

**COOPERATIVE AGREEMENT BY AND BETWEEN  
JOHNSON COUNTY, KANSAS, AND  
THE CITY OF OVERLAND PARK, KANSAS  
FOR THE 2009 NEIGHBORHOOD STABILIZATION PROGRAM**

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THIS COOPERATIVE AGREEMENT is made and entered into by and between JOHNSON COUNTY, KANSAS (hereinafter the "COUNTY"), and the CITY OF OVERLAND PARK, KANSAS (hereinafter the "CITY"), with each party hereto having been duly organized and now existing under the laws of the State of Kansas.

WITNESSETH:

WHEREAS, the COUNTY was awarded a Neighborhood Stabilization Program ("NSP") Grant Agreement No. 09-NSP-010 (hereinafter the "NSP Grant Agreement") through the State of Kansas, Department of Commerce (hereinafter "Commerce") in the grant amount of \$4,519,162.00 (hereinafter the "NSP Grant Amount") to be administered by the COUNTY, through its Human Services and Aging Department, Housing Services Division (hereinafter "HS/A, Housing") to support and monitor NSP activities within the jurisdiction of Johnson County, Kansas; and

WHEREAS, the CITY is a sub-recipient of \$697,765.14 of the NSP Grant Amount to fund and support the CITY's NSP housing activities; and

WHEREAS, the COUNTY and CITY acknowledge and agree that the NSP Grant Agreement is financed through a special grant provided to Commerce by the United States Department of Housing and Urban Development ("HUD") under Title III of the Housing and Economic Recovery Act of 2008, as amended (hereinafter "HERA"); and

WHEREAS, the COUNTY and CITY acknowledge and agree that the NSP Grant Agreement contemplates and requires the execution of this Cooperative Agreement by and between the parties hereto so as to allow for the CITY, as a sub-recipient of the NSP Grant Amount, to fund and carry out its NSP activities within the CITY's jurisdictional area; and

WHEREAS, the parties hereto have determined that it is in the best interests of the public health, safety and welfare to cooperate through the Commerce grant award to the COUNTY for NSP grant funding under HERA to further and support the efforts of the COUNTY and CITY in their respective NSP housing programs and activities; and

WHEREAS, K.S.A. 12-2908, and amendments thereto, authorize the parties hereto to cooperate in such governmental undertaking; and

WHEREAS, each of the parties hereto have determined to enter into this Cooperative Agreement for the aforesaid public purpose and undertaking as authorized and provided for by K.S.A. 12-2908, and amendments thereto.

NOW, THEREFORE, in consideration of the above and foregoing recitals, the mutual covenants and agreements herein contained, and for the other good and valuable consideration, the parties hereto agree as follows:

### **SECTION 1. PURPOSE**

A. The COUNTY and CITY hereby agree to cooperate in the funding, support and administration of their respective NSP housing activities, subject to the guidelines found in Division B of HERA, this Cooperative Agreement, and the requirements and conditions found in the NSP Grant Agreement, attached hereto as **Exhibit A**, and incorporated herein by reference.

B. In addition to fulfilling its obligations and requirements as a sub-recipient of the NSP Grant Amount under the NSP Grant Agreement, the CITY agrees to cooperate with the COUNTY in enabling the COUNTY to meet and comply with all of its obligations and requirements, as Subgrantee, under the NSP Grant Agreement, including with respect to monitoring the CITY's NSP housing activities. Further, the CITY agrees to comply with all lawful requirements necessary to insure that its NSP housing activities are carried out in accordance with the intent and conditions of this Cooperative Agreement and any and all applicable federal, state and local laws, rules and regulations.

C. The COUNTY understands and acknowledges that the CITY's NSP housing activities to be funded under this Cooperative Agreement shall be those as set forth in **Exhibit B**, attached hereto and incorporated herein by reference. The COUNTY and CITY hereby acknowledge and agree that the NSP Grant Amount hereunder is contingent upon Commerce's receipt of funds from HUD for Federal Fiscal Year 2009. In the unlikely event that the NSP Grant Amount supporting this Cooperative Agreement becomes unavailable or is reduced, the COUNTY may terminate or amend this Cooperative Agreement.

### **SECTION 2. ADMINISTRATION**

A. The COUNTY shall be responsible, through its HS/A, Housing Services Office, for the administration of the funds; monitoring the award; and submitting any reports, including performance measure and program assessment data that may be required in connection with the funding provided through the NSP Grant Agreement. The COUNTY and the CITY agree to cooperate and assist with any such grant related reporting requirements that may need to be performed pursuant to and under this Cooperative Agreement.

