

Attachment "A"

INTER-GOVERNMENTAL AGREEMENT RENEWING THE WASHOE COUNTY HOME CONSORTIUM (WCHC)

THIS AGREEMENT is made and entered into on this ____ day of June , 2011 by and among the City of Reno, a municipal corporation of the State of Nevada (hereinafter "Reno"), the City of Sparks, a municipal corporation of the State of Nevada (hereinafter "Sparks"), and Washoe County, a political subdivision of the State of Nevada (hereinafter "County").

WHEREAS, the United States Congress enacted the Cranston-Gonzales National Affordable Housing Act of 1990 and federal regulations have been adopted pursuant thereto (hereinafter collectively referred to as the "Act"); and

WHEREAS, Title II of the Act creates the Home Investment Partnerships Program (hereinafter "HOME") that provides funds to states and local governments for acquisition, rehabilitation, new construction of affordable housing and tenant-based systems; and

WHEREAS, under the Act, an organization of geographically contiguous Units of General Local Government (hereinafter **UGLGs**) may act as a single unit of general local government for purposes of receiving and administering HOME funds and carrying out the purposes of the Act; and

WHEREAS, in June of 1994, Reno, Washoe County and Sparks entered into an agreement to jointly act as the Washoe County HOME Consortium (hereinafter "WCHC"), a consortium of local governments under the Act; and

WHEREAS, the Act requires local governments acting as a consortium to submit a single Consolidated Plan that covers the entire geographical area encompassed by the consortium members as part of the eligibility requirements for HOME funds under 24 CFR Section 91.15 (b) of the Consolidated final rule implementing the act; and

WHEREAS, funds from Title II are distributed to metropolitan cities, urban counties, states and consortia of local governments; and

WHEREAS, the Act requires that a consortium must have one member of the UGLG authorized to act in a representative capacity for all members for purposes of the Act to assume overall responsibility for the Act, including requirements concerning the Consolidated Plan; such member unit shall hereinafter be referred to as "Lead Agency"; and

WHEREAS, Reno, Washoe County and Sparks (hereinafter, participating jurisdictions or "PJs") desire to renew their commitment to act jointly as a consortium for purposes of the Act and hereby enter into this Inter-Governmental Agreement which supersedes all other inter-governmental agreements setting up the Washoe County HOME Consortium; and

WHEREAS, this Agreement to operate as the WCHC is a renewal of the parties' 1994 and subsequent commitments to operate as the WCHC and supersedes all previously executed agreements regarding the WCHC; and,

WHEREAS, this Agreement is entered into and ratified by each participating jurisdiction pursuant to Section 277.110 of the Nevada Revised Status; and,

WHEREAS, Ratification of this Agreement by the Regional Planning Governing Board constitutes its agreement to have the Regional Planning Governing Board fulfill the procedures as set forth herein.

NOW, THEREFORE, based upon the terms and conditions outlined below, the parties hereby agree as follows:

I. WASHOE COUNTY HOME CONSORTIUM (WCHC)

A. Reno, Washoe County and Sparks agree to act jointly as a consortium within the meaning of the Act to become a participating jurisdiction to be known as **the Washoe County HOME Consortium**.

B. Purpose: Reno, Washoe County and Sparks will act as the WCHC for the purposes of applying

jointly for federal funding under the HOME Investment Partnership Program, as well as new potential funding from other sources, and administering affordable housing programs, including undertaking or assisting in undertaking HOME eligible housing assistance activities described in Title II of the Act, the latter to include, but not be limited to, acquiring, rehabilitating, and constructing affordable housing, and providing tenant-based rental assistance.

C. Affordable Housing Municipal Loan Program (AHMLP): The Affordable Housing Municipal Loan Program includes funds from HOME, the State Low Income Housing Trust Funds, and any potential funding sources related to affordable housing, e.g., such as those made available under other federal programs.

II. ROLES

A. DIRECTORS: The city managers of Reno and Sparks, and the county manager of Washoe County, and/or their designees, shall serve as the Directors of the WCHC.

1. The WCHC Directors shall provide leadership and have overall management responsibility to direct the WCHC activities.

2. The WCHC Directors shall make appropriate policy assessments and decisions concerning issues including, but not limited to, those relating to existing and potential new Affordable Housing Municipal Loan Program funding sources other than the WCHC's HOME funds for which the authority and responsibility rests with the Lead Agency.

