

REVISED INTERLOCAL COOPERATION AGREEMENT FOR ADMINISTRATION OF PROGRAM
[COVID-19 EMERGENCY RENTAL ASSISTANCE PROGRAM]

Pursuant to Chapter 791 of the Texas Government Code, this Interlocal Cooperation Agreement (hereinafter “Agreement”) is entered into by and between Collin County, Texas (“County”) and the City of McKinney, Texas (“Municipality”) for the Municipality to perform certain administrative services with relation to the County’s COVID-19 Emergency Rental Assistance Program.

1. Program Description. The County has received federal funding under the Omnibus Appropriations and Coronavirus Relief Package to operate the Emergency Rental Assistance Program (hereinafter “ERAP”) to provide emergency housing and living assistance where households have suffered economic hardship directly as a result of the COVID-19 public health emergency. This program is to provide funding assistance to residents of Collin County in default or near default on the residential lease for their housing unit due to the effects of the COVID-19 public health emergency and to provide for assistance with utilities.

2. Administration. The Municipality agrees to administer the ERAP for residents located within its municipality’s boundaries (“Program Area”). The Municipality may subcontract with other responsible parties (“subcontractor”) to assist it with implementing the ERAP provided that the subcontractor agrees to comply with the terms and conditions of this Agreement and the Program. The Municipality shall remain solely responsible to the County for complying with and performing under this Agreement and use of the Municipal Funds.

3. Eligible Expenditures. This Emergency Rental Assistance Program covers expenditures made by the Municipality from the Municipal Funds between January 27, 2021 and 11:59 PM September 30, 2022. Committing to an expenditure does not qualify, payment of the expenditure actually has to have been made by 11:59 PM on September 30, 2022.

4. Total Funding. The County will make a total of \$ 8,486,423 in ERAP funding available to the Municipality for this Emergency Rental Assistance Program.

5. Individual Funding. The ERAP funding will be distributed to the Municipality up front using a population-based formula creating a fund (“Municipal Funds”) for the Municipality’s use for ERAP in its Program Area. The Municipality agrees to deposit its Municipal Funds into a separate, segregated account created solely for holding and dispersing these Municipal Funds. The account must be interest bearing and similarly insured and protected, as the Municipality’s other funds.

6. Use of Funds. The Municipal Funds of the Municipality must be used for eligible expenses that relate to housing and utilities assistance as a result of the COVID-19 public health emergency. Proper use of the Municipal Fund is governed by the Omnibus Appropriations and

Coronavirus Relief Package and any U.S. Treasury Department regulations or guidelines thereunder.

7. Documentation for all Expenditures. Municipality shall document each and every use of its Municipal Funds. Records must be maintained. The Municipality and its subcontractors, are under the same requirements and restrictions as the County with regard to the requirements of the Omnibus Appropriations and Coronavirus Relief Package. All records of the administration of the Municipal Funds must be retained for the retention period applicable to Omnibus Appropriations and Coronavirus Relief Package funds.

8. Reimbursement and Recapture of Ineligible Expenditures. If the County, the U.S. Department of Treasury, or its designee, in its reasonable discretion, determines that the Municipality's expenditure of Municipal Funds is not an eligible expenditure, then the Municipality shall reimburse its Municipal Funds with an amount equal to the amount of the ineligible expenditure from other of its funds. The Municipality shall have 30 days from receipt of the County's, or its designee's, determination of an ineligible expenditure to reimburse the ineligible expenditure to its Municipal Funds. If the County has to enforce its ILA, it shall be entitled to recover its reasonable attorney's fees and costs incurred in doing so to the extent allowed by law. If the Municipality's Municipal Funds account is already closed out, the reimbursement of the ineligible expenditure shall be made directly to the County.

9. Repayment of Unused Municipal Funds to the County. If any of the Municipality's Municipal Funds are not expended as provided herein by 11:59 PM September 30, 2022, the Municipality shall return the unspent Municipal Funds to the County within 30 days.