B. The CITY and COUNTY acknowledge and agree that the COUNTY will receive the total allocation of the \$4,519,162.00 NSP Grant Amount of which \$697,765.14 shall be distributed to the CITY. Further, the CITY and COUNTY acknowledge and agree that seven percent (7%) of the total COUNTY allocation of the NSP Grant Amount will be designated as Administrative Funds. The CITY, as a sub-recipient hereunder, will be

entitled to five percent (5%) Administrative Funds after the COUNTY has reduced the CITY's funds by two percent (2%) to cover the administrative cost associated with ongoing monitoring of the CITY's program, processing payments, State required reporting and any other miscellaneous responsibilities associated with the Administration of the NSP Grant Agreement.

C. The CITY acknowledges and agrees that any and all records pertaining to, or in connection with, this Cooperative Agreement shall be subject at all reasonable times to inspection, review, or audit by Federal or State personnel and other personnel duly authorized by the COUNTY as well as Federal or State personnel. The CITY assures that all financial records, supporting documentation, statistical records and any and all other records pertinent to, or in connection with, this Cooperative Agreement shall be retained by the CITY for at least five (5) years following the end of the grant period.

### SECTION 3. STATEMENT OF WORK

- A. The CITY agrees to perform or carry out the Project described in CITY'S application for funding, submitted to Johnson County Human Services and Aging, Housing Services, and incorporated herein by reference and on file in the Housing Services office. The CITY will use NSP funds to Land Bank properties purchased, and demolish for future redevelopment within 10 years as housing for income eligible households as defined by NSP rules and regulations.
- B. It is acknowledged that the period of performance for activities assisted by this CITY Agreement commenced on April 15, 2009, hereinafter called the "Commencement Date," and shall be completed on October 15, 2010, hereinafter call the "Completion Date," except those activities required for close-out and final audit.
- C. All funds granted the CITY under this agreement must be committed within nine (9) months of the Commencement Date or shall be subject to recovery and reallocation by Commerce through Housing Services if, in its sole discretion, the CITY has not demonstrated sufficient capacity to timely obligate and use its NSP funds. Funds will be considered obligated when the CITY and property owner have executed a legally binding contract for sale of an identifiable property and the property title will be transferred to the CITY or its designee within twelve (12) months.
- D. The County shall not authorize the CITY to draw on funds unless said funds are to provide for payment for activities, as set forth in Exhibit B. The authorization provided by this section shall be limited by the amount established in Section 2.B.
- E. Reports

The CITY shall provide to the COUNTY the Request for Payment form supplied by the COUNTY for all NSP activities and the appropriate supporting documentation.

THE CITY shall provide to the COUNTY on a quarterly basis a full accounting of NSP activities and a full accounting of the expenditures of all funds. The CITY reports shall be due to the COUNTY as of the following dates: April 5<sup>th</sup>, July 2<sup>nd</sup>, October 2<sup>nd</sup>, and December 31<sup>st</sup>.

The CITY shall notify and return to the COUNTY all Program Income received and submit a Program Income Report as it is received by the CITY within seven (7) calendar days. All Program income received by the COUNTY will be return to COMMERCE. Any interest earned, prior to disbursement, on advances of grant funds shall be remitted to the COUNTY to be forwarded to COMMERCE for its subsequent return to the United States Treasury within seven (7) calendar days.

#### **SECTION 4. GENERAL PROVISIONS**

A. Nothing in the performance of this Cooperative Agreement shall impose any liability for claims against COUNTY other than claims for which liability may be imposed by the Kansas Tort Claims Act.

B. Nothing in the performance of this Cooperative Agreement shall impose any liability for claims against the CITY other than claims for which liability may be imposed by the Kansas Tort Claims Act.

C. Each party to this Cooperative Agreement will be responsible for its own actions in providing any services under this Cooperative Agreement and shall not be liable for any civil liability that may arise from the furnishing of services, if any, by the other party.

D. The parties to this Cooperative Agreement do not intend for any third party to obtain a right by virtue of this Cooperative Agreement.

E. This Cooperative Agreement shall be governed by, enforced and construed in accordance with the laws of the State of Kansas. Further, the COUNTY and CITY agree to abide by the NSP Grant Agreement special conditions and certifications, and all applicable federal, state and local statutes, rules, regulations, OMB Circulars and Guidelines, including the provisions of the NSP Guidelines, which may pertain to the Commerce grant award to the COUNTY under the NSP Grant Agreement.