3. Except for the authority and responsibilities vested in the Lead Agency concerning the development of the WCHC's Consolidated Plan, the WCHC Directors shall affirmatively further the region's planning for affordable housing.

4. WCHC Directors shall affirmatively communicate when necessary to entities whose policies or proposed policies may directly affect the operation of the WCHC, such as the State Division of Housing and the United States Department of Housing and Urban Development.

B. LEAD AGENCY: Reno, Washoe County and Sparks agree that Reno shall serve as the Lead Agency and administer the WCHC through Reno's Community Resources staff.

1. The Lead Agency shall perform all duties and responsibilities as set forth for the Lead Agency by the terms of this Agreement.

2. The Lead Agency shall provide effective leadership, support and management of the WCHC's required functions.

3. The Lead Agency staff shall provide, subject to adequate funding, effective leadership, support and management of the implementation of the region's affordable housing policies.

4. The Lead Agency is authorized to amend the agreement and to add new UGLGs as members\ on behalf of the WCHC upon the approval of the participating jurisdictions,

5. The consortia will adopt any amendments to the agreement that incorporate future changes necessary to meet the requirements of HUD consortia agreements in subsequent qualification periods through the automatic renewal process.

6. The Regional Planning Governing Board will not act as the Lead Agency.

C. Technical Review Committee: Reno, Washoe County and Sparks agree that a Technical Review Committee (hereinafter **TRC**) will be established and that from those projects determined eligible for funding by the Lead Agency pursuant to Section VII. A. the TRC will recommend projects for funding.

D. Fair Housing: Reno, Sparks and Washoe County commit to affirmatively furthering Fair Housing in all respects in their contributions to the operation of the WCHC.

III. CONSOLIDATED PLAN

A. Responsibility: Reno, Washoe County and Sparks agree that although the Lead Agency is ultimately responsible for developing a HUD approved Consolidated Plan, all WCHC members shall participate in the Consolidated Plan development process and end product.

B. Preparation: The Consolidated Plan document shall be prepared by Reno in collaboration with technical staff from Washoe County, Sparks and the Regional Planning Agency (if the latter so chooses) more than sixty (60) days prior to the date the Consolidated Plan documents must be submitted to HUD.

C. Reno, Washoe County and Sparks agree that WCHC may make adjustments to the Consolidated Plan development process described herein when necessary as required by the United States Department of Housing and Urban Development, including, but not limited to, any Consolidated Plan process, subject to approval by the WCHC Directors.

D. Advisory Committee: The WCHC may use a Consolidated Plan advisory committee to assist in the development of the Consolidated Plan documents. An advisory committee established pursuant to this Paragraph is not the TRC, but must be representative of the three local jurisdictions.

E. The Lead Agency will schedule the adoption of the Consolidated Plan for a Reno City Council meeting which will occur no less than 15 days nor more than 30 days prior to the submission date required by HUD.

IV. Other HUD Required Reports: The Lead Agency shall prepare regional annual performance reports and/or reports specified by HUD and submit the same to HUD with copies to the WCHC members and to the to the Regional Planning Commission and Regional Planning Governing Board.

V. FUNDING

A. Management and Accounting: The Lead Agency shall be responsible for the management and accounting of all WCHC funds (i.e., HOME, Low Income Housing Trust Funds, NSP) and any potential funds provided to this region for housing and shall conform to the policies, regulations and statutes governing such funds.

B. Pro-Rata funds: Reno, Washoe County and Sparks agree that a pro-rated portion for self-directed projects should be based on the previous year's State of Nevada demographer's certified population when determining how WCHC HOME funds shall be dedicated to each participating jurisdiction each year.

1. The funds so dedicated to the participating jurisdiction may be from formula allocated HOME funds available to the WCHC.

2. Any of the self-directed funds not allocated by the individual jurisdictions will no longer be dedicated to self-direction and will be made available for allocation by the TRC to any projects during the current funding round.

C. Jurisdictional Priorities: Technical Staff of each jurisdiction will recommend priorities in October to their respective Council/Commission for approval no less than 12 months in advance of application release. The TRC and directors may adopt multi-year priorities for a maximum of three years.

1. The WCHC staff will be notified of those priorities approved by the respective Council/Commission.

2. The WCHC staff will inform the TRC of these priorities and list them in the Request for Proposals for Affordable Housing Municipal Loan Program funds for the applicable funding round.

