

**Intergovernmental Agreement
Agreement No. 4710000329**

This Agreement (IGA) is between the **City of Portland (City)**, and **Multnomah County (County)** (collectively the Partners) and sets forth the Partners' relationship for the implementation of their activities as Subgrantees under the Neighborhood Stabilization Program (NSP) authorized under Title III of the Housing and Economic Recovery Act of 2008 as administered by the State of Oregon, acting by and through its Housing and Community Services Department (OHCS), and is for the cooperation of units of local government under the authority of ORS 190.010.

RECITALS:

WHEREAS, OHCS has received a federal grant award from the U.S. Department of Housing and Urban Development (HUD) pursuant to the authority of sections 2301 – 2304 of the Housing and Economic Recovery Act of 2008 (Public Law 110-289 (July 30, 2008)) (HERA). The program established pursuant to section 2301-2304 is known as the "Neighborhood Stabilization Program" or "NSP."

WHEREAS, the federal grant to OHCS is subject to the Notice of Allocations, Application Procedures, Regulatory Waivers Granted to and Alternative Requirements for Redevelopment of Abandoned and Foreclosed Homes Under the Housing and Economic Recovery Act, 2008 published at 73 FR 58330 (October 6, 2008) (Notice); HERA; OHCS's submission for NSP assistance; the HUD regulations at 24 CFR Part 570 (as modified by the Notice and as now in effect and as may be amended from time to time) (Regulations); and the Funding Approval, including any special conditions.

WHEREAS, the Partners expect to be Subgrantees of the OHCS administered NSP grant and wish to cooperate in their activities as Subgrantees as set forth in this IGA.

WHEREAS, the Partners have obtained the express written consent of OHCS to assign each of their rights and obligations under the NSP Subgrantee Agreements, as appropriate to carrying out the intent of this IGA.

THE PARTNERS AGREE AS FOLLOWS:

I. Definitions and General Outline

A. Effective Date and Duration

This IGA shall become effective upon the signature of both parties. This IGA shall terminate on March 16, 2013, but may be extended beyond that date upon the mutual written agreement of the Partners.

B. Purpose, Scope, and Goals

This IGA will serve as a framework for all NSP activities the Partners undertake collectively, and jointly commits the NSP Subgrantee funds of the Partners to carry out eligible activities throughout Multnomah County, while meeting the following mutually defined goals:

1. Reduce the negative impact of foreclosed properties on neighborhoods
2. Promote homeownership and provide greater homeownership opportunities for historically disadvantaged communities

3. Increase the availability of affordable housing
4. Assist the maximum number of households possible
5. Maximize the long-term impact of public investment through long-term affordability
6. Coordinate use of NSP funds within Multnomah County for maximum impact

C. Subgrantee Agreements

The Partners recognize that NSP funds are awarded by HUD to OHCS, which in turn allocates funds to the Subgrantee local jurisdictions in Oregon, subject to NSP Grant Agreements with the Subgrantees (Subgrantee Agreements) to be executed between OHCS and the Partners. The Subgrantee Agreements spell out program requirements and rules in detail, as well as procedures for disbursement of and accounting for NSP funds.

D. Funds Available

The Partners commit NSP funds to activities authorized under this IGA as follows:

\$	3,242,045	City
\$	296,172	County
\$	3,538,217	TOTAL

E. Administrative Costs

The County agrees to reimburse the City for eligible administrative costs (per the OHCS definition thereof) incurred in administering activities under this IGA. A maximum of \$24,177 will be available from Multnomah County for administrative costs which will be passed directly to the City from OHCS along with Multnomah County services funds. The City will submit quarterly statements regarding the use of Multnomah County administrative funds to be approved by the County Contract Manager.

F. NSP Steering Group

Contract Managers, or their designees, from the Partners will serve as a Steering Group, to direct jointly-funded NSP activities and to see that the goals of the Partnership are met. The Steering Group shall determine policies and procedures for NSP activities funded by the Partnership, in compliance with the terms of the Subgrantee Agreements.

G. Lead Agency

City of Portland's Housing Bureau (PHB) will act as the Lead Agency for the Partnership and will be responsible for actual administration of activities, accounting, disbursement of NSP Subgrantee Agreement Funds (NSP Funds), compliance, reporting, and all other terms described in the Subgrantee Agreements. Section II below describes in more detail the role of the Lead Agency.

H. Geographic Distribution of NSP Funds

Generally it is understood that the City's share of NSP Funds are to be used for activities within the City. However, where mutually agreeable, the partners may choose to jointly fund projects that further one or more goals of both Partners. NSP Funds contributed by the County may be directed to activities anywhere within an NSP eligible area of the County.

I. Amendments

Any proposed changes to this IGA must be approved by written amendment and be approved by both Partners. Any amendment to this agreement (minor, administrative, non-substantive etc. must be approved in writing by the same parties that sign the agreement.)

J. Contract Managers

All reports, notices, and other communications required under or relating to this IGA shall be directed to the Contract Manager for each jurisdiction, identified below.

