

STAFF REPORTS

CITY COUNCIL
August 27, 2002

To: Mayor and City Council
From: George J. Rodericks, City Manager

SUBJECT: AMENDMENT NO. 1 TO COOPERATION AGREEMENT FOR CONTINUED PARTICIPATION IN THE URBAN COUNTY PROGRAM FOR FEDERAL HOUSING AND COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM, HOME INVESTMENT PARTNERSHIP PROGRAM

BACKGROUND

In June 2002, the City renewed the Cooperative Agreement between the County of Orange and the City for participation in the Urban County Program for Federal Housing and Community Development Block Grant Program, Home Investment Partnership Program and Emergency Shelter Grants Program for Fiscal Years 2003-2004 through 2005-2006.

In August 2002, the County received notification from the Housing and Urban Development (HUD) that the language contained in HUD Notice CPD 02-05; Part V, must be precisely stated in the Cooperation Agreement between the City and County. Although the County appealed to HUD on the grounds that the language was already used in the agreements, it was the opinion of HUD counsel that the precise language contained in the CPD Notice must be exactly stated.

Although rather minor and insignificant in nature, based on HUD's directive, an amendment to the Cooperative Agreement is required. Attached is Amendment No. 1 to the Cooperative Agreement. The language modifies the respective paragraphs in the original agreement to make them consistent with HUD Notice CPD 02-05; Part V.

There are not substantive changes in the language.

FISCAL IMPACT

None.

RECOMMENDATION

It is recommended that the City Council approve Amendment No. 1 to the Cooperation Agreement and authorize the City Manager to execute the Amendment on behalf of the City.