D. State HOME and Low Income Housing Trust Funds: Reno, Washoe County and Sparks also agree that the State HOME funds and State Low Income Housing Trust funds that would otherwise be available to individual jurisdictions comprising the WCHC are by this Agreement authorized to be administered directly by the WCHC subject to agreement with the State of Nevada.

E. Other Funds: Reno, Washoe County and Sparks further agree that all other funds designated for affordable housing that by agreement are administered by the WCHC shall be distributed according to the funding source requirements.

F. Multiple Funding Rounds: The Lead Agency in collaboration with technical staff persons from each member of the WCHC may also develop procedures to accommodate multiple funding rounds each year,

including non-funding round applications which meet specified standards and provide time frames for all funding rounds. The Lead Agency may administer AHMLP funds according to such multiple funding rounds procedures

G. Projects Eligible for Funding: Reno, Washoe County and Sparks agree that all projects will be reviewed for compliance with the relevant funding sources' rules or guidelines by the Lead Agency and only those which meet the technical requirements of the relevant source of funds will be eligible to be reviewed for AHMLP funding recommendations by the Technical Review Committee.

VI. FUND ADMINISTRATION

A. Financial Records: The Lead Agency shall make all of its financial records related to the administration of AHMLP funds available for inspection to all persons including representatives from corporations and governments.

B. State HOME Funds Repayments: All repayments of WCHC administered State HOME funds and matching contributions and any payment of interest or other return on the investment of such State HOME funds and matching contributions must be placed in a State HOME investment trust account unless, pursuant to agreement, the State permits such repayment into the WCHC HOME trust fund account.

1. If the WCHC terminates, such funds revert to the State of Nevada's own State HOME investment trust account maintained by the Lead Agency.

2. WCHC members may re-pledge repayments of any local or State HOME funds, plus matching funds to which they are currently entitled, to the WCHC HOME trust fund account subject to agreement by the State if appropriate. If the WCHC subsequently terminates, such repayment will revert to the jurisdiction to which the funds were originally pledged.

C. Consortium HOME Funds Repayments: Any repayments of Consortium HOME funds and matching contributions and any payment of interest or other return on the investment of Consortium HOME funds and matching contributions must be placed in the local HOME Investment Trust Fund account but must be separately designated from the account which contains the repayment of State HOME funds unless by agreement the State allows a merger of such State HOME funds into the WCHC HOME Investment Trust Fund account.

1. If the WCHC terminates, such repayment of Consortium funds will be allocated to the three jurisdictions based on the geographic distribution of the remaining investment of such Consortium funds in the region, but only if such jurisdictions place such funds in a HOME Investment Trust Fund operated in compliance with HUD rules and regulations and HUD agrees to monitor such nonparticipating jurisdiction trust funds.

2. If HUD prohibits the administration of HOME dollars by any resulting nonparticipating jurisdiction, repayments otherwise due to a participating jurisdiction will be administered by the Lead Agency, City of Reno, in compliance with HUD regulations.

D. Repayment of Non-HOME Funds: The mechanisms by which any repayment of non-HOME funds and/or any payment of interest or other return on investment of such non-HOME funds to be made shall be governed by the restrictions imposed by the source of such funds. The WCHC Directors may describe procedures for such funds and repayments thereof consistent with such restrictions.

E. Monitoring:

1. According to HUD regulations and guidelines on the use of any local HOME investment fund monies, the Lead Agency has the responsibility for monitoring. If the WCHC agrees to administer State HOME funds, the Lead Agency will have the responsibility for monitoring and reporting to the State of Nevada on the use of such funds.

5. The lead agency may also provide monitoring for individual jurisdictional housing programs.

5. Other funds will be monitored based on the regulations and guidelines for that source of funding.

F. Volume Cap: Nothing contained in this Agreement is intended to, nor does it, affect any parties' rights and responsibilities with respect to its share of the State of Nevada's Volume Cap.

