

**INTERGOVERNMENTAL AGREEMENT BETWEEN
CITY OF EL MIRAGE, ARIZONA
AND
CITY OF SURPRISE, ARIZONA**

MORTGAGE, RENTAL, AND UTILITY ASSISTANCE

THIS INTERGOVERNMENTAL AGREEMENT (the “IGA”), with an effective date of December 2021, is entered into by and between the CITY OF EL MIRAGE, a municipal corporation of the State of Arizona (hereinafter “El Mirage”), and the CITY OF SURPRISE, a municipal corporation of the State of Arizona (hereinafter “Surprise”). El Mirage and Surprise are collectively referred to hereinafter as the “Parties.”

RECITALS

WHEREAS, Surprise is currently administering a Community Action Program (“CAP”), as a subrecipient to Maricopa County, to provide CAP services, including Crisis Case Management and Financial Assistance Services, to eligible residents of a defined Community Service Area (“CSA”) that includes the Cities of Surprise and El Mirage pursuant to an Intergovernmental Agreement Between Maricopa County and the City of Surprise (Contract No. C-22-16-043-3-08) that originally commenced on July 1, 2016, and which was most recently extended by Amendment No. 8 thereto approved by Surprise on June 16, 2021, and by Maricopa County on June 30, 2021;

WHEREAS, on March 11, 2021, the United States Congress passed the American Rescue Plan Act of 2021 (“ARPA”), which provides fiscal relief funds to State and Local Governments, and other program areas aimed at mitigating the continuing effects of the COVID-19 Pandemic;

WHEREAS, ARPA is intended to provide support to local governments in responding to the impact of the pandemic;

WHEREAS, ARPA includes Coronavirus State and Local Fiscal Recovery Funds to support urgent COVID response efforts to decrease the spread of the virus; to replace lost public sector revenue; to strengthen support for vital public services; to support immediate economic stabilization for households and businesses; and to address systemic public health and economic challenges that have contributed to unequal impacts of the pandemic on certain populations;

WHEREAS, the United States Department of Treasury has adopted the Interim Final Rule as Guidance regarding the use of ARPA funds; ,

WHEREAS, El Mirage and Surprise have identified expenditures for Responding to Negative Economic Impacts from the pandemic as a priority; ,

WHEREAS, El Mirage and Surprise find that their residents are in need of assistance with rent, mortgage, and utility payments, including water; ,

WHEREAS, El Mirage and Surprise find that it is in the best interests of public health and safety to use ARPA funds to assist their residents in paying rent, mortgage, and utility payments to ensure residents have access to housing and safe drinking water and sanitation services;

WHEREAS, El Mirage and Surprise desire to create a utility assistance program for eligible local residents to provide ARPA funds (the “Program Funds”) to pay for rent, mortgage, and utility assistance as an addition to Surprise’s administration of the CAP pursuant to its IGA with Maricopa County;

WHEREAS, El Mirage and Surprise desire to enter into this IGA to have Surprise administer the Program Funds for both cities, as part of the CAP, in accordance with the Program Benchmarks set forth in Exhibit A and the Scope of Work set forth in Section 2 below; and,

WHEREAS, the Parties are authorized, pursuant to A.R.S. §11-952, to enter into agreements for joint or cooperative action.

NOW, THEREFORE, the Parties agree as follows:

- 1. Duration of IGA.** This IGA shall commence on the date it is fully executed by the Parties, which date shall be inserted into the first paragraph, and expire on June 30, 2023, unless sooner terminated in accordance with Paragraph 18, or if the Program Funds are depleted, in which case the Parties agree to terminate this IGA. Should the Program Funds not be fully expended, there will be the option to extend by mutual agreement of the Parties.
- 2. Scope of Work.** Surprise shall disburse the Program Funds received from El Mirage to eligible El Mirage residents in accordance with the requirements set forth in Exhibit B of this IGA (the “Services”). Surprise also agrees to maintain accurate financial records to enable El Mirage to verify that the Program Funds provided under this IGA are expended in accordance with this IGA. Surprise shall comply with all applicable Federal, state, and local laws and regulations in disbursing Program Funds pursuant to this IGA.
- 3. Reporting.** Each month this IGA is in effect, Surprise shall provide El Mirage with an invoice for payment which shall include a report of Program Funds received from El Mirage spent for that month including the account number, the street address, and name of residents receiving Program Funds and the amount awarded. At the completion of the Services, Surprise shall submit to El Mirage an itemized report setting forth how all Program Funds received from El Mirage were expended.
- 4. Inspection.** Within five business days of receipt of a written request from El Mirage, Surprise agrees to make available for inspection during regular business hours all financial records relating to the Services.
- 5. Contract Noncompliance:** If either Party should determine that the other is in breach of this IGA, the non-breaching Party may give written notice to the breaching Party of the specific area of alleged noncompliance. Thereafter, the Party alleged to be in breach shall

respond in writing within 15 business days of the date of the notice and either dispute the claim of breach or provide a plan to correct the breach.

