

COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND

2008 Legislative Session

Legislative Day No. 23

Resolution No. 144-2008

Introduced by: The President of the Council at the request of the County Executive

A RESOLUTION CONCURRING WITH AND APPROVING THE FY 2009 RENTAL ALLOWANCE PROGRAM APPLICATION AND GRANT AGREEMENT WITH THE COMMUNITY DEVELOPMENT ADMINISTRATION IN THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT OF THE STATE OF MARYLAND PROVIDING A MINIMUM SIX MONTH SUBSIDY TO CUSTOMERS IN EMERGENCY AND CRITICAL HOUSING CRISIS TO PREVENT HOMELESSNESS.

RECITALS

The Community Development Administration in the Department of Housing and Community Development of the State of Maryland administers the Rental Allowance Program (the "Program") pursuant to the provisions of Sections 4-1401 through 4-1408 of the Housing and Community Development Article of the Annotated Code of Maryland, as amended (the "Act").

Pursuant to the provisions of the Act and regulations codified in COMAR .05.05.03.01 et seq. (the "Regulations"), the Community Development Administration is empowered to make grants to political subdivisions for use in making short term fixed monthly rental assistance payments to eligible recipients occupying eligible housing units.

Wicomico County has designated the Wicomico County Department of Social Services as the agency to administer the program for the County.

The program provides funds to make Rental Allowance Payments to eligible Recipients occupying Eligible Housing Units, and to pay a security deposit for such units.

NOW, THEREFORE, BE IT RESOLVED, by the County Council of Wicomico County, Maryland that:

- A. The County Executive of Wicomico County, Maryland is authorized to enter into a Grant Agreement with the Community Development Administration in the Department of Housing and Community Development of the State of Maryland.
B. The Grant Agreement shall be in substantially the form attached hereto as Exhibit A and

CERTIFICATION

This Resolution was Adopted [checked], Adopted with Amendments ____, Failed ____, Withdrawn ____, by the County Council on November 18, 2008.

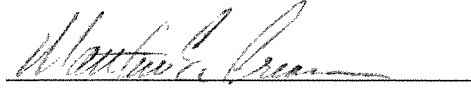
Certified by [Signature] Matthew E Creamer, Council Administrator

made a part hereof, and in such form the Grant Agreement is hereby approved as to form and content.

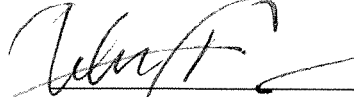
Done at Salisbury, Maryland, this 18th day of November, 2008.

ATTEST:

COUNTY COUNCIL OF
WICOMICO COUNTY, MARYLAND



Matthew E Creamer,
Council Administrator



John T. Cannon
Council President

CERTIFICATION

This Resolution was Adopted 1, Adopted with Amendments , Failed , Withdraw by the County Council on November 18, 2008, 2008.


Certified by 
Matthew E Creamer, Council Administrator

EXHIBIT A

**RENTAL ALLOWANCE PROGRAM
GRANT AGREEMENT**

(Fiscal Year 2009)

THIS RENTAL ALLOWANCE PROGRAM GRANT AGREEMENT (the "Agreement") is entered into as of this _____ day of _____, 2008 by and between the Community Development Administration (the "Grantor"), an agency in the Division of Development Finance of the Department of Housing and Community Development (the "Department"), a principal department of the State of Maryland, and **Wicomico County**, Maryland, a political subdivision of the State of Maryland (the "Grantee").

WHEREAS, the Department administers the Rental Allowance Program (the "Program") pursuant to the provisions of Sections 4-1401 through 4-1403 of the Housing and Community Development Article of the Annotated Code of Maryland, as amended (the "Act"); and

WHEREAS, pursuant to the provisions of the Act and regulations codified in COMAR .05.05.03.01 et seq. (the "Regulations"), the Department has empowered the Grantor to make grants to political subdivisions for use in making short term fixed monthly rental assistance payments to eligible recipients occupying eligible housing units; and

WHEREAS, the Program is not intended to replace other public programs which provide rental assistance payments; and

WHEREAS, Grantee, by Application Number **RAP- 09-24** together with any amendments thereto (the "Grant Application"), has applied to Grantor for grant assistance from the Program; and

WHEREAS, the Grantor has determined, in reliance upon information contained in the Grant Application, that the proposed activities are consistent with the provisions of the Act, the Regulations and the documents promulgated thereunder and has approved an award of grant funds from the Program to Grantee for Grantee to distribute and expend according to the requirements and provisions of this Agreement; and

WHEREAS, the governing body of Grantee evidences its approval of this Agreement by Grantee's execution of this Agreement.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor and Grantee agree as follows:

ARTICLE I
GENERAL PROVISIONS

Section 1.01. Contents of Agreement.

