

VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL MEETING
JUNE 10, 2014 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
Amendment to Housing and Community Development Joint Recipient Agreement with DuPage County	✓ Resolution Ordinance Motion Discussion Only	Stan Popovich, AICP Acting Community Development Director

SYNOPSIS

A resolution has been prepared to approve a first amendment to the Housing and Community Development Joint Recipient Agreement with DuPage County.

STRATEGIC PLAN ALIGNMENT

The goals include *Exceptional Municipal Services*.

FISCAL IMPACT

N/A

RECOMMENDATION

Approval on the June 10, 2014 consent agenda.

BACKGROUND

The purpose of this resolution is to amend language in the Housing and Community Development Joint Recipient Agreement between the Village and DuPage County, which the Village has been part of since 1996. The agreement enables the Village and the County to work cooperatively to undertake or assist in the undertaking of essential community development and housing assistance activities, specifically urban renewal and publicly assisted housing in the Village. The amended language is required by the Department of Housing and Urban Development (HUD).

Funding for the community development and housing assistance activities comes from the HUD Community Development Block Grants (CDBG). The CDBG program requires DuPage County to qualify as an Urban County every three years. DuPage County is currently undertaking the renewal process for Federal Fiscal Years 2015, 2016 and 2017. As part of this renewal, HUD has requested the County add new language into the Joint Recipient Agreement. The new language notes the Village and DuPage County may not sell, trade or transfer funding to any other city, urban county or other local government.

Staff recommends approval of the resolution to continue participation in the CDBG program.

ATTACHMENTS

Resolution
Agreement
DCDC Letter

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING EXECUTION OF A FIRST AMENDMENT
TO THE HOUSING AND COMMUNITY DEVELOPMENT
AGREEMENT BETWEEN DUPAGE COUNTY AND THE VILLAGE OF DOWNERS GROVE**

BE IT RESOLVED by the Village Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

1. That the form and substance of a certain Agreement (the "Agreement"), between the Village of Downers Grove (the "Village") and the County of DuPage (the "County"), for an amendment to the Housing and Community Development agreement adopted by Resolution No. 96-45 on July 15, 1996, as set forth in the form of the Agreement submitted to this meeting with the recommendation of the Village Manager, is hereby approved.

2. That the Mayor and Village Clerk are hereby respectively authorized and directed for and on behalf of the Village to execute, attest, seal and deliver the Agreement, substantially in the form approved in the foregoing paragraph of this Resolution, together with such changes as the Manager shall deem necessary.

3. That the proper officials, agents and employees of the Village are hereby authorized and directed to take such further action as they may deem necessary or appropriate to perform all obligations and commitments of the Village in accordance with the provisions of the Agreement.

4. That all resolutions or parts of resolutions in conflict with the provisions of this Resolution are hereby repealed.

5. That this Resolution shall be in full force and effect from and after its passage as provided by law.

Mayor

Passed:

Attest: _____
Village Clerk

FIRST AMENDMENT TO THE HOUSING AND COMMUNITY
DEVELOPMENT AGREEMENT BETWEEN
DUPAGE COUNTY AND THE VILLAGE OF DOWNERS GROVE

THIS FIRST AMENDMENT TO THE HOUSING AND COMMUNITY DEVELOPMENT AGREEMENT BETWEEN THE COUNTY OF DUPAGE AND THE VILLAGE OF DOWNERS GROVE ("FIRST AMENDMENT") is entered into this ____ day of _____, 2014, by and between the COUNTY OF DUPAGE, Illinois, a body politic and corporate, with offices at 421 N. County Farm Road, Wheaton, Illinois 60187 ("COUNTY") and the VILLAGE OF DOWNERS GROVE, an Illinois municipal corporation ("VILLAGE") with offices at 801 Burlington Avenue, Downers Grove, Illinois 60515.

