is sold or transferred for a use which is not an eligible CDBG activity, reimburse County in an amount equal to the current fair market value (less any portion thereof attributable to expenditures of non-CDBG funds); and,
 - c. Program income generated from the disposition or transfer of property acquired or improved in whole or in part with CDBG Funds prior to or subsequent to the close-out, change of status, or termination of this Agreement shall be treated under the provisions of this Cooperation Agreement concerning program income.

SECTION 6-- HOME PROGRAM ADMINISTRATION

A. DEFINITIONS

- a. "Member" means a unit of local government or a county representing townships which signs this Agreement or a substantially similar agreement, and therefore is a member of the HOME Consortium organized to carry out eligible activities under the HOME Program.
- b. "Representative Member" means the unit of local government which acts as a representative of all Members for the purposes of this Agreement. The Representative Member shall assume responsibility for ensuring that the Consortium's HOME Program is carried out in compliance with the requirements of 24 CFR Part 92 and 01 , the requirements of 24 CFR § 92.350 (a) (5) , and the requirements of the Consolidated Housing and Community Development Plan.
- c. Waukesha County shall be the Representative Member and shall carry out all necessary overall responsibilities for the HOME Consortium, with the cooperation of all Members, consistent with the HOME Program regulations. Waukesha County may elect with the approval of the HOME Board through a Request for Proposal designate a portion of Administration funds to another entity to administer specific HOME programs.
- d. Each Member shall submit in a timely manner to the Representative Member all information necessary for participation in the HOME Consortium. This includes, but is not limited to, all information necessary for the Consolidated Plan, the program description and certifications (24 CFR § 92.150), written agreements executed with subrecipients, and performance reports.
- e. Each Member of the HOME Consortium shall start the HOME Program years on January 1st of each qualified year.
- f. Each participating county shall have not less than a three person representation on the HOME Board appointed by the county executive or county board chairman. Each participating county may also designate one alternative member. Representative Member, as the lead agent, with the approval of the HOME Board, is authorized to amend the HOME Consortium Agreement on behalf of the entire HOME Consortium to add new members to the HOME Consortium.

SECTION 7 – RESTRICTIONS

- A. Neither County nor Municipality shall have a veto or other restrictive power which would in any way limit the cooperation of the Parties to this Agreement or obstruct the implementation of the approved Consolidated Plan during the period covered by this Agreement.
- B. Municipality may not apply for grants from appropriations under the State CDBG Program for fiscal years during the period in which it participates in the COUNTY's CDBG Program under this Agreement.
- C. Municipality may not sell, trade, or otherwise transfer all or any portion of its CDBG Funds to another metropolitan city, urban county, unit of local government, or Indian tribe, or insular area that directly or indirectly receives CDBG Funds in exchange for any other funds, credit or non-Federal considerations, but must use such funds for activities eligible under Title I of The Act pursuant to the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2014, Pub. L. 113-76.
- D. Municipality may not receive an individual formula allocation under the HOME Program except through the HOME Consortium created by this Agreement, regardless of whether Consortium receives a HOME formula allocation in a particular year.
- E. Municipality may not apply for grants from appropriations under the State HOME Program for fiscal years during the period in which it participates in the HOME Consortium Program under this Agreement.

SECTION 8 – DURATION OF THIS AGREEMENT

- A. The term of this Agreement commences the date of execution and is in force for Federal fiscal years 2014, 2015 and 2016 and for such additional time as may be required for the expenditure of program income received and of funds granted through The Act and NAHA to County for such period, as defined by HUD regulations and included within HUD Notice CPD 05-01. Municipality shall not have the opportunity to terminate or withdraw from this Agreement during the period that this Agreement is in effect. This Agreement shall be in effect until the CDBG and HOME funds and program income received with respect to activities carried out during Federal fiscal years 2014, 2015 and 2016 are expended and the funded activities completed.

- B. This Agreement, in accordance with Federal regulations, provides for an automatic renewal for each successive three-year qualification period provided that the County notifies each participating unit of general local government in writing of its right not to participate for the successive three-year qualification period by the date specified in HUD's urban county qualification notice for the next qualification period. A Municipality electing to opt-out of a successive qualification period must notify the County in writing.
- C. Municipality and County agree to adopt any amendment to this Agreement incorporating the changes necessary to meet the requirements for cooperation agreements set forth in an Urban County Qualification Notice applicable for a subsequent three-year urban county qualification period. Failure to adopt, execute and submit amendment requirements will void the automatic renewal provision for such qualification period.

This Agreement is executed by the respective Parties as Members of a HOME Consortium partnership. In so doing, all existing municipalities and governing bodies are agreeing to participate under the terms of the HOME Consortium partnership with any other municipality or governing body which has joined or subsequently joins the partnership.

The terms and provisions of this Agreement are fully authorized under state and local law and that this Agreement provides full legal authority for the signatory parties to undertake or assist in undertaking CDBG Entitlement Program and HOME Program Consortium activities.

County and Municipality have authorized this Agreement and attest that this Agreement is executed by the chief executive officer of each entity.

By: _____
Print Name _____
Title _____

Date: _____

By: _____
Print Name _____
Title _____

Date: _____

By: _____

Print Name _____

Title _____

Date: _____

By: _____

Print Name _____

Title _____

Date: _____

