

RESOLUTION NO. 2026-17

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, MARICOPA COUNTY, ARIZONA, APPROVING THE COOPERATION AGREEMENT WITH MARICOPA COUNTY, ADMINISTERED BY ITS HUMAN SERVICES DEPARTMENT, TO ESTABLISH THE TOWN'S PARTICIPATION IN THE MARICOPA COUNTY URBAN COUNTY PROGRAM FOR THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT'S (HUD) COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM; AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT.

WHEREAS, the Town of Fountain Hills participates in federal housing and community development programs administered through Maricopa County and funded by the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, participation in these programs requires the Town to enter into a Cooperation Agreement with Maricopa County to establish eligibility and participation in HUD-funded programs, including the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), and other related HUD programs; and

WHEREAS, the proposed Cooperation Agreement establishes participation for a three-year period effective July 1, 2026, covering Federal Fiscal Years 2027, 2028, and 2029;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, ARIZONA, as follows:

SECTION 1. The Mayor and Council hereby approve the Cooperation Agreement with Maricopa County, in substantially the form attached hereto as Exhibit A, for the Town's participation in HUD-funded programs for Federal Fiscal Years 2027, 2028, and 2029, together with any non-substantive amendments or administrative modifications necessary to carry out the intent of the agreement.

SECTION 2. The Mayor of the Town of Fountain Hills is hereby authorized and directed to execute the Cooperation Agreement and any associated documents necessary to implement the Town's participation in such programs.

SECTION 3. The various Town officers and employees are authorized and directed to perform all acts necessary or desirable to give effect to this Resolution.

SECTION 4. This Resolution shall become effective immediately upon its passage and adoption by the Town Council of the Town of Fountain Hills, Arizona, and its approval by the Mayor and attestation by the Town Clerk.

PASSED AND ADOPTED by the Mayor and Council of the Town of Fountain Hills, Arizona, this 16th day of June, 2026.

FOR THE TOWN OF FOUNTAIN HILLS: ATTESTED TO:

Mayor

Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:

Town Manager

Town Attorney

EXHIBIT A
TO
RESOLUTION NO. 2026-17

Cooperation Agreement Between Maricopa County and the Town of Fountain Hills
for a Community Development Block Grant Program
See following pages

**A COOPERATION AGREEMENT BETWEEN MARICOPA COUNTY
AND
PARTICIPATING MUNICIPALITY
FOR A COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

THIS AGREEMENT is made and entered into this 24th day of June, 2026 by and between Maricopa County, a political subdivision of the State of Arizona, hereinafter called "County", and the Town of Fountain Hills, located in the County of Maricopa, hereinafter called "Municipality"; used individually or collectively, hereinafter called "Party" or "Parties".

W I T N E S S E T H

Whereas two laws have been enacted, Public Law 93-383, the Housing and Community Development Act of 1974, Title I as amended, and Public Law 101-625, HOME Investment Partnership Act at Title II of the Cranston-Gonzales National Affordable Housing Act of 1990, as amended; hereafter called "the Acts"; and

Whereas the County, as an "Urban County", as that term is used in the Acts, is eligible to receive funds under the Acts, has final responsibility for selecting Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME) and Emergency Solutions Grant (ESG) activities, and is authorized to undertake or to assist in the undertaking of essential community development and housing assistance activities which shall be funded from annual CDBG, HOME and ESG grants from Federal Fiscal Years 2027, 2028, 2029 appropriations and from any program income generated from the expenditure of such funds, and

Whereas the CDBG, HOME and ESG regulations issued pursuant to the Acts provide that qualified Urban Counties must submit a Consolidated Plan and Annual Action Plans hereafter called "Plan" or "Plans", and Consolidated Annual Performance and Evaluation Reports (CAPERs) to the U.S. Department of Housing and Urban Development (HUD) for use of funds and that cities and towns within the metropolitan area not qualifying as metropolitan cities may join the County in said Plans and CAPERs and thereby become a part of a more comprehensive Urban County effort.

NOW THEREFORE, the County and Municipality agree as follows:

1. This Agreement shall cover the CDBG Entitlement program, the HOME Investment Partnership (HOME) and Emergency Solutions Grants (ESG) Programs.

