

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE COUNTY OF SAN BENITO, THE CITY OF
HOLLISTER AND THE CITY OF SAN JUAN BAUTISTA, FOR
THE OPERATION OF A UTILITY ASSISTANCE PROGRAM TO
BE FUNDED BY CDBG-CV1 GRANT FUNDS.**

1. **Parties.** This Memorandum of Understanding (hereinafter referred to as "MOU") is made and entered into by and between the County of San Benito (hereinafter referred to as "Agency 1"), the City of Hollister, (hereinafter referred to as "Agency 2") and the City of San Juan Bautista, (hereinafter referred to "Agency 3). The address of Agency 1 is 1111 San Felipe Road, Suite #107, Hollister, CA 95023.

2. **Purpose.** The purpose of this MOU is to establish the terms and conditions under which the Parties will operate a utility assistance program to serve low- and moderate-income individuals and households within each of the three stated jurisdictions to be funded by the Community Development Block Grant (CDBG-CV1) as administered by the State of California Department of Housing and Community Development (Department. This utility assistance program seeks funding in the total amount of \$316,267 from which the County of San Benito will be allocated \$101,532, the City of Hollister is to be allocated \$151,177 and the City of San Juan Bautista to be allocated \$63,558. The shared activity of utility assistance will consist of conducting public outreach to the low- and moderate-income individuals and households residing in each of three jurisdictions who have been impacted by the Covid19 pandemic. Intake and assessment of applicants shall be determined for eligibility in the proposed utility assistance program. Upon establishing eligibility, appropriate staff shall determine the amount of utility assistance to be provided in accordance with CDBG/-Covid19 program guidelines.

3. **Term of MOU.** This MOU is effective upon the day and date last signed and executed by the duly authorized representatives of the Parties to this MOU and the governing bodies of the Parties' respective counties or municipalities and shall remain in full force and effect for not longer than 18 months from the date a standard agreement is executed. This MOU may be terminated, without cause, by either Party upon thirty days (30) written notice, which notice shall be delivered by electronic mail, hand or by certified mail to the address listed above.

4. **Responsibilities of Agency 1.** Agency 1 shall be the lead applicant and shall be responsible for coordinating all necessary pre-application activity, application submittal and post award activity. In addition, Agency 1, as the lead agency, shall be responsible for the overall operation of the utility assistance program in order to secure compliance with the State HCD-

CDBG Program. Agency 1 shall accept referrals from Agency 2 and Agency 3 for purposes of conducting intake, assessment and program eligibility. Agency 1 shall also be responsible for submittal of funding requests and filing of required reports to the State HCD office.

5. **Responsibilities of Agency 2.** The primary responsibility of Agency 2 shall be to cooperate in the preparation of the CDBG-CV1 grant application. This shall include conducting a public hearing for the low- and moderate-income residents living in the City of Hollister. Following an award of the grant application, Agency 2 shall further cooperate by conducting public outreach and referral of interested applicants to Agency 1. Agency 2 shall also be responsible for providing any data or information to Agency 1 for purposes of record-keeping.

6. **Responsibilities of Agency 3.** The primary responsibility of Agency 3 shall be to cooperate in the preparation of the CDBG/CV1 grant application. This shall include conducting a public hearing for the low- and moderate-income residents living in the City of San Juan Bautista. Following an award of the grant application, Agency 3 shall further cooperate by conducting public outreach and referral of interested applicants to Agency 1. Agency 3 shall also be responsible for providing any data or information to Agency 1 for purposes of record-keeping.

7. **Sharing of Administrative Costs allowed by CDBG-CV1 Grant:** The CDBG-CV1 Grant program allows a maximum of 17% of the total grant to be used to cover administrative costs in the operation of the proposed program. Agency 1 shall be entitled to all of the administrative funds, allowed by the CDBG-CV program due to its role as the lead applicant less any reasonable costs, not to exceed \$5,000, which may be incurred by Agency 2. Agency 3 is agreeable to having its share of administrative costs used by Agency 1

8. **General Provisions**

A. **Amendments.** Either Party may request changes to this MOU. Any changes, modifications, revisions or amendments to this MOU which are mutually agreed upon by and between the Parties to this MOU shall be incorporated by written instrument, and effective when executed and signed by all Parties to this MOU.

B. **Applicable Law.** The construction, interpretation and enforcement of this MOU shall be governed by the laws of the State of California. The courts of the State of California shall have jurisdiction over any action arising out of this MOU and over the Parties, and the venue shall be the County of San Benito Judicial District, California. __

D. **Entirety of Agreement.** This MOU, consisting of four (4) pages, represents the entire and integrated agreement between the Parties and supersedes all prior negotiations, representations and agreements, whether written or oral.

E. **Severability.** Should any portion of this MOU be judicially determined to be illegal or unenforceable, the remainder of the MOU shall continue in full force and effect, and

either Party may renegotiate the terms affected by the severance.

F. Sovereign Immunity. Agency 1, Agency 2 and Agency 3 and their respective governing bodies do not waive their sovereign immunity by entering into this MOU, and each fully retains all immunities and defenses provided by law with respect to any action based on or occurring as a result of this MOU.

G. Third Party Beneficiary Rights. The Parties do not intend to create in any other individual or entity the status of a third-party beneficiary, and this MOU shall not be construed so as to create such status. The rights, duties and obligations contained in this MOU shall operate only between the Parties to this MOU and shall inure solely to the benefit of the Parties to this MOU. The provisions of this MOU are intended only to assist the Parties in determining and performing their obligations under this MOU. The Parties to this MOU intend and expressly agree that only Parties signatory to this MOU shall have any legal or equitable right to seek to enforce this MOU, to seek any remedy arising out of a party's performance or failure to perform any term or condition of this MOU, or to bring an action for the breach of this MOU.

H. CDBG Program Terms and Conditions. The Parties agree to administer all funding and activities identified in this MOU in compliance with the Standard Agreement executed with the Department for said activities and funding. The Parties agree that the County of San Benito, as the lead agency, shall be the executor of the Department's Standard Agreement, and that primary communication regarding the activity shall be the responsibility of the County of San Benito. It is the responsibility of the Parties to this MOU to communicate and transfer performance and regulatory requirements to applicable Parties, including contractors and subrecipients. Failure to administer funds and or activities in accordance with HUD regulations, and the terms and conditions identified in the applicable Standard Agreement will result in performance penalties toward all Parties of this MOU, and may result in repayment of expended CDBG funds in the event that the costs were determined to be ineligible, or that the funds failed to meet a National Objective, as identified in title 42 of United States Code, Section 5301 and title 24 of the Code of Federal Regulations section 570.483. __

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WITH PAGE 4 TO BE THE SIGNATURE PAGE.

8. **Signatures.** In witness whereof, the Parties to this MOU through their duly authorized representatives have executed this MOU on the days and dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this MOU as set forth herein. The effective date of this MOU is the date of the signature last affixed to this page.

Agency 1 : County of San Benito:

Enrique Arreola, Deputy Director

4/20/21

Name and Title

Date


Signature

Agency 2: City of Hollister:

Brett Miller,
City Manager

4/26/2021

Name and Title

Date

DocuSigned by:

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Signature

Agency 3: City of San Juan Bautista:

Don Reynolds, City Manager Date

Don Reynolds
~~approved~~
Signature

Approved as to Legal Form
San Benito County Counsel


Deputy County Counsel