THE STATE OF TEXAS

COUNTY OF BRAZORIA §

COOPERATION AGREEMENT

This agreement, made and entered into by Brazoria County, a body corporate and politic under the laws of the State of Texas, hereinafter sometimes referred to as "County", and the City of Sweeny, a municipal corporation under the laws of the State of Texas, hereinafter sometimes referred to as "City".

WITNESSETH:

WHEREAS, on May 19, 2009 the City elected to have its population included as a portion of that population to the County in the County's "urban county" application(s) to the U.S. Department of Housing and Urban Development for funding for the Community Development Block Grant Program; and

WHEREAS, the City's area and population are within the boundaries of Brazoria County; and

WHEREAS, the County is willing to cooperate with the City in assisting in undertaking community renewal and housing activities; and

WHEREAS, the Texas Legislature has enacted the "Texas Community Development Act of 1975," codified as V.T.C.A., Local Government Code, Chapter 373, which provides, in part, for the authorization of cities to implement a community development program; and

WHEREAS, the governing bodies of the County and City duly authorizes this Agreement and authorizes their Chief Executive Officers to execute this Agreement on behalf of their entity and that any and all previous agreements in conflict herewith are hereby made void; and

WHEREAS, the Texas legislature has further enacted "The Interlocal Cooperation Act," and codified as V.T.C.A., Government Code, Chapter 791, which provides, in part, that the County may contract with the City to perform governmental functions and services for the City.

NOW, THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS: That the County and the City, in consideration of the mutual covenants and agreements herein contained, do mutually agree as follows:

The City and the County agree to allow the U.S. Department of Housing and Urban Development to use the City's population and other necessary demographic characteristics in the determination of whether the County will qualify as an "urban county" as defined in the Housing and Community Development Act of 1974, as amended, and the rules and regulations promulgated pursuant thereto and in determining the County's annual funding allocations.

II.

The City and the County acknowledge that this Cooperation Agreement covers both the Community Development Block Grant (CDBG) Entitlement Program and the HOME Investment Partnership Program. Furthermore, the City understands that it may not apply for grants under the small cities or State Community Development Block Grant Programs from appropriations during the period in which it is participating in the County's CDBG Program. The City further understands that it may not participate in a HOME Program or HOME consortium with other local governments except through the County.

III.

The City and the County acknowledge that no determination has been made at the time of execution of this Agreement as to where and for what purposes funding, if any, for the applicable Community Development Block Grant Programs will be sought or expended. In this regard, it is agreed that County shall not be obligated to seek or commit funds for expenditure in the City or for assistance to residents of the City. The City is aware that the execution of this Agreement does not constitute any guarantee on the part of the County that funds received pursuant to the CDBG and HOME Program, if any, will be expended for projects within the city limits of the City or for assistance to the residents of the City, and the City has received no assurance, written or oral, from the County to the contrary.

IV.

This Agreement shall remain in full force and effect for the period October 1, 2009 through September 30, 2012. The Agreement will be automatically renewed at the end of this period for consecutive three-year periods unless the Agreement is specifically terminated in writing by either party before the end of the County's three-year qualification period. The County agrees to notify the City by the date specified in HUD's Urban County Qualification Notice for each successive qualification period of the City's right to not participate and to send a copy of such notice to the HUD Field Office. The City and the County acknowledge that they are aware that Federal Regulations do not permit the County to allow the City to withdraw from this Agreement or otherwise terminate this Agreement at any time during the period covered by the Agreement.

The City and the County also acknowledge that it will adopt any amendment to this Agreement to incorporate any changes necessary to meet the requirements for cooperation agreements set forth in any Urban County Qualification Notice which may be applicable for any subsequent three-year period and to submit such amendment to HUD as provided in the Urban County Qualification Notice, and that failure by either party to adopt such amendments will void the automatic renewal of such qualification period.

Furthermore, the City and the County acknowledge that this Agreement remains in effect until the CDBG and HOME funds and program income received with respect to the initial *three*-year qualification period and any successive qualification periods are expended and the funded activities completed and that the County and City shall not terminate or withdraw from the Agreement while the Agreement remains in effect.

V.