This Agreement shall consist of the terms and conditions expressed herein, together with the Act, the Regulations and documents promulgated thereunder.

Section 1.02. Definitions.

All terms previously defined in this Agreement or in the Act or Regulations are incorporated herein by reference unless specifically otherwise provided or the context otherwise requires. When used in this Agreement:

- (1) "Default" means any default under Article VI of this Agreement.
- (2) "Disbursement Request" means the Program's form Disbursement Request and all required supporting documentation thereto.
- (3) "Grant" means those funds to be provided by Grantor to Grantee pursuant to the terms and conditions of this Agreement.
- (4) "Participating Party" means any person, firm, corporation or entity other than Grantee or an agent or agency of Grantee identified in the Grant Application as participating in the Project or as a subcontractor for the Grantee.
- (5) "Report" means the Program's form Report of Receipts and Expenditures which Grantee shall submit to Grantor on a monthly basis.
- (6) "Requirement" means any law, ordinance, code, order, rule or regulation of a governmental authority or a local authority, respectively.

ARTICLE II
AMOUNT AND AUTHORIZED USES OF GRANT FUNDS

Section 2.01. Grant Assistance Provided.

Grantor agrees, subject to the terms and conditions set forth herein, to provide Grantee with a Grant in an amount not to exceed Thirty Thousand Dollars (30,000).

Section 2.02. Authorized Uses of Grant Funds.

The Grant shall be used in accordance with the Act and Regulations to make Rental Allowance Payments to eligible Recipients occupying Eligible Housing Units, to pay a security deposit for such units, at the option of the Grantee, or for other expenses permitted by the Act and Regulations and approved by the Grantor. Grantee shall verify that Recipients are eligible under the requirements of the Act and the Regulations and either are occupying or, simultaneously with receipt of the Rental Allowance Payment, will occupy Eligible Housing Units. Except as provided below, Rental Allowance Payments shall be made to Recipients for a term not to exceed twelve consecutive months.

Grantee may also use no more than ten percent (10%) of the Grant amount for administrative costs associated with the Program. In the event of a reduction of Grantee's Grant under Section 3.02 of this Agreement or a default by Grantee under Article VI of this Agreement, Grantee is entitled to retain for administrative costs no more than ten percent (10%) of Grant funds properly expended by the Grantee for Rental Allowance Payments or for security deposits in accordance with the terms of this Agreement.

Grantee may request extension(s) of Rental Allowance Payments on behalf of a Recipient for additional period(s) of six months if Grantee demonstrates to the satisfaction of the Secretary that the termination of the Rental Allowance Payment would cause undue hardship to the Recipient. Each request for an extension must be delivered to the Grantor in writing and be accompanied by Grantee's written case evaluation of the Recipient.

ARTICLE III
EXPENDITURE, DISBURSEMENT AND REDUCTION OF GRANT

Section 3.01. Expenditure of Grant Proceeds.

Grantee shall expend Grant funds solely for (a) Rental Allowance Payments in accordance with the Program requirements, as the same may be amended from time to time, (b) administrative costs associated with the Program, in an amount not to exceed ten percent (10%) of the Grant, (c) those security deposits which the Grantee deems appropriate for Eligible Housing Units, and (d) other expenses permitted by the Act and Regulations and approved by the Grantor.

Section 3.02 Disbursement and Reduction of Grant Funds.