WITNESSETH

WHEREAS, the COUNTY and VILLAGE entered into A HOUSING AND COMMUNITY DEVELOPMENT JOINT RECIPIENT AGREEMENT BETWEEN DUPAGE COUNTY AND THE VILLAGE OF DOWNERS GROVE ("AGREEMENT") on July 23, 1996, commencing on October 1, 1996 for the duration of 1997, 1998 and 1999 Community Development program years and automatically renewed for the succeeding three-year Federal Urban County Qualification periods commencing October 1, 1999, 2002, 2005, 2008 and 2011, and the COUNTY'S program years commencing April 1, 2000, 2003, 2006, 2009, 2012; and

WHEREAS, the COUNTY and VILLAGE agree to automatically renew the AGREEMENT for the three-year Federal Urban County Qualification period commencing on October 1, 2014, and ending on September 30, 2017, and the COUNTY'S fiscal program years commencing April 1, 2015, 2016 and 2017; and

WHEREAS, the COUNTY and VILLAGE agree to automatically renew the AGREEMENT for each succeeding three-year Federal Urban County Qualification period and each succeeding COUNTY fiscal program year: and

WHEREAS, it has become necessary to amend the AGREEMENT for the new requirement contained in the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2014, Pub. L. 113-76 which requires inclusion in all cooperation agreements, the provision that a unit of general local government may not sell, trade, or otherwise transfer all or any portion of Community Development Block Grant ("CDBG") funds to another metropolitan city, urban county, unit of general local government, or Indian tribe, or insular area that directly or indirectly receives CDBG funds in exchange for any other funds, credits or non-Federal considerations, but must use such funds for activities eligible under Title I of the Housing and Community Development Act of 1974, as amended (the "ACT"); and

WHEREAS, the COUNTY and VILLAGE agree to this FIRST AMENDMENT in order for the AGREEMENT to comply with current federal government standards for acceptable agreements;

NOW, THEREFORE, in consideration of the premises and mutual covenants contained in this FIRST AMENDMENT, the parties agree that:

1.0 RECITAL INCORPORATED.

1.1 The foregoing recitals are incorporated as though fully set forth herein.

2.0 AGREEMENT REMAINS IN EFFECT

2.1 The AGREEMENT shall remain in full force and effect, as amended, except to the extent that the provisions of this FIRST AMENDMENT conflict with the terms of the AGREEMENT, in which case the provisions of this FIRST AMENDMENT shall control.

3.0 ADDITION OF ARTICLE 15 TO THE AGREEMENT:

ARTICLE 15: NO SALE, TRADE OR TRANSFER OF CDBG FUNDS

A. Neither the COUNTY nor the VILLAGE may sell, trade, or otherwise transfer all or any portion of CDBG funds, whether received directly or indirectly, to another metropolitan city, urban county, unit of general local government, or Indian tribe, or insular area that directly or indirectly receives CDBG funds in exchange for any other funds, credits or non-Federal considerations, but must use such funds for activities eligible under Title I of the Housing and Community Development Act of 1974, as amended.

4.0 AGREEMENT REMAINS IN FULL FORCE AND EFFECT

4.1 In all other respects, the terms and conditions of the AGREEMENT remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this FIRST AMENDMENT on the dates recited below to be effective on date first written above.

COUNTY OF DUPAGE

VILLAGE OF DOWNERS GROVE

By: _____
Daniel J. Cronin,
County Board Chairman

By: _____
Martin T. Tully
Mayor

Attest: _____
Gary A. King
County Clerk

Attest: _____
Village Clerk
April Holden

Date: _____

Date: _____

RESOLUTION
DC-0049-96

**A HOUSING AND COMMUNITY DEVELOPMENT
JOINT RECIPIENT AGREEMENT
BETWEEN DU PAGE COUNTY AND THE VILLAGE OF DOWNERS GROVE**

WHEREAS, the United States Congress has enacted the Housing and Community Development Act of 1974, as amended, (hereinafter referred to as "ACT") providing federal financial assistance for various public improvements which will aid in preventing or eliminating blight, and which will assist in the provision of housing and housing opportunities; and

WHEREAS, the ACT provides that local units of government may enter into a joint recipient agreement in order to cooperatively address the purposes of the ACT; and