2. The period of performance of this Agreement shall:
 - a. Be for the Federal Fiscal Years 2027, 2028 and 2029, (July 1, 2026 through June 30, 2029) under the plan which shall commence on the date of HUD approval of the County's Annual Action Plan; and
 - b. Remain in effect until the CDBG, HOME and ESG funds and the program income received with respect to activities carried out during the three-year qualification period and any successive qualification period, if applicable, are expended and the funded activities, including all reporting requirements, completed.
 - c. The County and the Municipality cannot terminate or withdraw from the cooperation agreement while it remains in effect. Subject to renewal in Paragraph 3, this Agreement shall remain in effect until either funds are expended, or the funded activities are completed, or the three-year period has concluded, whichever occurs first.
3. Automatic Renewal:
 - a. The Agreement may be automatically renewed, by amendment, for participation in one successive three-year qualification period unless the County or the Municipality provides written notice electing not to participate in a new qualification period. The Agreement may be in place for only a maximum of six years (two qualification periods) before the Parties must re-authorize and re-execute a new agreement.
 - b. By the date specified in the HUD Urban County Qualification Notice for the next qualification period, the County shall notify the Municipality in writing of the Municipality's right not to participate.
 - c. A copy of the County's notification to the Municipality will be sent to the HUD Field Office by the date specified in Section II of the HUD's urban county qualification schedule.
 - d. Failure by either Party to adopt amendment(s) to this Agreement as may be required by HUD to meet any new Urban County Qualification requirement(s) for subsequent qualification cycles, when applicable, or to submit such amendment to HUD by the due date, will void the automatic renewal of such qualification period.
4. The County and the Municipality agree to cooperate to undertake, or assist in undertaking, essential community renewal and lower income housing assistance activities as approved and authorized between Parties in the CDBG Agreements, including the Consolidated Plan.
5. The County and the Municipality shall take all actions necessary to assure compliance with the County's certification under Section 104(b) of Title I of the

Housing and Community Development Act of 1974. The grant will be conducted and administered in conformity with:

- a) Title VI of the Civil Rights Act of 1964, and the implementing regulations at 24 C.F.R. Part 1); and
 - b) the Fair Housing Act, the implementing regulations at 24 C.F.R. Part 100, and the obligation to affirmatively further fair housing (AFFH); and
 - c) Section 109 of Title I of the Housing and Community Development Act of 1974, and the implementing regulations at 24 C.F.R. Part 6, which incorporate:
 - Section 504 of the Rehabilitation Act of 1973, and the implementing regulations at 24 C.F.R. Part 8;
 - Title II of the Americans with Disabilities Act of 1974, and the implementing regulations at 28 C.F.R. Part 35;
 - the Age Discrimination Act of 1975, and the implementing regulations at 24 C.F.R. Part 146;
 - Section 3 of the Housing and Urban Development Act of 1968;
 - Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and the implementing regulations at 49 C.F.R. Part 24;
 - Section 104(d) of Housing and Community Development Act of 1974, and the implementing regulations at 24 C.F.R. Part 42; and
 - d) Other applicable laws
6. The Parties agree that Urban County funding in no event will be used for activities in, or in support of, any cooperating unit of general local government that impedes the County's actions to comply with the County's fair housing certification and duty to affirmatively further fair housing.
 7. The County and the Municipality recognize that pursuant to 24 C.F.R. section 570.501(b), the Municipality is subject to the same requirements applicable to subrecipients, including the requirement for a written agreement as described in 24 C.F.R. section 570.503.
 8. The County and the Municipality recognize that:
 - a. The County is the governmental entity required to execute any grant agreement received pursuant to its Plan, and that the County shall thereby become legally liable and responsible thereunder for the proper performance of the Plan and program.
 - b. The County has final responsibility for selecting CDBG, HOME, and ESG activities and submitting the Consolidated Plan to HUD for the County and the HOME Consortium.