- (a) The Grant shall be disbursed to Grantee by periodic payments upon receipt by Grantor of a completed Program Disbursement Request form accompanied by a statement that the representations, certifications, and other matters contained in this Agreement are and remain true and complete as of the date of the request for disbursement.
- (b) Upon request by Grantee, Grantor may, in its sole discretion, agree to disburse Grant funds directly to a Participating Party. Grantee continues to be responsible for (i) a Participating Party's expenditure of the Grant funds and (ii) any accounting with respect to the Grant funds in accordance with the terms of this Agreement.
- (c) The initial Disbursement Request may be in an amount not to exceed 25% of the Grant and may be submitted to Grantor at any time after the date this Agreement is executed by Grantor.
- (d) Periodic disbursements of the Grant may be requested on a monthly basis, except that Grantor may consent to make disbursements on a different basis if needed. Grantor expressly conditions each disbursement upon Grantee's continued compliance with the Act, the Regulations and the terms and conditions of this Agreement. Grantor reserves the right to reduce the amount of or deny any request for disbursement if payments made by the Grantee are not in conformance with any Program requirements.
- (e) The final Disbursement Request shall be in an amount not to exceed the balance of the Grant.
- (f) Grant funds will be disbursed to Grantee not later than 30 calendar days after receipt of a complete and accurate Disbursement Request.
- (g) If Grant funds are disbursed directly to the Grantee, Grantee agrees to place all funds received pursuant to this Grant in a separate interest bearing account or within special accounts in the appropriate municipal or county financial system. If Grant funds are disbursed directly to a Participating Party, Grantee is responsible for ensuring that the Participating Party places all funds received pursuant to this Grant in a separate interest bearing account in the Participating Party's financial system.
- (h) Any interest earned on excess funding must accrue to and be used solely for the purposes outlined in this Agreement.
- (i) Grantee shall make monthly Rental Allowance Payments by check made payable to lessors on behalf of Recipients, unless notified otherwise by Grantor.

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- (j) Grantor will monitor Grantee's expenditures of Grant funds. Grantor reserves the right and Grantee agrees that Grantor, upon thirty days prior written notice to Grantee, may reduce the Grant by an amount not to exceed the balance of the Grant which has not been disbursed to Grantee if payments made by the Grantee are not in conformance with the Disbursement Request or any Program requirements. The Grant shall be deemed to be reduced in the amount specified in Grantor's notice unless Grantee, within thirty days from the date of the notice, submits information satisfactory to Grantor.
- (k) After two years from the effective date of this Agreement, any undisbursed balance of the Grant may be reallocated by the Department to other political subdivisions or directly disbursed by the Department in the form of Rental Allowance Payments to eligible Recipients.

Section 3.03. Security Deposits.

One monthly rental allowance payment may be applied toward a required security deposit for an eligible Housing Unit.

ARTICLE IV
REPRESENTATIONS, WARRANTIES, AND SPECIFIC OBLIGATIONS

Section 4.01. Grantee's Representations and Warranties.

Grantee, upon information and belief, represents and warrants to Grantor that:

- (a) Grantee is duly organized and validly existing under the laws of the jurisdiction of which Grantee is a part, and has all requisite power and authority to enter into and consummate the transactions contemplated by this Agreement.
- (b) A resolution or ordinance as required by local law has been duly introduced and adopted, passed or enacted as an official act of Grantee's governing body, authorizing the execution and delivery of this Agreement by Grantee, and authorizing and directing the person executing this Agreement to do so for and on behalf of Grantee.
- (c) This Agreement has been duly executed and delivered by Grantee, in such manner and form as to comply with all requirements necessary to make this Agreement the valid and legally binding and enforceable act and agreement of Grantee.
- (d) The representations, statements, and other matters in the Grant Application were true and complete in all material respects when made and continue to be true as of the date of this Agreement.

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- (e) Insofar as the capacity of Grantee to carry out any obligation under this Agreement is concerned: (i) Grantee is not in material violation of its charter, statute, rule or regulations, or any mortgage, indenture, agreement, instrument, judgment, decree, order, and (ii) the execution and performance of this Agreement will not result in any such violation.
- (f) No member, officer, or employee of Grantee, or its designees, or agents, no consultant, no member of the governing body of Grantee, and no other public official of Grantee, who exercises or has exercised any functions or responsibilities over the Local Program during such person's tenure, shall have any interest, direct or indirect, in any Housing Unit, the rental payments for which will be paid in whole or in part by any proceeds of the Grant.
- (g) All sources of funds and all funds for the Local Program as set out in the Grant Application are and remain available and allocated for the Local Program. Grantor may, at any time upon reasonable notice, require Grantee to provide assurances of the availability of funds sufficient to meet Local Program costs and the failure of Grantee to provide assurances in the form and substance satisfactory to Grantor shall be grounds for termination of this Agreement.
- (h) Grantee has complied and will continue to comply with the Act and Regulations.
- (i) There is no Default on the part of Grantee, and no event has occurred or is continuing which with notice or the passage of time or either would constitute a Default.

Section 4.02. General Covenants and Indemnities.