<u>City of Portland</u>	<u>Multnomah County</u>
Contract Manager: Phil Willis-Conger	Contract Manager: Seth Lyon
Portland Housing Bureau	Multnomah County Human Services
421 SW Sixth Ave., Suite 1100	421 SW Oak St, Suite 200
Portland, OR 97204	Portland, OR 97204
503-823-3486	503-988-6295 x26013
503-823-2387 (fax)	503-988-3332
Phil.WillisConger@ci.portland.or.us	seth.a.lyon@co.multnomah.or.us

II. Lead Agency

A. NSP Program Administration

The Lead Agency will, to the extent possible within the processes established by HUD and OHCS, be responsible for all aspects of administering the activities of the IGA. The Lead Agency's Contract Manager is authorized to carry out all routine business of the Partnership, as directed by the Steering Group.

B. Compliance with NSP Requirements and OHCS Subgrantee Agreements

The Lead Agency will ensure that activities funded under this IGA comply with all federal and state requirements governing NSP Grant Agreements, as described in the Subgrantee Agreements.

C. Reimbursement of Administrative Costs

The Lead Agency shall be reimbursed for the cost of administering NSP Subgrantee Agreement activities on behalf of the Partners, and will receive all Multnomah County Administrative funds directly from OHCS.

III. NSP Eligible Activities

A. Direct Homebuyer Assistance

The Partners will establish a program to assist eligible homebuyers with the purchase and repair of foreclosed homes in NSP Target Areas.

1. Form of Assistance

Eligible homebuyers may receive a 0% interest, deferred-payment second mortgage which may include funds for necessary repairs. In no case will the total amount of assistance to a particular homebuyer exceed the limit set by OHCS and in each Subgrantee Agreement.

2. Third-Party Assistance

The Partners anticipate soliciting assistance from experienced third parties to help homebuyers locate eligible properties, satisfy the Homebuyer Assistance program requirements, and successfully complete the purchase of their home. The Partners will establish a process to pay participating third parties a fee of no more than \$1,500 for each household they actively assist with completion of the successful purchase of a home under the program.

3. Policies and Process

Direct Homebuyer Assistance will be carried out in conformity with the Subgrantee Agreement signed with OHCS.

B. Low Income Housing Assistance

Per NSP guidelines, the Partners must commit no less than 25% of its total NSP allocation to assist housing for households at or below 50% Median Family Income. The Partners anticipate issuing a Request for Proposals to solicit assistance from organizations with a demonstrated ability to provide housing to these households. The exact nature of this activity will depend upon the availability of foreclosed properties but may include homeownership and/or rental opportunities.

Low Income Housing Assistance will be carried out in conformity with the respective Subgrantee Agreement signed with OHCS.

C. Other NSP Eligible Activities

Per the Subgrantee Agreement executed with OHCS, the Partnership may undertake additional NSP-eligible activities, subject to the Subgrantee Agreement.

IV. Activities Under this IGA Subject to Law.

All activities under this IGA are subject to the Federal and State laws, rules, regulations and NSP Grant and NSP Subgrantee Agreements applicable to the NSP program.

V. Other Miscellaneous Provisions

A. Timeline for Commitment and Disbursement of Funds

Funds under this IGA must be obligated, committed and expended within the timelines to be established for each activity by the Steering Committee, subject to the deadlines established in the Partners' Subgrantee Agreement.

B. Program Income

Any Program Income returned to the Partners (either directly from loan repayments or other proceeds derived from NSP-funded projects, or indirectly through OHCS) will be allocated to NSP-eligible activities at the direction of the Steering Group.

C. Termination

Either Partner may withdraw from this IGA at any time by written notice stating when the termination is effective (i.e.: either party may withdraw from or terminate their participation in this agreement upon 30 days written notice) to the other Partner's Contract Manager, subject to conditions that may be imposed by OHCS. Administrative fees due to the Lead Agency at the time of withdrawal will be calculated based on administrative costs incurred by the Lead Agency at the time of withdrawal and any costs allocated to administering the withdrawal of the notifying Partner.

D. Reporting/Access to Records

The Lead Agency shall make available to the Partner reports in a format and on a schedule defined by the Steering Group, including summaries of expenditures and beneficiaries of NSP activities.

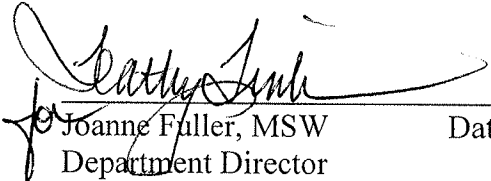
E. Reversion of Assets

Upon expiration or termination of the IGA, the Partners will each retain any unallocated NSP funds, less administrative fees due to the Lead Agency, as of the date of termination.

F. Award of Additional NSP Funds by OHCS

In the event of an increase in funds available to the Partners from OHCS, the NSP Steering Group will determine the best allocation of those funds, consistent with federal and state requirements, and the goals of the Partners.

MULTNOMAH COUNTY**CITY OF PORTLAND**

 1/20/10
 Joanne Fuller, MSW Date
 Department Director

 Nick Fish Date
 Commissioner-in-Charge

APPROVED AS TO FORM:

APPROVED BY

PATRICK HENRY 1-15-10
 Patrick W. Henry, Date
 Assistant County Attorney

APPROVED AS TO FORM:

APPROVED AS TO FORM

 1/29/10
 Linda Meng Date
 Portland City Attorney

 LaVonne Griffin-Valade Date
 Auditor of the City of Portland