- c. Further, the Municipality agrees to hold the County harmless from any loss, damage or liability that may arise out of the performance or failure to carry out the requirements of this program where the Municipality has been given responsibility over any aspect of the program by the County.
9. The County and the Municipality agree that a fully executed amendment or amendments to this Agreement shall be entered into only as required for the purpose of complying with any grant agreement received or regulations issued pursuant to the Acts.
10. The County and Municipality agree that the terms, conditions and obligations of this Agreement are enforceable and shall remain in effect until such time as the Agreement is not renewed pursuant to Paragraphs 2 and 3. Notwithstanding the foregoing, if any action is taken by any federal agency or instrumentality to suspend, decrease or terminate its fiscal obligation affecting the capacity of the Parties to continue this Agreement, the Parties may amend, suspend, decrease or terminate its obligations under or in connection with this Agreement.
11. This Agreement is subject to the provisions of A.R.S. § 38-511.
12. To assist the County in performing its functions under the Acts, there shall be a Community Development Advisory Committee, hereafter called "CDAC", authorized by the County Board of Supervisors consisting of representatives from the County districts and cooperating municipalities. CDAC's recommendations shall be advisory and shall not bind the County.
13. The County agrees to include the Municipality in its Plans under the Acts.
14. The participating Municipality understands and agrees that it:
 - a. May not apply for grants from appropriations under the State CDBG Programs during the period in which it participates in the County's CDBG Program.
 - b. May receive a formula allocation under the HOME Program only through the County. Thus, even if the County does not receive a HOME formula allocation, the Municipality cannot form a HOME consortium with other local governments and shall not participate in a HOME consortium except through the County.
 - c. May receive a formula allocation under the ESG Program only through the County.
15. The Municipality has adopted and is enforcing:
 - a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

- b. A policy of 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 its jurisdiction.
- 16. The Municipality agrees that it shall be included in the Plan the County makes to HUD for Title I Housing, and CDBG, HOME and ESG funds, and that the population of the Municipality shall be utilized along with the population of other municipalities and the unincorporated areas of the County to qualify the County at the population level necessary to be an Urban County as defined under the Acts.
- 17. The Municipality agrees to undertake certain actions as determined by the County to carry out a community development program and the approved Consolidated Plan and/or to meet other requirements of the CDBG, HOME and ESG Programs and other applicable laws. These actions include but are not limited to:
 - a. Completion of a performance report on an annual and five-year basis in a format and by such deadlines as determined by the County to be used in the HUD required CAPER.
- 18. The Municipality agrees it shall cooperate with the County in all efforts hereunder and that it shall assist in doing any and all things required and appropriate to comply with the provisions of any grant agreement received by the County pursuant to the Acts and regulations in carrying out CDBG, HOME and ESG programs and the approved Consolidated Plan, as well as other applicable State and local laws.
- 19. The undersigned Municipality hereby authorizes Maricopa County to act on its behalf and to modify and amend this Cooperation Agreement in any way required in order to comply with federal statute or regulation.
- 20. Immigration law and regulations certifications – The President’s Executive Order 13465 of June 6, 2008 and Arizona Revised Statutes (A.R.S.) section 41-4401, requires all government entities to ensure that each government entity, contractor and subcontractor it conducts business with complies with federal immigration laws and regulations that relate to their employees and A.R.S. section 23-214, subsection A. All governmental entities, vendors, contractors and subcontractors MUST certify use of the **E-Verify System** established by the Department of Homeland Security.
- 21. The undersigned Municipality understands that:
 - a. If any provision or portion of a provision of this Agreement is determined to be invalid or unenforceable, it shall be deemed omitted and the remaining provisions of this Agreement shall remain in full force and effect.
 - b. Except where Federal statutes apply, this Agreement is governed by and construed in accordance with the laws of the State of Arizona.

- c. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof, and all prior agreements, representations, statements and undertakings are hereby expressly cancelled.
- 22. The County and the Municipality understand and agree that they may not sell, trade, or otherwise transfer all or any portion of CDBG funds to a Metropolitan City, Urban County, unit of general local government, or insular area that directly or indirectly receives CDBG funds in exchange for any funds, credits, or non-federal considerations, but must use such funds for activities eligible under Title I of the Housing and Community Development Act of 1974, as amended.
- 23. The County and the Municipality understand and agree this Agreement must be authorized and signed by the governing bodies of County and Municipality.
- 24. This Agreement, and any renewals and/or amendments to the Agreement, may be executed in multiple counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same agreement. This Agreement may be executed by electronic (.pdf) signature. An electronic signature shall be treated as an original signature for all purposes.

IN WITNESS WHEREOF, the Parties have caused the Cooperation Agreement to be executed this _____ day of _____, 2026.

TOWN OF FOUNTAIN HILLS

MARICOPA COUNTY

BY: _____
Town Mayor

BY: _____
Chair, Board of Supervisors

ATTEST:

ATTEST:

BY: _____
Clerk of the Municipality

BY: _____
Clerk of the Board

Date

Date

The terms and provisions of this Agreement are fully authorized under State and local law and provide the County with the authority to undertake and assist in undertaking essential community development and housing assistance activities.

APPROVED AS TO FORM:

APPROVED AS TO FORM:

BY: _____
Attorney for Municipality

BY: _____
Deputy County Attorney

Date

Date