F. By entering into this Cooperative Agreement, the parties do not intend to create any obligations express or implied other than those set out herein. Further, this Cooperative Agreement shall not create any rights in any party not a signatory hereto.

G. All agreements, covenants and clauses contained herein are severable, and in the event any of them shall be deemed or held to be unconstitutional, invalid, or unenforceable, the remainder of this Cooperative Agreement shall be interpreted as if such

unconstitutional, invalid or unenforceable agreements, clauses and covenants were not contained herein.

## SECTION 5. FEDERAL REGULATIONS AND REQUIREMENTS

The CITY shall provide to the COUNTY all Assurances and Certifications required of the County by COMMERCE. This shall include assurances that the CITY certifies that this grant will be conducted and administered in conformity with the following laws and requirements.

A. Affirmatively Further Fair Housing (24 CFR Part 570, Subpart K, 570.601)

The CITY shall comply with Public Law 88-352 and Public Law 90-284 and Executive Order 12259.

B. Nondiscrimination (24 CFR Part 570, Subpart K, 570.601)

The CITY shall comply with Section 109 of Title 1 of the Housing and Community Development Act of 1974 as amended, Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, Section 504 of the Rehabilitation Act of 1973, and any other applicable federal, state or local law, rule or regulation governing nondiscrimination.

C. Equal Employment (24 CFR Part 570, Subpart K, 570.607)

The CITY shall comply with Executive Order 11246, as amended by Executive Orders 11375, 11478, 12086 and 12107, Equal Employment Opportunity.

D. Contracting Opportunities (24 CFR Part 570, Subpart K, 570.670)

The CITY shall comply with requirements of Section 3, of the Housing and Urban Development Act of 1968 (12 USC 1701U), as amended, the HUD regulations issued pursuant thereto at 24 CFR Part 135, and any applicable rules and orders of HUD issues thereunder. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the Project be awarded to business concerns which are located in, or owned in substantial part, by persons residing in the area of the Project.

E. Use of Debarred, Suspended or Ineligible Contractors or CITYs (24 CFR Part 570, Subpart K, 570.609)

The CITY agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government

contractor and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of equal opportunity clauses as may be imposed upon contractors and subcontractors by the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order.

F. Labor Standards (24 CFR Part 570, Subpart K, 570.603)

The CITY shall comply with Section 110, Title 1 of the Housing and Community Development Act of 1974 as amended, which requires that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with grant funds received under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended and shall receive overtime compensation in accordance with and subject to the provisions of the Contract work Hours and Safety Standards Act (40 USC 327-332), and the contractors and subcontractors shall comply with all regulations issued pursuant to these Acts and with other applicable federal laws and regulations pertaining to labor standards. Residential rehabilitation structures with less than eight (8) units is exempted from these labor standards.

G. Environmental Review (24 CFR part 58) and National Environmental Policy Act of 1969 (NEPA)

The CITY is not to acquire, demolish, move, rehabilitate, convert, repair or construct property or commit or expend NSP funds for activities under NSP with respect to any eligible property until the entire environmental review process has been completed.

H. Relocation

The CITY certifies that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 USC 4601) and implementing regulations at 49 CFR part 24, except as those provisions are modified by Notice.

I. Lead Base Paint (24 CFR Part 570), Subpart K, 570.608

The CITY will comply with the Lead-Based Paint Poisoning Prevention Act (42 USC 4832, et seq.) and the Lead Safe Housing Rule (24 CFR 35).

J. Conflict of Interest (24 CFR Part 570, Subpart K, 570.611)

- a. In the procurement of supplies, equipment, construction and services by CITY, the conflict of interest provisions of the Kansas Department of Commerce as provided at CFR 570.611 shall apply.

- b. No member of the Governing Body, officer or employee of the CITY, or its designees or agents, or any other person who exercises any functions or responsibilities with respect to the program assisted by this Agreement during his tenure or for one year thereafter, shall have any direct interest in any contract or subcontract, or the proceeds thereof, for the work to be performed in connection with the program.
- c. The CITY shall incorporate, or cause to be incorporated, in all third party agreements, a provision prohibiting such interest pursuant to the purpose of this Section.
- d. The CITY shall not employ, nor shall permit any third party to employ any employee of COUNTY.