VII. PROJECT EVALUATION AND FUNDING RECOMMENDATION POLICIES AND PROCESS

A. Lead Agency

1. The Lead Agency, in collaboration with technical staff persons from each WCHC member, may develop a fair and appropriate system to assist in the selection of projects; such system to reflect existing policy, priorities and criteria established by the Truckee Meadows Regional Plan, the jurisdiction's comprehensive housing plans, Consolidated Plan, Action Plans and any criteria established for any particular AHMLP funding round.

a. If any such system is used, it will be a product of the collaborative effort of the technical staff from the three WCHC jurisdictions, and, a Regional Planning Agency technical staff person. These technical staff are not necessarily the same technically proficient staff persons which the WCHC members are required to appoint to the TRC.

b. Any such system must be reviewed and adjusted to reflect current conditions prior to each funding round.

2. The Lead Agency may also develop a pre-application or technical assistance process which would provide project assessment, technical assistance and resource coordination to lesser experienced housing providers

3. **Criteria:** The Lead Agency will also pre-screen project applicants for conformance with any minimum threshold criteria established in the Consolidated Plan which may be stricter than those imposed by the funding source's own rules, regulations or guidelines.

a. Threshold criteria and any other criteria, incentives, etc., developed for each AHMLP funding round, regardless of funding sources, will be developed by the Lead Agency in collaboration with technical staff persons from each WCHC jurisdiction.

b. Such criteria will be consistent with all relevant policies and priorities contained in the Consolidated Plan, related plans from individual CDBG entitlement jurisdiction pursuant to 24 CFR 91.220 (hereinafter referred to as "Action Plans") and individual housing elements in each jurisdiction's master plans.

B. Technical Review Committee (TRC)

1. **Composition:** Reno, Washoe County and Sparks agree that the TRC, established pursuant to **Section II. C.** of this agreement will be comprised of eight (8) persons.

a. Two persons will be appointed by each jurisdiction made up of one technically proficient staff person (that is a person knowledgeable in housing issues) and one non-staff person who is not required to be technically proficient.

b. At least one technically proficient non-staff person shall be added to the TRC chosen by the technical staff members of such TRC.

c. The Regional Planning Agency shall appoint a member of its own staff.

2. **Quorum:** Five (5) TRC members or two-thirds of the current TRC membership shall constitute a quorum necessary to consider all matters of business at any meeting of the TRC.

3. **Purposes:** The purposes of the TRC are:

a. To provide a forum for the discussion of regional housing issues, the recommendation of funding priorities and policies and procedures.

b. To make funding recommendations related to all AHMLP funds, including HOME, State Low Income Housing Trust Funds, and other potential sources of affordable housing funding.

c. To review eligible projects for consistency with the priorities and policies included in the Consolidated Plan, Action Plans, Truckee Meadows Regional Plan, relevant jurisdictions' comprehensive housing plans, and/or specific self-directed priority project(s) and criteria established by the technical

staff of WCHC members, including threshold criteria concerning length and depth of affordability which are more strict than those required by regulations or rules outlining the use of the particular funding source.

d. To evaluate the projects using other criteria developed and adopted by the WCHC.

e. To prioritize projects based on the evaluation process developed by the Lead Agency in collaboration with technical staff persons from each WCHC member and make AHMLP funding recommendations as constrained by the applicability and availability of funds

f. To act as a forum to receive community and stakeholder input, to monitor progress on adopted plans, to address concerns and suggestions regarding housing issues, and to establish regional housing goals;

g. To coordinate and communicate regional, longer-term housing priorities for funding available to the jurisdictions;

h. To make policy recommendations that advance the implementation of the Consolidated Plan, jurisdictional housing elements, and improve the overall provision of affordable and workforce housing in alignment with local goals and priorities.

4. **TRC Public Hearings Process:** The TRC will hold Public Hearings following the funding round application deadline.

a. The **first** Public Hearing will be to hear project presentations by the applicants, with the opportunity to ask questions and request further information. At this meeting, Staff will provide final decisions on those agencies that will be certified and/or recertified as WCHC Community Housing Development Organizations. A **Community Housing Development Organization (CHDO)** is a private nonprofit, community-based service organization that has obtained or intends to obtain staff with the capacity to develop affordable housing for the community it serves and must meet specific HUD qualifications under 24 CFR 92.300 .

b. The **second** Public Hearing will be to review projects and receive requested additional information, as well as to determine those projects that meet the priorities of the individual jurisdictions. Final recommendations to go forward to the Directors for CHDO operating funds will be approved during this public hearing.

c. Those projects meeting jurisdictional priorities will then be forwarded to the individual jurisdictions by their Technical Staff for possible allocation of the jurisdiction's pro-rata share (Section V, B.) of funding.

d. At the **third and final** Public Hearing, the TRC will develop the recommendations for project funding to be presented through the Directors to the Regional Planning Governing Board for allocation ratification.

