

STATE OF NORTH CAROLINA
COUNTY OF WAKE

WAKE COUNTY
COMMUNITY DEVELOPMENT
BLOCK GRANT
COOPERATION AGREEMENT
FFY 2019, 2020 &2021

This Wake County Community Development Block Grant Cooperation Agreement (“**Agreement**”) is made and entered into on this ____ day of _____, 2018 (“Effective Date”), by the COUNTY OF WAKE a body politic and corporate of the State of North Carolina (hereinafter referred to as the "**County**") and the TOWN OF HOLLY SPRINGS, a municipal corporation (the “Town”) of the State of North Carolina (the “State”). Both County and Town may herein be referred to as a “Party” or collectively as the “Parties” as the context may require.

WITNESSETH:

WHEREAS, the United States Department of Housing and Urban Development (hereinafter referred to as “HUD”) has determined that the County is eligible, as an “Urban County”, to continue receiving entitlements associated with the CDBG Entitlement Program (“CDBG”) pursuant to Title I of the Housing and Community Development Act of 1974 (Act), as amended, but has conditioned said funding on adoption of a cooperation agreement with the participating local government in accordance with HUD’s Urban County Qualification Notice (the “Qualification Notice”); and

WHEREAS, HUD has determined that the County is eligible, as a "Participating Jurisdiction", to continue receiving HOME funds under Titles I and II of the Cranston-Gonzalez National Affordable Housing Act, HOME Investment Partnership Act (HOME), as amended, to address certain needs of predominantly low and moderate income persons, but has conditioned said funding on adoption of a cooperation agreement with the participating local government in accordance with the Qualification Notice; and

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WHEREAS, HUD has determined that the County is eligible to receive Emergency Solutions Grants Programs (ESG) funds authorized by subtitle B of title IV of the McKinney–Vento Homeless Assistance Act (42 U.S.C. 11371–11378) for the rehabilitation or conversion of buildings for use as emergency shelters for the homeless, for the payment of certain expenses related to operating emergency shelters, for essential services related to emergency shelters and street outreach for the homeless, and for homelessness prevention and rapid re-housing assistance, but has conditioned said funding on adoption of a cooperation agreement with the participating local government in accordance with the Qualification Notice; and

WHEREAS, the County is also an eligible grantee of Housing Opportunities for Persons with AIDS (HOPWA) funds administered through the Housing Opportunity Through Modernization Act of 2016 (HOTMA), which as amended, allows the County to enter into an agreement with an eligible alternative grantee pursuant to in section 854(c), including a unit of general local government, to receive and administer a portion of the HOPWA formula allocation in its place; and

WHEREAS, the County invites the incorporated, non-entitlement municipalities located within its borders to participate in the CDBG, HOME, ESG and HOPWA entitlement programs (collectively referred to herein as the “Programs”), once said municipalities dedicate their population counts in support of the County formula allocation of funds; and

WHEREAS, the Town has previously participated in the State CDBG funding programs, but desires to participate in the County’s Programs during Federal Fiscal Years 2019-2021; and

WHEREAS, the purpose of this Agreement is to set forth a mutual understanding between the County and the Town as the permissible use of Program funds and other terms and conditions associated with the Programs; and

WHEREAS, as a party to this Agreement, the County agrees to carry out the objectives of the identified Programs throughout the unincorporated areas of the County and within the municipalities who have entered into cooperation agreements similar to this Agreement; and

WHEREAS, this Agreement is intended to demonstrate compliance with the Qualification Notice issued on or about March 22, 2018.

NOW, THEREFORE, BE IT AGREED AND CERTIFIED by the Town that:

1. The recitals above are incorporated herein and made part of this Agreement by reference.
2. The Town hereby elects to participate in the County's Programs, as defined in this Agreement, with the understanding that this binding decision means that for the Federal Fiscal Years 2019-2021 (October 1, 2018 - September 30, 2021) (the three Program years plus an additional year for implementation of projects begun during the three-year period) and all successive three-year qualification periods unless this Agreement is terminated.
3. By execution of this Agreement, the governing board of the Town hereby grants the County the authority to undertake and administer housing and community development activities within the municipal limits and extraterritorial jurisdiction of the Town.
4. For the term of this Agreement, the Town is not eligible to apply for any grants appropriated under the State CDBG Program, which shall include, but is not limited to, a Small Cities CDBG grant from the North Carolina Department of Commerce, Division of Community Assistance (or its successor agency).
5. The Town may receive a formula allocation under the HOME Program only through the County. Regardless of whether the County receives a HOME formula allocation, the Town cannot form a HOME consortium with other local governments. (Note: This does not preclude the urban county or a unit of government participating with the urban county from applying to the State for HOME funds, if the State allows.)
6. The Town may receive a formula allocation under the ESG Program only through the County and pursuant to the terms of this Agreement. (Note: This does not preclude the urban county or a unit of government participating with

the urban county from applying to the State for ESG funds, if the State allows.)

