

STATE OF TEXAS §
COUNTY OF HIDALGO §

**MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF
EDINBURG, CITY OF MCALLEN, CITY OF MISSION, AND
COUNTY OF HIDALGO, TEXAS**

THIS AGREEMENT, entered this _____ day of _____, 2026 by and among the City of Edinburg, City of McAllen, City of Mission and the County of Hidalgo, Texas (collectively referred to as the "Program Participants"), pursuant to the provisions of the Texas Interlocal Cooperation Act as follows:

WHEREAS, the Community Development Block Grant Program (CDBG) was authorized under Title 1 of the Housing and Community Development Act of 1974;

WHEREAS, the primary objectives of the CDBG Program are the development of viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities, principally for persons of low and moderate income;

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) requires local jurisdictions to prepare a Consolidated Plan and Strategy (CPS), Annual Action Plan (AAP), and Analysis of Impediments (AI) in order to receive Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG) federal funds (24 CFR §91);

WHEREAS, the CPS is the result of an extensive needs assessment and community outreach process conducted by the entitlement communities in Hidalgo County (Cities of Edinburg, McAllen, Mission, and the County of Hidalgo); and

WHEREAS, each entitlement community requires an assessment of its own individual needs, goals, objectives and outcomes in order to produce their own independent Consolidated Plan and Strategy (CPS), Annual Action Plan (AAP), and Analysis of Impediments (AI) documents; and

WHEREAS, the Program Participants seek to establish a general working agreement to consolidate and coordinate efforts toward the development of the CPS, AAP, and AI, as required by the Department of Housing & Urban Development pursuant to 24 CFR Part 91 and 24 CFR 570.904;

NOW, THEREFORE, it is agreed between the Program Participants hereto as follows:

I. LEAD ENTITY

The County of Hidalgo acting by and through its Urban County Program will serve as the Lead Entity and Fiscal Agent of the Program Participants in the collaboration for the preparation and submission of the Consolidated Plan and Strategy (CPS), Annual Action Plan (AAP), and Analysis of Impediments (AI).

The Urban County Program, through proper procurement procedures and input from Program Participants, shall solicit Qualifications for a Consultant to complete the CPS, AAP, and AI, and all necessary components of these plans for the Program Participants.

II. ROLES/RESPONSIBILITIES OF PROGRAM PARTICIPANTS

Program Participants agree to coordinate the completion of the Consolidated Plan & Strategy (CPS), Annual Action Plan (AAP), and Analysis of Impediments (AI) through the selected consultant. The Program Participants agrees to:

- o schedule, coordinate, and hold public hearings within their community
- o provide demographic and historical data to consultant
- o assisting in distributing and collecting community surveys, and consultation tools as needed
- o implement efforts at the local level in developing and supporting research addressing housing, infrastructure, social service agencies, economic development and other information as needed by Consultant
- o review and approve contents of the completed CPS, AAP, and AI through formal process adopted by the City Councils and the County Commission
- o establish local priorities to be included in the CPS, AAP, and AI
- o actively participate in the development of the CPS, AAP, and AI

III. INCLUSION

Any CDBG Entitlement Community located within Hidalgo County that is not identified within this Agreement may opt to collaborate in the development and submission of the Con Plan with a written notice addressed to the Lead Entity and submitted no later than July 1, 2026. The Lead Entity will subsequently notify Program Participants of inclusion request.

IV. WITHDRAWAL

Any Program Participant may withdraw from the development and submission of the CPS, AAP, and AI under this agreement with a written 30-day notice to the Lead Entity

together with a copy of the U.S. Department of Housing and Urban Development no later than July 1, 2026. Lead Entity will notify Program Participants of the withdrawal notice, if any.

V. COST OF DEVELOPMENT

This Agreement involves a commitment on behalf of the cities to contribute CDBG Administrative funds towards the cost of the Consultant to undertake the development of the CPS, AAP, and AI to include the Housing Market Analysis, Needs Assessment, Outputs and Outcomes for performance measurement for each participant. The cost of said Consultant is an eligible CDBG expense.

It is understood that the cost distribution shall be that the County of Hidalgo will pay fifty percent (50%) of the total costs and the remaining balance will be evenly distributed amongst the participating cities. Cities will reimburse the County of Hidalgo in accordance with applicable laws, regulations and procedures.

It is further understood that once the Consultant is performing work specific to an individual Program Participant, including but not limited to drafting deliverables, conducting consultations, or preparing data specific to that Program Participant, the Consultant shall invoice and be paid directly by the Program Participant for which the work is performed. This billing will be separate from shared costs and reflects the Consultant's direct responsibility to the respective Program Participant for such work.