5. **TRC Recommendations:** The final recommendations made by the TRC for project funding shall be forwarded to the WCHC Directors for approval.

6. **Regional Planning Governing Board:** The Directors will forward the approved funding recommendations to the Regional Planning Governing Board for final ratification. The ratification contemplated in this paragraph by the RPPG shall be done by the RPPG in its sole and absolute discretion.

a. There shall be no appeal or judicial review of the final Regional Planning Governing Board's ratification.

b. **Indemnification:** Subject to the limitations of applicable law and without waiving their statutory protections, each member agency agrees to hold harmless, indemnify and defend the Regional Planning Governing Board and its respective members, and its staff from and against any and all claims, demands, actions, causes of action and litigation, financial or otherwise, arising out of their independent activities or activities of the board.

c. **Consortium agreement review:** Any changes in this consortium agreement directly affecting the Regional Planning Governing Board will be provided in advance of approval to the Regional Planning Governing Board for its review and comments.

VIII. APPEAL PROCESSES:

A. The WCHC **Standard Operating Policies and Procedures** provide a process for funding applicant appeals to the WCHC Directors in the following circumstances:

1. The project/program is not recommended by staff to be forwarded to the TRC for funding consideration.
2. The project/program is recommended by the TRC for a lesser amount of funding than that requested in the application.
3. The project/program is not recommended for funding.

B. **Regional Planning Governing Board:** There shall be no appeal view of the final Regional Planning Governing Board's ratification decision

IX. **CONFLICTS OF INTEREST:** Reno, Washoe County, Sparks, and the TRC pledge adherence to the conflict of interest tenets embodied in HUD's CPD Notice 98-09 (Superseding CPD Notice 93-06), 24 CFR 92.356 (Rev. 4/1/06) and NRS 281A.400 to NRS 281A.480, inclusive, as amended.

X. GENERAL ADMINISTRATION

A. Notices and Communications:

1. **Sparks:** Designates its Community Services Director or his/her designee as Sparks' representative to whom all notices and communications relating to WCHC business from Reno or Washoe County shall be directed.
2. **Washoe County:** Designates its County Manager or his/her designee as Washoe County's representative to whom all notices and communications concerning WCHC business from Reno or Sparks be directed.
3. **Reno:** Designates its Community Reinvestment Manager or his or her designee as Reno's representative to whom all notices and communication from Sparks, Washoe County or any other entity concerning affordable housing shall be directed.
4. Reno's duty as the Lead Agency to notify Washoe County and Sparks shall be complete when the communication is sent to the designated representative. It is the **exclusive duty** of the designated representative to notify appropriate individual(s) and/or departments within Washoe County and Sparks.

B. **Program Responsibilities related to the HOME Program:** Reno, as designated Lead Agency of the WCHC, has the ultimate and overall responsibility under the Act in the view of HUD for ensuring that the WCHC's HOME program is carried out as required in 24 CFR part 92, including:

1. The submission of a program description for the use of HOME funds which has been mutually agreed upon by Reno, Washoe County and Sparks for providing all assurances or certifications as required under 24 CFR part 92. The program description sets forth the WCHC's estimated use of HOME funds (consistent with needs identified in its approved consolidated housing strategy and individual one-year plans) within each of the eligible activity categories.
2. Reno requires Washoe County and Sparks, and Washoe County and Sparks require Reno, to agree to strict adherence to the program description as approved and to all assurances and certifications provided, including agreeing to take all actions necessary to assure compliance.

a. Reno shall not provide HOME funds for activities in or support of any cooperating jurisdiction that does not affirmatively further fair housing within its own jurisdiction or activities that impede Reno's actions to comply with Fair Housing certification.

b. The Lead Agency is responsible for taking all required actions to comply with provisions of the National Environmental Policy Act of 1969, as amended.

c. Washoe County and Sparks shall readily support the Lead Agency as requested to meet the above requirements.

C. Program Responsibilities related to other housing programs: Reno, as the designated Lead Agency of the WCHC, will have the ultimate and overall responsibility for ensuring that the WCHC's housing programs are carried out as required by the programs regulations and rules.

