



ARLINGTON COUNTY, VIRGINIA

**County Board Agenda Item
Meeting of June 17, 2008**

DATE: May 27, 2008

SUBJECT: Renewal of Cooperation Agreement with City of Falls Church for Community Development Block Grant (CDBG) and HOME Programs.

C. M. RECOMMENDATION:

Authorize the County Manager to sign a cooperation agreement to renew, until July, 2011, the Cooperation Agreement with the City of Falls Church, as signed in 1993 and amended in 1996, and include the City in the County's Community Development Block Grant and HOME grant authorizations received from U.S. Department of Housing and Urban Development (HUD).

ISSUE: As part of a regular process, the County Board is being asked to renew a Cooperation Agreement to receive CDBG and HOME funds on behalf of the City of Falls Church, and such renewal requires Board action and an endorsed Cooperation Agreement.

SUMMARY: Since Fiscal Year 1985, Arlington County has assisted the City of Falls Church to access Community Development Block Grant (CDBG) funds from HUD by participating in a Cooperation Agreement. The Agreement was amended in 1993 to allow Falls Church access to the HOME funds from HUD. The Agreement has been renewed every three years, but Arlington County is required to notify Falls Church that the City may choose to terminate the Agreement. The City has indicated its desire to renew the Agreement.

BACKGROUND: HUD permits jurisdictions such as the City of Falls Church, which would not otherwise qualify for CDBG and HOME Entitlement funds, to enter into a cooperation agreement with a neighboring Entitlement county and be included in the county's allocations. HUD adds the City's population to the County's population when calculating Entitlement amounts. Arlington County sets aside for Falls Church the increased amount realized by having Falls Church's population in the calculation. Ten percent of the CDBG set-aside is retained by the County to offset its costs to administer the Agreement. In FY 2008, the set-aside was \$85,214 CDBG and \$47,577 HOME funds for Falls Church. In FY 2009, the set-aside is \$82,607 CDBG and \$48,377 HOME funds.

County Manager: _____

County Attorney: _____

Staff: Jane M. Eboch, Housing Division; CPHD

DISCUSSION: Arlington County and the City of Falls Church entered into a three-year cooperation agreement in September 1984, and renewed in 1987, 1990, and 1993. In 1996, the agreement was amended and renewed again in 1999, 2002, and 2005. The agreement must be considered again this year, and endorsed to continue the Cooperation Agreement for three more years.

The City Manager of the City of Falls Church has notified the County of its intent to continue participation in the Urban County qualification period of 2009-2011, and approval by the Falls Church City Council is expected on June 9, 2008. The County and the City will continue operating under the previously signed documents. Evidence of the County Board and City Council authorizations and a certification from counsel must be submitted to HUD by July 8, 2008.

The County and City have had a good working relationship during the past 20 years in implementing the Cooperation Agreement. Projects and activities are being conducted in a professional and timely manner, in compliance with CDBG and HOME program requirements

FISCAL IMPACT: No impact on County General Fund.