



## **REPORT TO CITY COUNCIL**

**To:** Honorable Mayor and Members of the City Council

**From:** Grant Yates City Manager

**Prepared by:** Jason Simpson, Assistant City Manager

**Date:** June 27, 2017

**Subject:** Approval of CDBG Joint Recipient Cooperative Agreement for Fiscal Years 2018-2019, 2019-2020, and 2020-2021

### **Recommendation**

1. Adopt Resolution No. 2017- \_\_; A Resolution of the City Council of the City of Lake Elsinore Authorizing Participation in the County of Riverside's Urban County Program for Fiscal Years 2018-2019, 2019-2020, and 2020-2021.
2. Authorize the Mayor to execute the Joint Recipient Cooperation Agreement with the County of Riverside allowing the City to participate in the Urban County Consolidated Planning Programs.

### **Background**

On July 21, 2011, the City executed a Joint Recipient Cooperation Agreement with the County of Riverside allowing the City to participate in the Urban County Community Development Block Grant and the HOME program. The agreement was for Fiscal Years 2012-13, 2013-14 and 2014-15. There is automatic renewal of the agreement for an additional three-year period unless the City (or County) provides written notice of its decision not to continue to participate in the three-year Urban County program.

In April 2017, the County of Riverside Economic Development Agency (EDA) notified the City Manager that the City could elect to continue its participation as a Metropolitan City/Joint Recipient in the Urban County program or alternatively could elect not to continue its participation. Due to the City's limited resources and the City having no current staff that is trained in the specialized CDBG HUD process and reporting requirements, the City Manager determined that the best benefit for the City would be to renew its Joint Recipient Cooperative Agreement (Metropolitan City Agreement) with the EDA for an additional three-year period. On June 8, 2017, the County of Riverside Economic Development Agency (EDA) provided the City copies of the attached Joint Recipient Cooperation Agreement for the Community Development Block Grant for Fiscal Years 2018-2019, 2019-2020, and 2020-2021 for the Mayor's signature.

### **Discussion**

Under a Joint Recipient Cooperative Agreement, the City's allocation will be that portion of the total annual allocation as specified by written notice from HUD. Under the current Joint Recipient Cooperation Agreement, the City was awarded \$454,335 in FY 2017-18.

Out of the twenty percent (20%) permissible for administration, the County is requiring twelve-percent (12%) for administration of the Urban County program. On behalf of the City, the EDA's duties include, but are not limited to:

- Review all funding applications for HUD eligibility.
- Carry out all administration work between HUD, applicants, and City for approved projects.
- Update and inform cities of all HUD rules and regulations.
- Drafts and submits all required one (1) year and five (5) year reporting to HUD.
- Handle and administer the Integrated Disbursement and Information System (IDIS) that HUD requires and utilizes.

Execution of the attached Joint Recipient Cooperation Agreement ensures the City's continued participation in the CDBG and the HOME program for Fiscal Years 2018-2019, 2019-2020, and 2020-2021.

### **Fiscal Impact**

Although the funding levels that will be awarded by HUD for Fiscal Years 2018-2019, 2019-2020, 2020-2021 are unknown at this time, execution of this agreement guarantees that the City will be entitled to continued CDBG Program resources allocated by HUD and administered by the EDA as a Joint Recipient Cooperation Agreement (Metropolitan City). Participation in the Metropolitan City agreement with the EDA allows the City to enjoy the benefits of an Entitlement City without having to deal with the cumbersome requirements imposed by HUD.

### **Exhibits**

A - Resolution No. 2014- ; A Resolution of the City Council of the City of Lake Elsinore Authorizing Participation in the County of Riverside's Urban County Program for Fiscal Years 2018-2019, 2019-2020, and 2020-2021

B - Joint Recipient Cooperation Agreement for the Community Development Block Grant for Fiscal Years 2018-2019, 2019-2020, and 2020-2021