XI. INSURANCE; CLAIMS, DEMANDS, LITIGATION RELATED TO WCHC ACTIVITIES

A. Insurance: The Lead Agency through its budget, shall maintain liability and casualty insurance policies as the Directors of WCHC shall determine appropriate. As used herein, the term "excess liability" shall refer to liability for its operations incurred with respect to the actions and operations of the Agency which are in excess of the applicable insurance coverage as determined by judgment or approved settlement agreement.

B. Defense and Indemnification: Each member agency agrees to hold harmless, indemnify and defend the WCHC and its respective members from and against any and all claims, demands, actions, causes of action and litigation, financial or otherwise, arising out of WCHC operations pursuant to this Agreement. This indemnity obligation shall survive termination of this Agreement. For any specific claim, the members responsible for such defense costs and liability shall be those entities that were members at the time of the occurrence giving rise to the claim, loss, or liability. Each member agrees to provide indemnification and reimbursement for defense costs to other members to the extent necessary to ensure that each member is responsible only for its share of the expenses. For any claims arising out of WCHC operations, which are not covered by or are in excess of insurance purchased by the WCHC, costs related to the investigation and defense shall be divided equally by the three member agencies.

C. Limitations: Nothing herein shall require or be interpreted to: (1) waive any defense arising out of federal or state law, including without limitation, NRS Chapter 41; (2) limit or restrict the ability of any member or employee to exercise any right, defense or remedy which a party to a lawsuit may have with respect to claims of third parties, including, but not limited to, any good faith attempts to seek dismissal of legal claims against a party by any proper means allowed under the civil rules in either state or federal court; or, (3) cover or apportion or require proportionate payment of any judgment against any individual or member for intentionally wrongful conduct outside the scope of employment of any individual or for any judgment for punitive damages, fines or sanctions against any individual or municipal corporation. Payment of punitive damage awards shall be the sole responsibility of the individual against whom said judgment is rendered and/or his or her municipal employer, should that employer elect to make said payment voluntarily. This agreement does not require equal sharing of any punitive damage awards, fines or sanctions.

D. Claims, Demands, and Litigation Activities: The Lead Agency will perform initial review on all claims, demands or litigation related to activities of the WCHC or its individual members.

1. Copies of all claims and demands will be forwarded to the designated representatives of each member agency for review by their respective risk management staff.

2. Settlement of any claim related to their joint activities shall be approved by the Directors based upon agreement and recommendation of the respective risk management staff.

E. Outside Counsel: Claims, demands, or litigation related to activities of the WCHC or its individual members may be referred to outside counsel selected by the WCHC for defense.

1. Costs related to the defense of the WCHC, arising out of its activities, shall be divided equally by WCHC members.

2. The Lead Agency shall act on behalf of the WCHC to collect reports and documentation forwarding same to legal counsel and respective members, make payment to outside counsel for cost of defense, and requesting reimbursement from other members.

3. Decisions regarding settlement of litigation shall be made by the WCHC Directors within the limits of their respective authorities and based on recommendations of their risk management staff.

F. Costs: Each agency shall be responsible for its share of costs related to any claims and/or litigation as discussed above.

1. The Directors may choose to use administrative monies received from various funding sources to cover the costs related to the activities of the WCHC. Funding may include, but is not limited to, direct payment of costs, purchase of insurance, or the development of a self-funding mechanism.

2. Reimbursement from other member agencies will be made within twenty-one (21) working days of receipt of a request for reimbursement by the Lead Agency.

XII. DISPUTES BETWEEN MEMBERS: Disputes arising between the member agencies regarding direction, policy or procedure shall be resolved by the Directors of the WCHC. Should the Directors be unable to agree upon the resolution, it shall be referred to outside mediation by a third party. If no resolution is forthcoming, the parties may terminate this Agreement in accordance with Section XVI of this agreement.

XIII. AMENDMENTS

A. Should it become necessary to change the language of this Agreement to meet HUD approval, without making material changes and without altering the intent of the Agreement, such changes may be made administratively by the Lead Agency staff with the written consent of the WCHC Directors.

B. This agreement may be amended for purposes other than those described in Paragraph (A) above by written agreement of the WCHC participating jurisdictions.

XIV. AUTOMATIC RENEWAL OF AGREEMENT

A. No later than June 1, of the renewal year, the City of Reno, as Lead Agency of the Consortium, shall deliver written notice to each participating member jurisdiction describing every jurisdiction's right to not participate for the ensuing three-year period. Failure to deliver this notice will void the automatic renewal provision of this agreement. A member who chooses not to participate must notify the Lead Agency in writing no later than June 15.