IN WITNESS WHEREOF, the parties hereto have caused the above and foregoing Agreement to be executed by their respective and duly authorized representatives.

CITY OF OVERLAND PARK, KANSAS

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

JOHNSON COUNTY, KANSAS

By: \_\_\_\_\_  
Annabeth Surbaugh  
Chairman

ATTEST:

\_\_\_\_\_  
Casey Joe Carl  
Clerk of the Board

APPROVED AS TO FORM:

\_\_\_\_\_  
Nicholas Saldan  
Deputy County Counselor



**EXHIBIT A**

**STATE OF KANSAS  
NEIGHBORHOOD STABILIZATION PROGRAM  
GRANT AGREEMENT NO. 09-NSP-010**

between the

STATE OF KANSAS,  
DEPARTMENT OF COMMERCE

and

JOHNSON COUNTY, KANSAS

## EXHIBIT B

### CITY OF OVERLAND PARK, KANSAS NSP HOUSING ACTIVITIES

1. **Activity Name:** NSP – Acquisition and demolition of blighted and foreclosed houses for purposes of land banking the property.
2. **Activity Type:** Acquisition and demolition of foreclosed and vacant properties in low-to- moderate income areas of the CITY that meet the definition of blighted as defined by the NSP Program for purposes of land banking the property for future development.
3. **National Objective:** Slum and blight: Acquisition and demolition of vacant and foreclosed homes that meet the NSP definition of slum and blight. After acquisition and demolition, the property will be placed in a land bank established by the CITY for the purposes of holding the properties vacated by actions under this grant for up to 10 years or until redeveloped.
4. **Projected Start Date:** July 1, 2009, or 30 days after grant notification.
5. **Projected End Date:** The purchase and demolition of the blighted, vacant and foreclosed properties, as defined by NSP, will be completed 18 months after grant notification. The CITY will divest itself of properties land banked within the 10 year period provided by NSP rules and regulations.
6. **Responsible Organization:** City of Overland Park, 8500 Santa Fe Drive, Overland Park, KS 66212. Florence Erickson, Administrator, 913-895-6212, [florence.erickson@opkansas.org](mailto:florence.erickson@opkansas.org)
7. **Location Description:** Within the corporate boundaries of the CITY with priority to low-to-moderate income areas of the city as defined by HUD after the 2000 Census. Attached is a map of low to moderate income areas in our city. All are north of I-435.
8. **Activity Description:** Purchase and demolish foreclosed houses that are blighted and are located in areas of low-to-moderate income as defined by the 2000 census. Once the houses are demolished, land bank, the land for future use to be defined within the 10 year timeframe provided by NSP program regulations/guidelines.
9. **Total Budget:** \$690,000.00  
Purchase: Approximately 4 properties at \$130,075 per house = \$520,300;  
Demolition: Approximately 4 properties at \$30,000 per house = \$120,000.  
Land bank: Approximately \$350 per property = \$1,400.

Administration: No greater than 7% or \$48,300 of the grant is to be applied to administrative costs. Within the 7% program administrative allowance, the COUNTY intends to retain 2% of the grant, or \$13,800, to cover their cost as the State grantee. The CITY will request reimbursement from the State through the COUNTY no more than 5% of \$690,000, or \$34,500, of the CITY's grant from the COUNTY to meet the CITY's administrative cost. The CITY, however, will retain the right to use their administrative funds for the program activities identified above if it deems this is a more appropriate use of the CITY's grant funds and will use CITY funds to meet administrative costs if necessary.

**10. Marketing:** The properties will be chosen from a list of foreclosed properties as identified within the Johnson County property ownership records maintained by the Registrar of Deeds. The properties to be purchased will be limited to foreclosed, vacant and blighted structures, as defined by the NSP Program.

**11. Performance Measure:** Number of foreclosed blighted structures purchased, demolished and land banked within the NSP guidelines. Purchasing and demolishing blighted properties within our low to moderate income areas will promote the preservation of our neighborhoods and contribute to their stabilization.

### **Financial Management**

Financial Management will be in accordance with the NSP guidelines and will be the responsibility of the Finance Department of Johnson County Housing Services. Financial controls are established and in place by the Office of Financial Management of Johnson County.

### **Contract Grantee**

Stacy T. Copeland  
Johnson County Housing Services  
12425 W. 87<sup>th</sup> Street Pkwy, Suite 200  
Lenexa, KS 66215  
(913)715-6601 (office)  
(913)715-6631 (facsimile)  
Stacy.Copeland@jocogov.org