WHEREAS, the County and the Village of Downers Grove have determined that joint action is the most effective way to undertake and accomplish activities and purpose of said ACT; and

NOW, THEREFORE, BE IT RESOLVED by the County Board that approval is given to enter into said Agreement between DuPage County and the Village of Downers Grove, a copy of which is attached hereto and made a part hereof; and

BE IT FURTHER RESOLVED that the Chairman of the DuPage County Board is authorized and directed to execute the Agreement, together with such additional documents as may be required; and

BE IT FURTHER RESOLVED that the County Clerk is hereby authorized and directed to attest to such execution and affix the official seal thereto; and

BE IT FURTHER RESOLVED, that the County Clerk be directed to send certified copies of this Resolution to Mr. James H. Barnes, Director, Community Planning and Development, ATTENTION: Mr. Winston McGill, U.S. Department of Housing and Urban Development, Chicago Area Office, Region V, 77 West Jackson Boulevard, Room 2401, Chicago, Illinois 60604-3507; Honorable Betty M. Cheever, Mayor of Downers Grove, Civic Center, 801 Burlington Avenue, Downers Grove, Illinois 60515-4776; and Community Development Commission; and to send copies to Gayle M. Franzen, Chairman, DuPage County Board; Don Zeifenga, County Administrator; and to the Auditor, Finance and Treasurer.

APPROVED AND ADOPTED this 23rd day of July,
1996 at Wheaton, Illinois



Gayle M. Franzen, Chairman
DuPage County Board

ATTEST:



Gary A. King, County Clerk

Ayes: 23
Absent: 1

HOUSING AND COMMUNITY DEVELOPMENT JOINT RECIPIENT AGREEMENT
BETWEEN DU PAGE COUNTY AND THE VILLAGE OF DOWNERS GROVE

THIS AGREEMENT entered into effective as of the 23rd day of July, 1996, between the COUNTY OF DU PAGE, a body politic and corporate of the State of Illinois ("COUNTY") and the Village of Downers Grove, an Illinois municipal corporation ("VILLAGE").

WHEREAS, the governmental entities who are parties to this Agreement:

1. Have determined that there exists in the incorporated and unincorporated areas of the County the need for various public improvements, which will aid in preventing or eliminating blight, and which will assist in the provision of housing and housing opportunities for persons of low and moderate income, including the elderly and handicapped, and also public improvements for which there is an urgent need;
2. Have determined that said improvements can be accomplished by participation in the programs established by the Housing and Community Development Act of 1974 ("CDBG")(42 USC 5301, et seq.), as amended, and the HOME Investment partnerships Act ("HOME")(42 USC 3535(d) and 12701-12839), as amended, (the "ACTS") and in effectuation of the purposes thereof; and
3. Have determined that joint action by the VILLAGE and the COUNTY is the most effective way to accomplish the purposes of the Acts within the VILLAGE.

WHEREAS, units of local government have had conferred upon them the following powers by Article VII, Section 10(a) of the 1970 Constitution of the State of Illinois:

"Units of local government and school districts may contract or otherwise associate among themselves, with the State, with other states and their units of local government and school districts, and with the United States to obtain or share services and to exercise, combine or transfer any power or function, in any manner not prohibited by law or ordinance. Units of local government and school districts may contract and otherwise associate with individuals, associations, and corporations in any manner not prohibited by law or ordinance. Participating units of government may use their credit, revenues, and other resources to pay costs and to service debt related to intergovernmental activities"; and

WHEREAS, Sections 3 and 5 of the Intergovernmental Cooperation Act, (5 ILCS 220/3 and 2205 (1992) provide as follows:

"Section 3. INTERGOVERNMENTAL AGREEMENTS. Any power or powers, privileges or authority exercised or which may be exercised by a public agency of the State may be exercised and enjoyed jointly with any public agency of this state and jointly with any public agency of any other state or of the United States, to the extent that laws of such other state or of the United States do not prohibit joint exercise or enjoyment. This includes, but is not limited to, arrangements between the Illinois Student Assistance Commission and agencies in other states which issue professional licenses."

