



AGENDA 11h
DATE 6-4-19

4814 Henry Street Norton Shores, Michigan 49441 www.nortonshores.org

May 28, 2019

Council Meeting of June 4, 2019
Subject: CDBG Program Agreement

The Honorable Mayor
And
Members of City Council

Ladies and Gentlemen:

The Mayor and City Council are requested to consider renewing a two year agreement with the City of Muskegon for administration of the City of Norton Shores Community Development Block Grant program (CDBG) effective July 1, 2019 through June 30, 2021. The proposed agreement contains no changes other than the dates. The administrative fee structure will remain the same and is based on the amount of annual funding received from HUD. The amount is \$24,075 for fiscal year 2020.

Attached for City Council's consideration is a resolution authorizing the execution of the CDBG Program Administration Agreement between the City of Norton Shores and the City of Muskegon effective July 1, 2019 through June 30, 2021.

Respectfully submitted,

Mark C. Meyers
City Administrator

ADC
Attachments

Administration/City Clerk (231) 798-4391	Assessing Division (231) 799-6806	Building Division (231) 799-6801	Finance/Treasurer (231) 799-6805	Fire Prevention (231) 799-6809	Fire Department (231) 798-2255
Parks/Recreation (231) 799-6802	Planning/Zoning (231) 799-6800	Police Department (231) 733-2691	Public Works (231) 799-6803	Streets Division (231) 798-2156	Water/Sewer (231) 799-6804

RESOLUTION

NOW THEREFORE BE IT RESOLVED that the Mayor and the City Council authorize the execution of an Agreement between the City of Norton Shores and the City of Muskegon for the administration of the City of Norton Shores CDBG program years 39 and 40 effective July 1, 2019 through June 30, 2021, for the administrative fee allowed by Department of Housing and Urban Development for the CDBG program.

At a regular meeting of the City Council of the City of Norton Shores, held at the Norton Shores Branch Library, 705 Seminole Road, on the 4th day of June, 2019, the foregoing resolution was moved for adoption by Council Member _____. The motion was supported by Council Member _____.

Ayes:

Nays:

Excused:

Resolution declared adopted/denied.

Shelly Stibitz, City Clerk



Internal Memo

May 31, 2017

TO: Mark C. Meyers, City Administrator

FROM: Anthony Chandler, Director of Administrative Services *AC*

SUBJECT: CDBG Administration Agreement (2019-2021)

The Service Agreement for the Community Development Block Grant (CDBG) with the City of Muskegon is set to expire June 30, 2019. This arrangement with Muskegon has been in place since 2006 and it is a pleasure to work with the employees from Muskegon on this program. They have been very professional with our citizens and timely in accomplishing the work associated with the CDBG program.

The agreement remains the same as the last two years and the administrative fee is capped at 20% of the annual allocation from HUD. The administrative fee is \$24,075 for FY 2020.

I am seeking City Council approval for a renewal of the two year agreement to cover Fiscal Years 2020 and 2021 (CDBG Program Years 39 and 40).

CDBG Program Administration Agreement
Between the
City of Norton Shores
And
City of Muskegon

An agreement made and entered into this _____ day of _____, 2019, by and between the City of Muskegon; a Michigan municipal corporation ("Muskegon"), and the City of Norton Shores, a Michigan municipal corporation ("Norton Shores"), with reference to the following facts;

Background

Norton Shores desires that Muskegon assume responsibilities for the administration of the Norton Shores' Community Development and Block Grant ("CDBG") Program.

Therefore, the parties agree as follows:

1. **Administration of CDBG Program.** Muskegon agrees to assume responsibility for the preparation and submission of the following CDBG documents on behalf of Norton Shores:
 - a. Federal Application 424, narratives, project tables, certifications, Environmental Summary, Combined Notice of no Significant Findings and Intent to Release Funds.
 - b. Five Year Consolidated Plan, Annual Plans, Consolidated Annual Performance and Evaluation Report, publish hearing notice narratives, reports including performance measures criteria (using CPMP format).
 - c. Semi-Annual Labor Standard Enforcement Report (form 4710).
 - d. Contract and Subcontract Activity Report (form 2516).
 - e. Prepare CDBG liens for projects, in accordance with HUD guidelines and regulations, as well as any other applicable Norton Shores requirements.
 - f. IDIS reporting will be done by the City of Muskegon. Norton Shores will continue to do its own draw-downs.
 - g. Compliance with NEPA and Part 58, and the Environmental Certifications compliance included in HUD Form 7015.15.

Muskegon shall provide a copy of the above reports to Norton Shores upon completion. Norton Shores will continue to publish its own public notices and record their liens with the County.

2. **Terms of CDBG Fund Payments.** Muskegon shall submit payment request for release of CDBG funds to Norton Shores' Finance Department, and Norton Shores shall remit payment within 10 days of a payment request by Muskegon.
3. **Administration Fee.** Norton Shores shall pay Muskegon the maximum CDBG allowable costs minus \$1,000 (for legal work, etc.) per program year for administration of CDBG program, but not less than \$22,000. Payment shall be made by way of quarterly payments beginning on July 1, 2019.

4. **Terms of the Contract.** The parties agree that this contract shall be effective July 1, 2019 through June 30, 2021. In addition, either party may terminate this Agreement at any time, and for any reason, upon 45 days written notice to the other party. Upon termination of the contract, Muskegon shall owe Norton Shores a pro rata return of the unearned Administration Fee paid to date.
5. **Building Inspection.** Norton Shores' Building Inspection Department will perform all inspections for CDBG projects and submit the inspection reports to Muskegon for inclusion in the relevant project file.
6. **Purchasing Guidelines.** Muskegon and Norton Shores agree to evaluate the current CDBG program purchasing guidelines used by Norton Shores and establish a written quotation and sealed project bid system acceptable to both parties.
7. **General Provision.**
 - a. **Non-Waiver.** No waiver by any party of any provision of this Agreement shall constitute a waiver by such party of such provision on any other occasion or a waiver by such party of any other provision of this Agreement.
 - b. **Severability.** Should any provision of this Agreement be determined to be invalid, unlawful, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions shall not in any way be impaired or affected.
 - c. **Assignment or Delegation.** Neither party may assign all or any portion of its rights and obligations in this Agreement without the express prior written approval of the other party which approval may be withheld for any reason.

City of Muskegon

City of Norton Shores

By _____
Stephen J. Gawron, Mayor

By _____
Gary Nelund, Mayor

By _____
Anne Marie Meisch, City Clerk

By _____
Shelly Stibitz, City Clerk