

**RESOLUTION NO. 09-**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, APPROVING JOINT AGREEMENT FOR NEIGHBORHOOD STABILIZATION PROGRAM PARTICIPATION AMONG THE CITY OF FULLERTON, THE CITY OF COSTA MESA, AND THE CITY OF LA HABRA

The City Council of the City of Costa Mesa does hereby resolve as follows:

WHEREAS, the City of Costa Mesa is eligible to participate in the Neighborhood Stabilization Program (NSP), provided that it partners with other public entities in the County of Orange to develop a program and obtain grant funding; and

WHEREAS, the City of Costa Mesa desires to partner with the Cities of Fullerton and La Habra, with Fullerton serving as lead entity, in obtaining NSP funding and developing a program to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within these communities; and

WHEREAS, NSP requirements include approval by the City's governing body and signature of the City's Chief Executive Officer on an Agreement between all participating cities as to the respective responsibilities of each participating City, and that a sub-recipient agreement be executed between the lead entity and each participating entity.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Costa Mesa, does hereby declares as follows:

The City Council has reviewed and hereby approves an application (and its contents) for up to \$1,369,854 (including \$303,749.00 for the City of Costa Mesa) for the following activities):

- Establishment of financing mechanisms for the purchase and redevelopment of foreclosed homes and residential properties, including such mechanisms as soft-second, loan loss reserves, and shared-equity loans for low-and moderate-income homebuyers;
- Purchase and rehabilitation of homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent or redevelop such homes and properties;
- Establishment of land banks for homes that have been foreclosed upon;
- Demolition of blighted structures; and
- Redevelopment of demolished or vacant properties.

See Attachment B of the staff report for designated target areas.

BE IT FURTHER RESOLVED, if any additional NSP funding becomes available at a later date, the City of Costa Mesa is authorized to apply for, and/or accept funding, up to \$1,000,000. Any additional NSP funding will be used in accordance with funding requirements established by the State of California Neighborhood Stabilization Program.

BE IT FURTHER RESOLVED, the City Council has determined that federal Citizen Participation requirements were met during the development of this application.

BE IT FURTHER RESOLVED, the City Manager or Executive Director of the Redevelopment Agency are hereby authorized and directed to act on the City's behalf in all matters pertaining to this application.

BE IT FURTHER RESOLVED, if the application is approved, the City Manager or Executive Director of the Redevelopment Agency is authorized to enter into and sign the grant agreement, and any subsequent amendments thereto, with the State of California for the purposes of this grant.

BE IT FURTHER RESOLVED, if the application is approved, the City Manager, Executive Director of the Agency, or the Neighborhood

Improvement Manager are authorized to sign Funds Requests and other required reporting forms.

BE IT FURTHER RESOLVED, the Joint Agreement For Neighborhood Stabilization Program Participation Among the City of Fullerton, the City of Costa Mesa, and the City of La Habra is hereby approved and the City Manager is authorized to execute same on behalf of the City of Costa Mesa. The City Manager may approve such changes to the Joint Agreement as may reasonably be necessary to comply with the California Department of Housing and Community Development requirements and as approved by the City Attorney. The City Manager is further authorized to submit a joint application for NSP funding to the Department of Housing and Community Development.

BE IT FURTHER RESOLVED, the City Manager is further authorized to execute a sub-recipient agreement between the City of Fullerton and the City of Costa Mesa as required by NSP regulations, in a form to be approved by the City Attorney.

PASSED AND ADOPTED this 2nd day of June, 2009.

\_\_\_\_\_  
Mayor of the City of Costa Mesa

ATTEST:

APPROVED AS TO FORM

\_\_\_\_\_  
City Clerk of the City of  
Costa Mesa

\_\_\_\_\_  
City Attorney

STATE OF CALIFORNIA     )  
COUNTY OF ORANGE     ) ss.  
CITY OF COSTA MESA     )

I, JULIE FOLCIK, City Clerk and ex-officio Clerk of the City Council of the City of Costa Mesa, hereby certify that the above and foregoing Resolution No. 09-\_\_\_ was duly and regularly passed and adopted by the said City Council at a regular meeting thereof held on the 2nd day of June, 2009.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Costa Mesa this \_\_\_\_ day of \_\_\_\_\_, 2009.

\_\_\_\_\_  
City Clerk and ex-officio Clerk of  
the City Council of the City of  
Costa Mesa

JOINT AGREEMENT FOR NEIGHBORHOOD STABILIZATION PROGRAM  
PARTICIPATION AMONG THE CITY OF FULLERTON,  
THE CITY OF COSTA MESA,  
AND  
THE CITY OF LA HABRA

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RECITALS:

This agreement is made by and between the City of Fullerton ("FULLERTON"), the City of Costa Mesa ("COSTA MESA"), and the City of La Habra ("LA HABRA") collectively referred to as the "Parties."