B. Unless a member elects not to participate as set forth in Paragraph XV. A., this Agreement shall renew automatically for an additional three years on the same terms and conditions contained herein as may have been amended from time to time.

C. The Lead entity will notify each consortium member if there are any amendments that will be required to the agreement. Failure to provide these notifications will void the automatic renewal provision of this agreement.

D. Any amendments to the agreement with automatic renewal provisions that incorporate future changes necessary to meet the HUD requirements for consortia agreements in subsequent qualifications will be adopted by the WCHC.

E. The lead agency will submit to HUD the state certification and notice if there are not membership changes, and submit a copy of the agreement to the HUD Field Office.

F. If the agreement is to include a new member(s) for the remaining fiscal years of the qualification, the agreement must be amended in the fiscal year *before the year* in which the new member is added. This amendment must be signed by the Chief Executive Officer of the lead agency and the Chief Executive officer of the new UGLG and HUD Headquarters notified.

G. If the agreement is to be amended to include new members during the qualification period, the new automatic renewal clause will be considered to be in effect for the next qualification period.

H. If new members are to be added to the consortium for the first year of a qualification period, the automatic renewal clause cannot be used and a new consortium agreement signed by all members is required; the new consortium agreement may contain automatic renewal provisions for subsequent qualification periods.

XV. TERMINATION OF AGREEMENT/DISBANDING OF CONSORTIUM

A. Though this Agreement may be amended, no WCHC member may withdraw from the Agreement while the Agreement remains in effect. The Agreement terms for the stated fiscal years of this agreement, must, at a minimum, remain in effect until the HOME funds for each of the Federal Fiscal Years of the qualification period are expended on eligible activities and through the affordability periods of all projects funded during the qualification period of this agreement and previous consortium agreements.

B. Lead Entity Continuing Responsibilities if Consortium Disbands: Reno, as the Lead Agency will continue its responsibilities to comply with HOME regulations beyond the terms of the consortium agreement and throughout the periods of affordability for all HOME projects. Its financial and monitoring responsibilities include the following:

1. Program Income: Program income, as defined at 24 CFR 92.2, derived from consortium activities undertaken by or within a member UGLG will continue to be the consortium's program income even after the UGLG terminates its participation in the consortium (24 CFR 92.503(a)(3)).

a. The Lead Agency may permit a member that no longer participates in the consortium to retain program income as a subrecipient for future HOME projects pursuant to a written agreement (24 CFR 92.503(a)(1)).

b. Any Program Income will be used in accordance with HOME requirements.

2. Repayments: The Lead Agency will be responsible for repayments to HUD (24 CFR Section 92.503 (b)).

a. Any HOME funds invested in a project that has not met the affordability requirements, is terminated before completion, or is determined to be ineligible must be repaid to HUD.

b. The Lead Agency will collect repayment funds from the WCHC members.

3. Recaptured Funds: Recaptured funds from the WCHC homebuyer program during the period of affordability will be deposited in the WCHC local HOME account.

a. The Lead Agency may permit a member that no longer participates in the consortium to retain recaptured funds as a subrecipient.

b. Subrecipients must have a written agreement with the Lead Agency to retain recaptured funds. (24 CFR Section 92.503(b)).

4. Monitoring: The Lead Agency will be responsible for reviewing the performance of each subrecipient at least annually (24 CFR Section 92.504(a)).

a. The Lead Agency will apply the same requirements to its members that are applicable to all subrecipients (24 CFR Section 92.101(d)).

b. The Lead Agency will continue monitoring responsibilities during the period of affordability for all activities funded by the Consortium.

XVI. COUNTERPARTS: This Agreement may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.

**IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates appearing below:
CITY OF RENO:**

Robert A. Cashell, Sr., Mayor
City of Reno
P. O. Box 1900
Reno, Nevada 89505

Date

ATTEST

Name: _____

Title: _____

APPROVED AS TO FORM:

RENO CITY ATTORNEY

WASHOE COUNTY:

Robert Larkin, Chairman
Washoe County Commission
P. O. Box 1130
Reno, NV 89520

Date

ATTEST

Name: _____

Title: _____

APPROVED AS TO FORM:

Washoe County Attorney