- (a) Grantee shall commence the Local Program and work diligently to make Rental Allowance Payments available to eligible Recipients. Grantee shall not disburse any Grant funds for any purpose other than for Rental Allowance Payments to eligible Recipients occupying Eligible Housing Units, for security deposits at the option of the Grantee for such units, or for other expenses permitted by the Act and Regulation and approved by the Grantor. Grantee shall use only the Grantor's Program documents, including the Grantor's Program operating manual. Any proposed use of alternate forms shall receive the written approval of the Grantor prior to use of any such documents.
- (b) Grantee releases Grantor and the Department from, agrees that Grantor and the Department shall not have any liability for, and agrees to protect, indemnify and save harmless Grantor and the Department from and against any and all liabilities, suits, actions, claims, demands, losses, expenses and costs of every kind and nature incurred by, or asserted or imposed against, Grantor or the Department, as a result of any actions taken or not taken by the Grantee in (1) determining the eligibility of an applicant for Rental Allowance Payments or (2) making Rental Allowance Payments. All money expended by Grantor as a result of such liabilities, suits, actions, claims, demands, losses, expenses or costs, shall be immediately and without notice due and payable by Grantee to Grantor.

- (c) The Grantee's indemnification of the Grantor and the Department under Section 4.02(b) is subject to the availability of funds appropriated by the Grantee for such purpose. The **President of the Wicomico County Council of Wicomico County Maryland** hereby agrees to use his or her best efforts to include a request in the Annual Budget and Appropriation ordinance to appropriate funds in the event there is an indemnification cost to the Grantor or to the Department under Section 4.02(b).

ARTICLE V
INSPECTION AND REVIEW

Section 5.01. Duty to Maintain, and Rights to Inspect and Copy, Books, Records, and Documents.

- (a) Grantee shall keep and maintain such books, records, and other documents as shall be required by Grantor, and as may be reasonably necessary to reflect and disclose fully the amount and disposition of the Grant, the total cost of the activities paid for, in whole or in part, with the Grant, and the amount and nature of all financing for the Local Program.
- (b) All such books, records and other documents shall be available at the offices of Grantee for inspection, copying, audit and examination at all reasonable times by any duly authorized representative of the Grantor.
- (c) Grantee shall provide Grantor with copies of all agreements between Grantee and any Participating Party which relates to administration of the Local Program during the term of this Agreement.
- (d) Grantee shall submit the Program form Report and all supporting documentation to Grantor on a monthly basis. The Report must include a list of Rental Allowance Payments naming the payee, the amount of each Rental Allowance Payment, the name of the Recipient and a list (if applicable) of all security deposits paid, naming the payee, the amount and the name of the Recipient.
- (e) Grantee shall provide Grantor with reports due upon request during the term of this Agreement which shall contain information about Recipients served, nature and cost of Housing Units utilized, expenditures made, follow-up activities, if applicable, for Recipients whose Rental Allowance Payments have expired, and any other information required by the Grantor or the Department.
- (f) Grantee shall provide the Grantor with copies of any audits performed of Grantee's records by any other entity.

ARTICLE VI
DEFAULTS AND REMEDIES

Section 6.01. Defaults.

A Default shall consist of (a) any use of Grant Funds for any purpose other than as authorized by the Act and Regulations and this Agreement and as specifically described as the Local Program in the Grant Application; or (b) any breach of any covenant, agreement, provision, representation or warranty of Grantee which was made in this Agreement or in any agreement entered into between Grantee and any Participating Party in connection with the activities described in Article II of this Agreement; or (c) the inability of Grantee to account for the use of any Grant Funds to the satisfaction of the Grantor.

Section 6.02. Remedies Upon Default.

- (a) Upon occurrence of any Default, Grantor immediately may suspend Grantee's authority to receive any Grant funds at any time by notice to Grantee. If a Default is not cured within thirty (30) days after Grantor sends written notice of such Default to Grantee, Grantor may continue such suspension or, by delivery of written notice, terminate this Agreement and demand repayment of all or any portion of the Grant which has not been expended in accordance with the terms of this Agreement. If a termination occurs, Grantee's authority to receive additional Grant funds shall terminate as of the date of the notice of termination and Grantee shall have no right, title or interest in or to any disbursed or undisbursed Grant funds.
- (b) If a Default occurs, Grantor may at any time or from time to time proceed to protect and enforce all rights and remedies available to Grantor under this Agreement by suit in equity, action at law, or by any other appropriate proceedings, whether for specific performance of any covenant or agreement contained in this Agreement, or damages, or other relief, or proceed to take any action authorized or permitted under applicable law or regulations.

ARTICLE VII
THIRD PARTY CONTRACT REQUIREMENTS

Section 7.01. Third Party Agreements.