- 6. Entire Agreement; Amendments:** This IGA represents the entire agreement between the Parties with respect to the subject matter hereof. This IGA may not be amended except through an appropriate writing signed by both Parties.
- 7. Assignment Prohibited:** No Party to this IGA may assign any rights acquired hereby, without first obtaining the written consent of the other Party.
- 8. No Discrimination:** Neither the Parties nor any of their respective employees or agents will discriminate on the basis of any protected status under law in providing the Services under this IGA.
- 9. Immigration Law Warranty:** As required by A.R.S. § 41-4401, the Parties each warrant their compliance with all federal and state immigration laws and regulations that relate to their employees. Any subcontractors engaged by the Parties to perform the Services under this IGA shall also warrant in writing their compliance with all federal immigration laws and regulations as well as A.R.S. § 23-214(A) that relate to such subcontractor's employees. A breach of this warranty shall be deemed a material breach of this IGA that is subject to penalties up to and including termination of the IGA or any subcontract.
- 10. Facilities/Resources:** It is the responsibility of El Mirage to provide space for services to be provided. Hours will be kept by the El Mirage/Surprise CAP office staff person in El Mirage from 8 a.m. to 12 p.m. Monday through Wednesday.
- 11. Term of IGA; Renewals:** The initial term of this IGA shall commence on the date it is fully executed by both Parties, and shall terminate on June 30, 2023, or when the Program Funds have been depleted. The Term may not be extended except upon written agreement of the Parties.
- 12. Mutual Indemnification.** Each Party shall defend, hold harmless and indemnify the other Party, its agents, representatives, officials, employees, and representatives from and against any claims, losses, and expenses (including reasonable attorney's and expert witness fees) arising from that Party's negligent and/or intentional acts and/or omissions pursuant to this IGA.
- 13. Severability.** The invalidity of any provision of this IGA, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof, so long as the original intent of the Parties is not defeated thereby.
- 14. Applicable Law.** The terms and conditions of this IGA shall be construed and governed in accordance with the laws of the State of Arizona.

15. Termination

- a. Termination for Convenience.** Either Party may terminate this IGA at any time upon 90 days written notice to the other Party of its intention to terminate.
- b. Termination by Mutual Consent.** This IGA may be terminated at any time by mutual consent of the Parties.
- c. Termination for Breach.** In the event of a breach of any term or condition of this IGA by either Party, the Party claiming breach shall provide written notice to the other Party, said notice setting forth the factual basis for the determination that a breach has occurred. If the breach is not remedied within fifteen (15) business days of receipt of notice, the Party claiming breach may terminate this IGA without further notice.

16. Disputes; Trial by Court. The Parties expressly covenant and agree that in the event of a dispute arising from this IGA, each of the Parties hereto waives any right to a trial by jury. In the event of litigation, the Parties hereby agree to submit to a trial before the court. In the event of litigation, the Parties hereby agree that the sole remedies available to the prevailing party shall be specific performance, declaratory judgment, or injunction. Neither Party may seek or be awarded monetary damages, except as otherwise expressly provided by this IGA.

17. Disputes; Attorney Fees. The Parties expressly covenant and agree that in the event of litigation arising from this IGA, neither Party shall be entitled to an award of attorney’s fees, either pursuant to this IGA, pursuant to A.R.S. § 12-341.01(A) and (B), 12-348.01, or pursuant to any other state or federal statute.

18. Notices. Notices relating to this IGA shall be deemed to have been duly delivered upon personal delivery, or as of the second business day after mailing by United States first class mail, certified or registered postage prepaid, addressed as follows:

City of El Mirage:	City of El Mirage City Manager 10000 N. El Mirage Road El Mirage, Arizona 85335
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City of Surprise:	City of Surprise City Manager 16000 N. Civic Center Plaza Surprise, Arizona, 85371
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These addresses may be changed by either Party by giving notice in writing. Such changes shall be deemed to have been effectively noticed five (5) calendar days after being mailed to each Party by the Party changing the address.

19. Conflict of Interest. This IGA is subject to A.R.S. § 38-511 pertaining to conflicts of interest, the pertinent provisions of which are incorporated by reference herein.