Section 5. INTERGOVERNMENTAL CONTRACTS. Any one or more public agencies may contract with any one or more other public agencies to perform any governmental service, activity or undertaking which any of the public agencies entering into the contract is authorized by law to perform, provided that such contract shall be authorized by the governing body of each party to the contract. Such contract shall set forth fully the purposes, powers, rights, objectives and responsibilities of the contracting parties."

WHEREAS, the parties hereto have authorized the execution of this Agreement, as an exercise of their respective powers and other governmental authority, and, as an exercise of their intergovernmental cooperation authority under the Constitution and statutes of the State of Illinois.

NOW, THEREFORE, upon the consideration of the mutual promises contained herein and upon the further consideration of the recitals hereinabove set forth, it is hereby agreed between and among the parties hereto as follows:

ARTICLE 1: RECITALS

The foregoing recitals are incorporated herein and made part of this Agreement.

ARTICLE 2: BASIS, PURPOSE AND INTENT

The Parties hereto, by their respective governing bodies, have investigated the provisions of the ACTS and hereby find and declare:

- A. That the recitals hereinabove set forth show that joint action by the VILLAGE and the COUNTY is the most effective way to accomplish the purpose of the ACTS.
- B. That it is the purpose and intent of the Parties hereto by this Intergovernmental Agreement to cooperate in undertaking, or assisting in undertaking, essential community development and housing assistance activities, specifically urban renewal and publicly assisted housing within the VILLAGE.

ARTICLE 3: AGREEMENT

- A. The COUNTY and the VILLAGE agree to cooperate to undertake and/or to assist in undertaking, community renewal and lower income housing assistance activities specifically urban renewal and publicly assisted housing. Nothing in this Agreement to the contrary withstanding, in no event may the VILLAGE obstruct the COUNTY'S implementation of the Consolidated Plan for Housing and Community Developemnt.
- B. It is hereby understood by the respective parties hereto that the COUNTY shall have authority to undertake or assist in undertaking essential community development and housing assistance activities within the entire VILLAGE.
- C. The VILLAGE understands that the COUNTY will have final responsibility for selecting projects and filing annual grant requests, however, COUNTY will notify VILLAGE when a project is proposed inside the VILLAGE's corporate limit, so VILLAGE may have the opportunity to comment.
- D. The VILLAGE, when applicable, agrees to assist the COUNTY in taking all required actions to assure compliance with the COUNTY'S certification as to and the provisions of the National Environmental Policy Act of 1969, Tile VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, Executive Order 11988, Section 104(b) and 109 Title I of the Housing and Community Development Act of 1974, as amended, and the Americans with Disabilities Act, as amended, and other applicable Federal and State laws.
- E. The VILLAGE agrees to evidence its consent to participate in this Agreement by providing the COUNTY with (1) two certified copies of a Resolution from the governing body of the VILLAGE that the Chief Elected Official of the VILLAGE is authorized to sign and the Agreement and, (2) an unqualified opinion of its legal counsel acceptable to the COUNTY concluding that the VILLAGE is authorized under Illinois and local law to enter into the terms and

provisions of the Agreement and to undertake or assist in undertaking community development activities under the CDBG Program.

ARTICLE 4: DURATION OF AGREEMENT

- A. The Agreement shall commence upon October 1, 1996 and shall continue in operation for at least three (3) program years commencing on that date for the duration of the official DuPage County 1997, 1998, and 1999 Community Development program years or until all CDBG and HOME funds, including program income or income generated from the expenditure of such funds, which may be received from the Department of Housing and Urban Development ("HUD") for such program years have been expended, returned, or otherwise accounted for, to the satisfaction of HUD, whichever is longer. This Agreement will automatically be renewed for each succeeding Urban County Qualification period unless the VILLAGE informs the COUNTY in writing, or the COUNTY informs the VILLAGE in writing, that it wishes to terminate this Agreement. Such notification shall not be less than 30 days prior to each succeeding urban county qualification period. The COUNTY will notify the VILLAGE in writing of the next and each succeeding Urban County Qualification period in order that the VILLAGE may determine whether to continue or terminate this Agreement. Such notification shall not be less than 60 days prior to each such qualification period.
- B. The failure to adopt an amendment to this Agreement or to timely submit such amendment to this Agreement to HUD, when required by HUD, incorporating all changes necessary to meet the requirements for cooperation agreements set forth in the Urban County Qualification notice applicable for the year in which the next qualification of the Urban County is scheduled (and for each succeeding qualification period in order that the VILLAGE may determine whether to continue or terminate this Agreement. Such notification shall not be less than 60 days prior to each such qualification period.
- C. That the COUNTY and the VILLAGE may not terminate or withdraw from this Agreement while this Agreement remains in effect.