It is understood that Grantee may contract with a Participating Party by written agreement, subject to the prior written approval of Grantor, for the performance of services in connection with the Local Program. Before entering into any agreement with any third party, including any Participating Party, involving the use of Grant funds or the performance of services in connection with the Local Program, Grantee shall first request the written approval and authorization of Grantor.

ARTICLE VIII
MISCELLANEOUS

Section 8.01. Notices.

- (a) All amendments, notices, requests, agreements, approvals, disclosures and consents of any kind made pursuant to this Agreement shall be in writing.
- (b) Any such communication shall be deemed effective for all purposes as of the date such communication is mailed, postage prepaid, addressed as follows:

- (1) Communication to Grantor shall be mailed to:
Director, Multifamily Housing Program
Community Development Administration
100 Community Place
Crownsville MD 21032

with a copy to the Counsel to the Department at the same address.

- (2) Communications to Grantee shall be mailed to:

*Office of the County Executive
Wicomico County, Maryland
P.O. Box 870
Salisbury, Maryland 21863*

Section 8.02. Assignment.

No right, benefit, or advantage inuring to Grantee under this Agreement and no burden imposed on the Grantee hereunder may be assigned without the prior written approval of the Grantor. An authorization by Grantor for the transfer of the Grant by Grantee to a Participating Party shall not be deemed an authorization for an assignment, and such Participating Party shall not succeed to any rights, benefits or advantages of Grantee hereunder.

Section 8.03. Successors Bound.

This Agreement shall bind, and the rights, benefits and advantages shall inure to, the Grantor's and the Grantee's successors and permitted assigns.

Section 8.04. Remedies Not Impaired.

No delay or omission of Grantor in exercising any right or remedy available under this Agreement shall impair any such right or remedy or constitute a waiver of any Default, or an

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acquiescence therein; nor shall any single or partial exercise of any right, power or privilege hereunder preclude exercise of any other right, power or privilege.

Section 8.05. Cumulative Remedies.

All rights and remedies of Grantor under this Agreement shall be cumulative.

Section 8.06. Severability.

The invalidity of any article, section, subsection, clause or provision of this Agreement shall not affect the validity of the remaining articles, sections, subsections, clauses or provisions hereof.

Section 8.07. Entire Agreement.

This Agreement constitutes the entire agreement between the parties and supersedes all prior oral and written agreements (other than the Grant Application and the Assurance of Compliance with EEO, Civil Rights, Drug, and Alcohol Free Workplace and Other Requirements that were executed by the Grantee) between the parties hereto with respect to the Grant. Notwithstanding the provisions of Section 1.01 of this Agreement, in the event of any inconsistency between the provisions of this Agreement and anything contained in the Grant Application, as amended, then the provisions of this Agreement shall prevail.

Section 8.08. Amendment of this Grant Agreement.

This Agreement, or any part hereof, may be amended from time to time hereafter only in writing executed by Grantor and Grantee.

Section 8.09. Disclaimer of Relationships.

Grantee acknowledges that the obligation of Grantor is limited to providing the Grant in the manner and on the terms set forth in this Agreement. Nothing in this Agreement, nor any act of either Grantor or of Grantee, shall be deemed or construed by either of them, or by third persons, to create any relationship of third-party beneficiary, principal and agent, limited or general partnership, or joint venture, or of any association or relationship whatsoever involving Grantor and Grantee.

Section 8.10. Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland.

Section 8.11. Effective Date.

This Agreement shall be presented first to Grantee for acceptance and execution and then shall be executed by Grantor. The effective date of this Agreement shall be the date of Grantor's execution.

Section 8.12. Termination of Grant Agreement.

Unless sooner terminated pursuant to Article VI of this Agreement or by the mutual consent of Grantee and Grantor, this Agreement shall terminate upon the final settlement to the satisfaction of Grantor, of all issues arising out of this Grant.

(INTENTIONALLY LEFT BLANK)

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WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the day and year first above written.

WITNESS/ATTEST:

GRANTEE: Wicomico County

By:

Name:

Title:

Date:

Approved for form and legal sufficiency this _____ day of _____, _____

City/County Attorney

WITNESS:

GRANTOR: COMMUNITY DEVELOPMENT ADMINISTRATION

By:

Patricia Rynn Sylvester
Director
Multifamily Housing
Community Development Administration

Date:

Approved for form and legal sufficiency this _____ day of _____, _____

Assistant Attorney General