10. Municipality's Obligations relating to Use of the Municipal Funds. Administrative services of the Municipality shall include receiving applications, reviewing applications and other documentation, state and federal reporting, making decisions on applications, and paying out the funding awards. The Municipality may use responsible subcontractors in carrying out the administrative services required under the Program. However, it is the Municipality that is ultimately responsible to ensure that the Housing and Living Assistance Program is followed and that the Municipal Fund is used correctly. Consult the attached Order for more details. The Municipality agrees to:

- a) market the ERAP in its Program Area;
- b) use the Municipal Funds in compliance with this Agreement and for eligible expenditures under the Omnibus Appropriations and Coronavirus Relief Package;
- c) reimburse and return to the County within 30 days any portion of the Municipal Funds that the County, U.S. Department of Treasury, or its designee deems was not used for COVID-19 purposes, or not used pursuant to the terms and conditions of this Agreement;

- d) document and justify that each expenditure from the Municipal Funds was an eligible expenditure or distribution under this Agreement and the Omnibus Appropriations and Coronavirus Relief Package;
- e) provide a self-audit and documentation of all expenditures and distributions made for the Program to the County no later than January 31, 2023, and keep copies of such documentation for the retention period applicable to the Omnibus Appropriations and Coronavirus Relief Package;
- f) use the Municipal Funds only for expenditures made between March 13, 2020 and 11:59 p.m., September 30, 2022;
- g) reimburse and re-pay to the County any monies in the Municipal Funds not expended by 11:59 p.m., October 31, 2022 within 30 days;
- h) acknowledge and recognize that the source of these Municipal Funds is Collin County and its Omnibus Appropriations and Coronavirus Relief Package allocation for any public programs or initiatives using these Municipal Funds;
- i) impose similar terms and conditions on any sub-recipients of Municipal Funds;
- j) coordinate with the County any public programs or initiatives so that no duplication of services, initiatives or programs occurs.

11. Nature of Funding. The ERAP funding is being received from the recipient, the County, by the Municipality as a sub-recipient. As a sub-recipient of the ERAP funding the Municipality acknowledges that its use of the funds is subject to the same terms and conditions as the County's use of such funds. The Municipality hereby agrees to comply with all terms and conditions of the ERAP funding, and to the fullest extent allowed by law to hold the County harmless against any repayments, penalties, or interest incurred as a result of the Municipality's failure to comply with all terms and conditions of the ERAP funding.

12. Reports. The Municipality shall provide periodic reports relating to the use of the Municipal Funds as requested or required by the County, including those required by the US Treasury.

13. Administration Cost. No administrative fee is to be paid. Actual out-of-pocket expenses, which must be documented, will be reimbursed out of the Municipal Funds, not to exceed 10% of the Municipal Funds. This includes the expenses of the Municipality and its subcontractor(s).

14. Attorney's Fees and Costs. The County shall be entitled to recover its reasonable and necessary attorney's fees and costs against the Municipality if it is required to undertake litigation to enforce the terms of this Agreement to the extent allowed by law.

15. No Assignment. The Municipality may not assign this Agreement. The Municipality's use of responsible subcontractors to assist the Municipality with implementing and performing this Agreement does not constitute an assignment.

16. Law and Venue. The laws of the State of Texas shall govern this Agreement, except where clearly superseded by federal law. Venue of any dispute shall be in a court of competent jurisdiction in Collin County, Texas.

17. Entire Agreement. This Agreement supersedes and constitutes a merger of all prior oral and/or written agreements and understandings of the parties on the subject matter of this Agreement and is binding on the parties and their legal representatives, receivers, executors, successors, agents and assigns.

18. Amendment. Any Amendment of this Agreement must be by written instrument dated and signed by both parties.

19. Waiver. No waiver by either party of any provision of this Agreement shall be effective unless in writing, and such waiver shall not be construed as or implied to be a subsequent waiver of that provision or any other provision.

20. Signature Authority. The signatories hereto have the authority and have been given any approvals necessary to bind by this Agreement the respective parties for which they sign.

COLLIN COUNTY, TEXAS

County Judge

Printed Name

Date

Paul Grimes, City Manager

Date

Attest:

City Secretary