ARTICLE 5: PROGRAM INCOME

- A. That the VILLAGE will inform the COUNTY of any income generated by the expenditures of CDBG funds received by the VILLAGE from the COUNTY.

- B. That any such program income generated by a CDBG activity must be returned to the COUNTY for reprogramming for eligible activities for use in any part of the COUNTY as the COUNTY determines is best.
- C. That the COUNTY shall monitor and report to HUD on the use of any program income generated by a CDBG activity.
- D. That the VILLAGE shall comply with all rules and regulations for the appropriate record keeping in relation to the generation and return of any program income.
- E. That, in the event of a close-out of a project, change in status of the VILLAGE or termination of this Agreement, any program income generated by a CDBG activity that is on hand at the time or is received subsequent thereto, shall be returned to the COUNTY.

ARTICLE 6: PROPERTY ACQUISITION AND DISPOSITION

- A. That the VILLAGE shall comply with all rules and regulations in connection with the acquisition and disposition of real property which in acquired with CDBG funds.
- B. That the VILLAGE shall immediately notify the COUNTY of any modification or change in the use of real property, acquired with CDBG funds, for the use planned at the time of the acquisition or improvement including, but not limited to, disposition.
- C. That the VILLAGE shall pay to the COUNTY an amount equal to the current fair market value (less any portion thereof attributable to expenditures of non-CDBG funds, or HOME funds, where applicable) of any property acquired or improved with CDBG funds, or HOME funds, where applicable which the VILLAGE sells or transfers for a use which does not qualify under CDBG regulations, or HOME regulations, where applicable.
- D. That any program income generated from the disposition or transfer of property prior or subsequent to close-out, change of status of the VILLAGE or termination of this Agreement shall be returned by the VILLAGE to the COUNTY for reprogramming for eligible activities in any part of the COUNTY as the COUNTY determines is best.

ARTICLE 7: ALLOCATION AND EXPENDITURES

No CDBG funds under the terms of this agreement will be allocated or spent by the VILLAGE prior to approval by the COUNTY.

ARTICLE 8: PROHIBITION FROM FUNDING

The COUNTY and the VILLAGE agree that the COUNTY is prohibited from and shall not fund the VILLAGE for activities in or in support of the VILLAGE when the VILLAGE does not affirmatively further fair housing within its corporate limits or when the VILLAGE'S actions impede the COUNTY'S actions to comply with its fair housing certification to the Federal Government.

ARTICLE 9: VILLAGE AS SUBRECIPIENT

The VILLAGE agrees that, pursuant to 24 CFR 570.501(b), the VILLAGE is subject to the same requirements applicable to subrecipients, including the requirement for a written agreement set forth in 24 CFR 570.503.

ARTICLE 10: NON-VIOLENT CIVIL RIGHTS DEMONSTRATIONS POLICY

The VILLAGE certifies 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 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 and demonstrations within its jurisdiction.

ARTICLE 11: PARTICIPATION IN OTHER PROGRAMS

The VILLAGE understands that, by executing this Agreement, it:

- A. May not apply for grants under the Small Cities or State CDBG Programs from appropriations for fiscal years during the period in which it is participating in the COUNTY'S programs; and
- B. May not participate in a HOME Consortium except through the COUNTY regardless of whether the COUNTY receives a HOME formula allocation.