APPROVALS

City of El Mirage

Alexis Hermosillo, MAYOR

Date: _____

City of Surprise

Skip Hall, MAYOR

Date: _____

ATTEST:

City of El Mirage, City Clerk

Date: _____

ATTEST:

City of Surprise, City Clerk

Date: _____

DETERMINATIONS OF COUNSEL

Pursuant to A.R.S. Section 11-952(D), the foregoing IGA has been reviewed by the undersigned attorney for the City of El Mirage who has determined that the IGA is in proper form and is within the powers and authority granted under the laws of this State to the City.

Justin Pierce
City Attorney

Date: _____

Pursuant to A.R.S. Section 11-952(D), the foregoing IGA has been reviewed by the undersigned attorney for the City of Surprise who has determined that the IGA is in proper form and is within the powers and authority granted under the laws of this State to the City.

Robert Wingo
City Attorney

Date: _____

EXHIBIT A

PROGRAM BENCHMARKS

Program Funds are intended to assist eligible City residents in need of financial assistance with delinquent rent, mortgage and utilities, including water. To qualify, City residents must (1) demonstrate a financial hardship caused by the COVID-19 pandemic, and (2) be in need of assistance with one or more delinquent accounts as follows:

To qualify for the Program, eligible City of El Mirage residents must:

Apply. Residents can begin the pre-screening process by either of the following:

- Residents can complete a pre-screening through the Maricopa County Online Portal, or
- For those needing assistance online, the HOPELINE is available at 623-222-4673

This specific funding is available one time to eligible residents.

Documentation. To qualify for the Program, eligible City residents must provide:

- *Photo Identification.* (For applicant only)
- *Verification of **all** income received for the **most recent 60 days** by any household member.*
 - *For example: Social Security award letter, paystubs, verification of unemployment insurance benefits, pensions, child support checks, DES cash assistance award letter, etc.*
- *Proof of residency in the City of El Mirage.* This may include:
 - Address on Driver License or other approved identification
 - Title or deed for home
 - Property tax statement for home
 - Lease agreement for home
 - Verification of rent or utility payments to City of El Mirage with street address and name of customer documenting residency.
- *Proof of COVID Impact.*
 - *For example: Verification of unemployment during pandemic, letter from employer for loss of income, etc.*
- *Current lease for rental assistance.*
- *Current or most recent utility bill for electric, gas, and/or water. Please bring the entire statement or bill that shows a full month's billing cycle or service for the most recent month.*

Additional requirements may apply at the discretion of the City. The City shall provide Surprise notice of any amendments to this Exhibit A Program Benchmarks, with such amendments going into effect thirty (30) days after such notice.

EXHIBIT B

SCOPE OF WORK

- A. Surprise shall use the Funds received from the City to provide rent, mortgage and utility assistance to eligible City residents as follows:
- Surprise Duties. Surprise shall screen City residents for need of rent, mortgage, and utility assistance to provide relief due to the COVID-19 public health emergency.
 - Pre-screening Process. Surprise shall use a pre-screening process to assist residents in applying for relief in a format approved by the City to ensure ease of use and adequacy.
 - Eligible Rent, Mortgage, and Utility Relief. Surprise shall only use Program Funds to pay for rent, mortgage, and utility assistance, including water for those effected by the COVID-19 pandemic after attempting to use available CAP funding.
 - Income Qualifications: The City will use 80 to 100% Area Median Income (AMI) for these funds, which matches the income requirements from earlier coronavirus relief funding.
 - Maximum Amount. Surprise may approve rent, mortgage, and utility assistance payments for a maximum of four months per resident (or single-family unit) for assistance.
 - Direct Payment. Surprise shall pay delinquent amounts directly to the vendor (example: City, Utility Company, Landlord or Mortgage Company) and not provide Program Funds to residents.
 - Confidentiality. Surprise acknowledges and agrees that it will obtain highly sensitive information regarding City of El Mirage residents and rent, mortgage, and utility accounts and that it shall keep all such information confidential and not for public disclosure unless otherwise required by law. All Program information shall be kept in locked cabinets or otherwise secured. Access to files must be limited to Surprise's staff, the City of El Mirage and Surprise, and applicants.
- B. In order to receive assistance, City residents must provide the documentation required in Exhibit A.
- C. Surprise must inform applicants that money is not guaranteed.

EXHIBIT C

BUDGET

FY 2022

Part-time temporary Resource Center Specialist to staff the El Mirage CAP Office (28 hours weekly): \$31,400

Rent, mortgage, and utility assistance: \$418,600

Total: \$450,000

FY2023

Part-time temporary Resource Center Specialist to staff the El Mirage CAP Office (28 hours weekly): \$31,400

Rent, mortgage, and utility assistance: \$203,600

Total: \$235,000