

**Item Title:** Memorandum of Agreement Designating Wake County as the Grantee for HOPWA Funds

**Specific Action Requested:**

**That the Board of Commissioners authorizes the County Manager to sign a Memorandum of Agreement designating Wake County as the alternative grantee for the Housing Opportunities for Persons with HIV/AIDS (HOPWA) grant, subject to the terms and conditions acceptable to the County Attorney.**

**Item Summary:**

**Purpose:** The Board of Commissioners must approve Memoranda of Agreements (MOAs) with local and state government entities. This action reestablishes a legislatively codified special arrangement between the County, City of Raleigh, and the U.S. Department of Housing and Urban Development (HUD).

**Background:** The Housing Opportunities for Persons with AIDS (HOPWA) program was established to provide housing assistance and related supportive services for low-income persons living with HIV/AIDS and their families. Eligible formula grantees are cities that are the most populous unit of general local government in a metropolitan statistical area (MSA). Wake County was designated the Raleigh MSA grantee in 2002 under special federal legislation.

The 2016 Housing Opportunity Through Modernization Act (HOTMA) legislation amended Section 854(c) of the AIDS Housing Opportunity Act to modernize the HOPWA allocation formula and address other administrative provisions. Wake County's designation as grantee was preserved in the FY 2016 Appropriation Acts through FY 2026. HUD has advised Wake County and the City of Raleigh to execute an Alternative Grantee Agreement. Staff recommend authorizing the County Manager to sign the Alternative Grantee Agreement in the form of an MOA between the parties. The City Council approved the agreement during the August 20, 2024 meeting.

**Strategic Plan:** This action supports Community Health and Wellbeing Goal 1: Create and preserve 2,500 affordable housing units by 2029; and Community Health and Wellbeing Goal 2: By 2029, make homelessness rare, brief, and non-recurring by reducing the number of people experiencing unsheltered homelessness by 10% from 2024 levels.

**Fiscal Impact:** The execution of this MOA will allow the Department of Housing Affordability & Community Revitalization to continue receiving approximately \$1.7 million annually in HOPWA grant funding

appropriated in the Housing and Community Revitalization Special Revenue Fund starting in fiscal year 2027.

**Additional Information:**

The HOPWA grant is one of four entitlement grants received by Wake County from HUD. Eligible grantees include metropolitan statistical areas with more than 500,000 people and at least 2,000 HIV/AIDS cases. Wake County has been designated the HOPWA grantee since 2002 and serves eligible households in Johnston, Franklin, and Wake counties. The Department of Housing Affordability & Community Revitalization operates both short and long-term HOPWA rental assistance programs.

HOTMA amended the HOPWA statute to provide that allocations to grantees be adjusted annually based on the administrative provisions included in FY 2016 Appropriations Acts (see 42 U.S.C. 12903(c)(2)(B)). Four grants have special arrangements under FY 2016 Appropriations Acts administrative provision including Wake County who is designated as the grantee for the Raleigh, NC MSA, and is assigned the formula data of the Raleigh, NC MSA. HUD must reevaluate the FY 2016 special arrangements when the eligibility of all HOPWA formula grantees is redetermined for FY 2026.

On June 6, 2024, HUD, Wake County, and the City of Raleigh met to discuss the formula grantee and special arrangement reevaluation. Based on HOPWA formula grantee eligibility requirements, the City of Raleigh, NC, would be the grantee for the Raleigh, NC MSA when eligibility is reassessed. To remedy this issue, the City of Raleigh and Wake County mutually agreed to maintain the current special arrangement. HUD recommended executing a written agreement designating the County as the alternative grantee for the FY 2026 reassessment.

On February 10, 2026, HUD contacted the County to inform staff the FY2026 reassessment was beginning and confirm that the City and County were still planning to pursue an alternative agreement. Wake County and the City of Raleigh may now execute the MOA to suffice as the Alternative Grantee Agreement which HUD will also acknowledge for the Raleigh-Cary, NC MSA formula allocation.

**Attachments:**

None.