ARTICLE 12: REMEDIES

- A. Upon the determination by HUD or by the COUNTY that any funds provided to the VILLAGE under this program have been spent in violation of the requirements of Federal or State law, or the terms of this Agreement, such funds will upon the request of the COUNTY be returned to the COUNTY.
- B. Upon the direction of HUD or the COUNTY to alter or modify a program to eliminate a violation of law, the VILLAGE will take such action.

ARTICLE 13: SEVERABILITY

- A. If any provision of this Agreement is invalid for any reason, such invalidation shall not affect the other provisions of this Agreement which can be given effect without the invalid provision; and to this end, the provisions of this Agreement are to be severable.

ARTICLE 14: MISCELLANEOUS

- A. That the parties hereto agree that this Agreement which may be executed in one or more counterparts, each of which shall, for all purposes, be deemed an original and all of such counterparts, taken together, shall constitute one and the same Agreement.

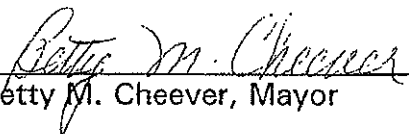
IN WITNESS WHEREOF, the undersigned parties have caused this Agreement to be executed by their duly designated officials, pursuant to a proper resolution of their respective governing bodies.

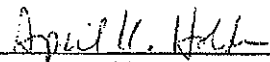
COUNTY OF DU PAGE, ILLINOIS

BY: 
Gayle M. Franzen, Chairman
DuPage County Board

ATTEST: 
Gary A. King, County Clerk

VILLAGE OF DOWNERS GROVE, ILLINOIS

BY: 
Betty M. Cheever, Mayor

ATTEST: 
Barbara Waldner, Village Clerk
Deputy

DU PAGE COMMUNITY DEVELOPMENT COMMISSION

May 15, 2014

The Honorable Martin Tully
Village of Downers Grove
801 Burlington Avenue
Downers Grove, IL 60515

**RE: DuPage County's Requalification as a Community Development Block Grant (CDBG)
Program Urban County - AGREEMENT AMENDMENT**

Dear Mayor Tully:

The Community Development Block Grant (CDBG) program requires that, every three years, DuPage County must requalify as an Urban County to receive its Federal Block Grant. The County is now beginning the process of qualifying for Federal fiscal years 2015, 2016, and 2017. This covers the period from October 1, 2014 to September 30, 2017. I recently sent you a letter describing the options available to the Village of Downers Grove. (copy enclosed) These options are still valid.

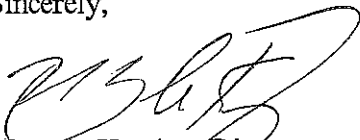
HUD has recently sent the County new language that is required to be included in the Joint Recipient Agreement that the Village and County executed in 1996. (copy enclosed) This new language is as follows:

“That neither the County nor the Village of Downers Grove who directly or indirectly receives Community Development Block Grant funds may sell, trade, or otherwise transfer all or any such portion of such funds to another metropolitan city, urban county, unit of general local government, or Indian tribe, or insular area that directly or indirectly receives Community Development Block Grant funds in exchange for any other funds, credits or non-Federal considerations, but must use such funds for activities eligible under Title I of the Housing and Community Development Act of 1974, as amended.”

Also enclosed please find a Resolution that the Village may adapt to amend the Agreement from 1996. We ask that you adopt this modified Resolution and send a certified copy to my attention at your earliest convenience. The County Board must likewise adopt this Resolution, and all documents must be delivered to HUD by July 25, 2014.

If you have any questions regarding this Agreement Amendment, please contact me at 630-407-6457.

Sincerely,



Mary A. Keating, Director
Community Services

c: David Fieldman, Manager
Tom Dabareiner, CDC Representative

DU PAGE COUNTY DEPARTMENT OF COMMUNITY SERVICES
DU PAGE CENTER · 421 N. COUNTY FARM ROAD · WHEATON, IL 60187
Mary A Keating, Director FAX 630-407-6601 630-407-6600