- A. WHEREAS, the Parties desire to participate in the State of California Neighborhood Stabilization Program (hereafter "NSP"); and
- B. WHEREAS, FULLERTON is a municipal corporation and general law city located within the County of Orange, California; and
- C. WHEREAS, COSTA MESA is a municipal corporation and general law city located within the County of Orange, California; and
- D. WHEREAS, LA HABRA is a municipal corporation and general law city located within the County of Orange, California; and
- E. WHEREAS, none of the Parties are individually eligible to obtain NSP allocations in the minimum amount of one million dollars (\$1,000,000) from the State, but may obtain a combined allocation under a joint agreement; and
- F. WHEREAS, FULLERTON shall be the lead entity for the Parties and shall be the "direct grant recipient" under the NSP, with COSTA MESA and LA HABRA being sub-recipients. FULLERTON as the lead entity is responsible for administering the State NSP grant on behalf of all Parties in compliance with applicable program requirements; and
- G. WHEREAS, this Agreement is intended to and does cover the State NSP requirements; and
- H. WHEREAS, the Parties intend to work together and to create a cooperative framework to coordinate and implement the NSP activity

funded through their joint application; and

- I. WHEREAS, the governing body of each of the Parties have approved and authorized the Parties to enter into this agreement. The City Manager of each of the Parties shall execute this Agreement on behalf of, respectively, FULLERTON as lead entity, and LA HABRA and COSTA MESA as cooperating units of local government.

#### AGREEMENT:

NOW, THEREFORE, the parties hereby agree as

follows:

1. The Parties will establish a joint community development and housing assistance program for purposes of the NSP. FULLERTON shall be the lead entity in applying for, implementing and carrying out the NSP program requirements.
2. In carrying out its responsibilities as lead entity, FULLERTON shall take the following steps:
  - a) Obtain and ensure completion of all NSP grant application requirements and submitting them to the Department of Housing and Community Development, including carrying out and cooperating in carrying out the required citizen participation process for all jurisdictions which are Parties to this Agreement and responding to any noted deficiencies in the grant application; and
  - b) Adopt a Program Income Reuse Plan within ninety (90) days after execution of a standard Grant Agreement between the State and FULLERTON as lead entity.
  - c) Administer the State NSP grant on behalf of all Parties/members in compliance with applicable program requirements; and
  - d) Ensure that NSP requirements, including but not limited to program income, rent affordability, etc., are complied with throughout and after grant closeout; and
  - e) Take all actions necessary on behalf of all Parties to assure compliance with the certification required by section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended, including Title VI of the Civil Rights Act of 1964, the

Fair Housing Act, section 109 of Title I of the Housing and Community Development Act of 1974, and other applicable laws; and

- f) Ensure that NSP funding for activities in, or in support of, the cooperating units of general local government, COSTA MESA and LA HABRA, are prohibited for activities which do not affirmatively further fair housing within any of the participating Parties' jurisdiction and that NSP funding shall not be used for activities that impedes FULLERTON's actions to comply with its fair housing certification; and
  - g) Ensure that each of the Parties satisfy all requirements of the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA), and that for each project assisted with NSP funds, one of the Parties hereto shall be designated as the lead entity for compliance purposes with NEPA and CEQA.
3. COSTA MESA and LA HABRA, as cooperating units of local government to FULLERTON as lead entity each shall:
- a) Cooperate with FULLERTON as lead entity to take all actions necessary to assure compliance with the certification required by section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended, including Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 109 of Title I of the Housing and Community Development Act of 1974, and other applicable laws; and
  - b) Not use NSP funding for activities in, or in support of, any jurisdiction, which does not affirmatively further fair housing within its own jurisdiction or use NSP funding for activities which would impede FULLERTON's actions to comply with its fair housing certification; and
  - c) Pursuant to 24 CFR 570.501(b), be subject to the same requirements applicable to sub-recipients, including the requirement of a written agreement as described in 24 CFR 570.503 and shall execute or cause to be executed a sub-recipient agreement with FULLERTON; and
  - d) Satisfy all requirements of the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA) for any NSP project or NSP assisted project for which it shall be

designated as the lead entity for compliance purposes with NEPA and CEQA.

4. NSP program income will belong to FULLERTON's NSP even if it is generated from activities undertaken within or by LA HABRA or COSTA MESA.
5. If any of the Parties does not commit the entirety of its or their allocation of NSP funds or any program income by February 14, 2010, the other Parties to this Agreement may use those unexpended funds for NSP eligible projects within their respective jurisdictions. All NSP allocated funds must be committed by March 31, 2010. All NSP allocated funds must be expended by September 30, 2011 or they shall be returned to the State of California.
6. This Agreement shall remain in full force and effect until the State NSP funds and program income received by the Parties, or FULLERTON on behalf of the Parties, are expended and the funded activities completed.
7. None of the Parties may terminate or withdraw from this Agreement while it remains in effect.
8. The cooperating units of general local government, FULLERTON, COSTA MESA, and LA HABRA, each have adopted and are enforcing:
  - a) A policy prohibiting the use of excessive force by law enforcement agencies within their respective jurisdictions 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 jurisdictions.

IN WITNESS WHEREOF, the Parties have caused this Joint Agreement to be duly executed and delivered in Orange County, California, as of the last date set forth below by the undersigned parties:

Dated:

CITY OF FULLERTON

By: \_\_\_\_\_  
Chris Meyer, City Manager

Attest:

\_\_\_\_\_  
City Clerk

Dated:

CITY OF COSTA MESA

By: \_\_\_\_\_  
Allan Roeder, City Manager

Attest:

\_\_\_\_\_  
City Clerk

Dated:

CITY OF LA HABRA

By: \_\_\_\_\_  
Don Hannah, City Manager

Attest:

\_\_\_\_\_  
City Clerk