VI. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

VII. SECTION HEADINGS AND SUBHEADINGS

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

VIII. WAIVER

A Program Participant's failure to act with respect to a breach by another Program Participant does not waive any right to act with respect to subsequent or similar breaches. The failure of the Program Participant to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

IX. ENTIRE AGREEMENT

This Agreement between the Program Participants for the submission of the Consolidated Plan and Strategy (CPS), Annual Action Plan (AAP), and Analysis of Impediments (AI) supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the Program Participants with

respect to this Agreement and constitutes the entire agreement of the Program Participants. By signing this agreement, the Program Participants are bound to perform the terms and provisions of this Agreement.

X. AMENDMENT

Any amendment to this Agreement must be in writing, enacted by majority of the Program Participants.

XI. OTHER PROVISIONS

Governing Law. This Agreement shall be governed by and construed in accordance with applicable state and federal laws, and shall be performable in Hidalgo County.

Commitment of Current Revenues Only. In the event that, during any term hereof, the governing authority of the Program Participants does not appropriate sufficient funds to meet the obligations under this Agreement, County may terminate this Agreement upon ninety (90) days written notice to Company. County agrees, however, to use reasonable efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of County. *Agreements for the acquisition, including lease of real or personal property under Tex. Loc. Govt. Code §271.903:* In the event that, during any term hereof, the Commissioner's Court does not appropriate sufficient funds to meet the obligations of County under this Agreement, County may terminate this Agreement upon ninety (90) days written notice to Company, County agrees, however, to use a best efforts attempt to obtain and appropriate funds for payment of the Agreement. The parties intend this provision, if applicable, to be a continuing right to terminate this at the expiration of each budget period of County in accordance with Tex. Loc. Govt. Code §271.903 (Vernon Supp. 1996).

Headings. The headings and captions contained in this Agreement are solely for convenient reference and shall not be deemed to affect the meaning or interpretation of any provision or paragraph hereof.

Gender and Number. All pronouns used in this Agreement shall include the other gender, whether used in the masculine, feminine or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate

Authority to Execute. The execution and performance of this Agreement by the Program Participants have been duly authorized by all necessary laws, resolutions or governing authority action, and this Agreement constitutes the valid and enforceable obligations of the Program Participants in accordance with its terms.

Entire Agreement. This Agreement contains the entire agreement between the Program Participants hereto, and each Program Participant acknowledges that neither has made (either directly or through any agent or representative) any representation or agreement in connection with this Agreement not specifically set forth herein.

Immunities: Nothing in this Agreement is intended to and Program Participants do not hereby waive, release or relinquish any right to assert any of the defenses that Program Participants enjoy by virtue of the state or federal constitution, laws, rules or regulations, and any sovereign, official or qualified immunity available to Program Participants as to any claim or action of any person, entity, or individual against Program Participants.

Nondiscrimination: Program Participants, including subcontractors, assignees and successors in interest, ensures that no person shall on the grounds of race, religion, color, national origin, sex, age, or disability, or any other protected class under law, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination or retaliation in any federally or non-federally funded program or activity when participating in this agreement as described herein.

Additional Documents: The Program Participants hereto covenant and agree that they will execute each such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Agreement.

Required Contract Provision for Contracts Subject to Federal Award (if applicable): Pursuant to 2 CFR 200.327, a non-federal entity's contracts must contain the applicable provisions described in appendix II to 2 CFR 200-Contract Provisions for non-Federal Entity Contracts under Federal Awards. Additionally, contracts under Federal award which are subject to assistance from the Federal Emergency Management Agency (FEMA) are also required to contain additional contract clauses. If applicable, applicable required contract clauses were provided as part of the initial procurement packet and are incorporated herein and made part of this agreement for all purposes.

XII. EFFECTIVE DATE

This Agreement will become effective upon signature by the cities and ratification of agreement between County of Hidalgo and selected consultant and shall terminate upon completion of the Consolidated Plan and Strategy and Annual Action Plan.

DATE SIGNED: _____

IN WITNESS WHEREOF, the Program Participants have executed this Agreement effective as of the date first written above.

HIDALGO COUNTY

By: _____
Richard F. Cortez, Judge

ATTEST

By: _____
Name, Title

APPROVED AS TO FORM:

Legal Counsel, Name, Title

PROGRAM PARTICIPANT

CITY OF EDINBURG


By:  _____
Myra L. Ayala, City Manager



ATTEST

By:  _____
Clarice Y. Balderas, City Secretary

APPROVED AS TO FORM:

 _____
Benito Alonzo, Interim City Attorney

**PROGRAM PARTICIPANT
CITY OF MCALLEN**

By: _____
Name, Title

ATTEST

By: _____
Name, Title

APPROVED AS TO FORM:

Legal Counsel Name, Title

**PROGRAM PARTICIPANT
CITY OF MISSION**

By: _____
Name, Title

ATTEST

By: _____
Name, Title

APPROVED AS TO FORM:

Legal Counsel Name, Title