The City agrees to inform Brazoria County of any income generated by the expenditure of CDBG and HOME funds received by the City and that any such income shall be paid to Brazoria County. Brazoria County may, in its sole discretion, allow the City to retain program income provided that any and all such income may only be used for eligible activities in accordance with all CDBG and HOME Program requirements as may then apply. The City understands that Brazoria County has the responsibility for monitoring income and reporting to HUD on the use of any such program income, and the City, therefore, agrees to meet such record keeping and reporting requirements as may be required by the County for this purpose. In the event of close-out or change in status of the City, any program income that is on hand or received subsequent to the close-out or change in status will be paid to Brazoria County.

VI.

The City agrees and understands that the following terms and conditions will apply with regard to real property acquired to improve in whole or in part using CDBG funds that is within the control of the City during the term of the Agreement.

- a) The City shall timely notify Brazoria County of any modification or change in the use of property from that planned at the time of acquisition or improvement, including disposition.
- b) The City shall reimburse Brazoria County in an amount equal to the current fair market value (less any portion thereof attributable to expenditures of non-CDBG funds) of property acquired or improved with CDBG funds that is sold or transferred for a use which does not qualify under CDBG regulations.

The City agrees that program income generated from the disposition or transfer of real property prior to or subsequent to the grant close-out, change of status, or termination of this Agreement shall be treated according to 24 CFR 570.504.

VIII.

The County and the City agree to cooperate to undertake, or assist in undertaking, community renewal and lower income housing assistance activities, specifically urban renewal and publicly assisted housing.

The County and the City acknowledge that the County shall not fund activities in or in support of any cooperating units of general local government, including the City, which does not affirmatively further fair housing within its jurisdiction or that impedes the County's actions to comply with *its* fair housing certification.

IX.

In the performance of this Agreement, the County and all cooperating units of general local government executing this Agreement agree to take all actions necessary to assure compliance with County's certification required by Section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended, including Title VI of the Civil Rights Act of 1964, the Fair Housing Act, Section 109 of Title I of the Housing and Community Development Act of 1974, and other applicable laws.

X.

The County and the City acknowledge that the City has adopted and is enforcing a policy prohibiting the use of excessive force by law enforcement agencies against any individuals within its jurisdiction engaged in non-violent civil rights demonstrations. Furthermore, the City has adopted a policy and is enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within the jurisdiction.

XI.

The City agrees and understands that pursuant to 24 CFR 570.501(b), it is subject to the same requirements applicable to subrecipients, including the requirement of a written agreement as set forth in 24 CFR 570.503.

XII.

Should the U.S. Department of Housing and Urban Development reject or refuse to accept the Agreement for any reason, the County may terminate this Agreement by giving written notice of the same to the City.

XIII.

This Agreement shall be of no force and effect unless and until it is executed by both parties hereto and as set forth below.

IN WITNESS WHEREOF this instrument in duplicate originals has been executed by the parties hereto as follows:

- a. It has been executed on behalf of Brazoria County on the Ab that attested by the County Clerk of Brazoria County pursuant to an order authorizing such execution.
- b. It has been executed on behalf of the City on the 20th day of May, 2009, by its Mayor and attested by its City Secretary, pursuant to action of the City Council of the City authorizing such execution.

BRAZORIA COUNTY

EJ King, County Judge

ATTEST

By: County Clerk

CITY OF SWEENY

Kenneth W. Lott, Mayor

ATTEST

Reatta Minshew, City Secretary

CERTIFICATE OF CITY ATTORNEY

CITY OF SWEENY, TEXAS

I have examined the foregoing Agreement, and as City Attorney for the City named therein, I hereby certify that the terms and provisions of this Agreement are fully authorized under State and local law applicable to the City (including but not limited to the City's Charter and ordinances).

May 20, 2009

R. C. Stevenson, City Attorney

CERTIFICATE OF COUNTY ATTORNEY

BRAZORIA COUNTY, TEXAS

I have examined the foregoing Agreement, and as statutory civil counsel to the County named therein, I hereby certify that the terms and provisions of the Agreement are fully authorized under State and local law, and that this agreement provides full legal authority for the County to undertake or to assist the City in undertaking essential community development and housing assistance activities, specifically urban renewal and publicly assisted housing. To the extent that this certificate relates the State and local law applicable to the City (including but not limited to the City's Charter and ordinances), this certificate is given in total reliance upon the Certificate of City Attorney and the undersigned disclaims any responsibility or liability for the City's Attorney and the errors or omissions, if any, in making such certification.

County Attorney

05/27/09

Date