7. The Town may receive a formula allocation under the HOPWA Program only through the County and pursuant to the terms of this Agreement.

NOW, THEREFORE, BE IT FURTHER MUTUALLY AGREED between the Parties as follows:

1. The recitals above are incorporated herein and made part of this Agreement by reference.
2. The governing bodies of the Town and the County have approved this Agreement as reflected in their respective minutes authorizing the signatories to execute the same as of the effective date.
3. The County will administer the Program funds received from HUD. The County agrees to actively request the Town's involvement in the Programs and the County agrees to consider the Town's interests in undertaking eligible Program activities. The County will have the responsibility for approving projects as eligible for funding, after consultation with the Town's management. The County will also have the responsibility for filing the annual final statement and other reports to HUD. The Town will provide any documentation required by HUD to the County, with technical assistance from the County, for projects funded with Program funds in the Town.
4. At the option of the County, the Agreement may be renewed for participation in successive three-year qualification periods, unless the County or Town provides written notice that it elects not to participate in the new qualification period (by the date specified in any future HUD urban county qualification notice). The County will notify the Town in writing of its right to elect not to participate before the automatic renewal date and a copy of the same will be sent to the HUD Field Office.
5. The Parties stipulate and agree to work cooperatively and adopt any amendments to this Agreement as may be required to comply with law or to meet the requirements set forth in the Qualification Notice or any subsequent qualification notice for any subsequent three-year urban county qualification periods. Failure to comply with this provision will void any automatic renewal period.
6. This Agreement remains in effect until all Program income received is expended and the funded activities completed during the three-year qualification period (FFY 2019-2021) and any successive qualification periods. Neither Party may terminate or withdraw from this Agreement while it remains in effect, unless otherwise authorized herein. Notwithstanding the

above, this Agreement may be canceled if HUD notifies the County that it is not entitled to Program funding, the County fails to qualify as an Urban County or if the County does not receive Program funding in any year of the three-year federal funding period made subject to this Agreement.

7. The Parties will cooperate to undertake, or to assist in undertaking, community renewal and lower-income housing assistance activities. The County agrees to submit to the Town for review and comment any plans, involving the use of funds for Program implementation, affecting the Town.
8. The Parties will 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, as amended, regarding Title VI of the Civil Rights Act of 1964, the Fair Housing Act, and affirmatively furthering fair housing. See 24 CFR 91.225(a). The Parties will comply with section 109 of Title I of the Housing and Community Development Act of 1974, which incorporates Section 504 of the Rehabilitation Act of 1973 and the Age Discrimination Act of 1975 and any other applicable laws. The Parties agree to comply with other applicable law. The County shall not fund activities in, or in support of, the Town that does not affirmatively further fair housing within its own jurisdiction or that impedes the County's actions to comply with the County's fair housing certification.
9. The Parties have adopted and are 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 jurisdictions.
10. Neither Party may veto or implement any other restriction that would allow any Party to the Agreement to obstruct the implementation of the approved consolidated plan during the period covered by this Agreement. The County has final responsibility for selecting CDBG, HOME, ESG and HOPWA activities and submitting the consolidated plan to HUD.
11. Pursuant to the requirements of 24 CFR 570.501(b), if the County requests the Town to enter into a subrecipient agreement for the expenditure of Program funds, the Town is subject to the same requirements applicable to subrecipients, including the requirement of a written agreement as described in 24 CFR 570.503.

12. In addition to federal laws governed by this Agreement, the Parties agree to adhere to State and local laws and to undertake necessary action, as determined by the County, to carry out a community development program and the approved consolidated plan.
13. The Parties will not sell, trade, or otherwise transfer all or any portion of Program funds to a metropolitan city, urban county, unit of general local government, Indian tribe, or insular area that directly or indirectly receives CDBG funds in exchange for any other 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.
14. By entering into this Agreement, the County does not guarantee availability of funding or funding allocations to the Town in any specified amount. Subject to adherence of federal rules and regulations, the County has complete authority over the allocation of said funding without right of objection or veto by the Town or other participating and eligible municipalities.
15. The Parties agree to abide by the requirements contained in 24 C.F.R. § 570.504 with respect to the receipt, expenditure, and disposition of any Program income that is generated from the Programs made subject to this Agreement.

BE IT FURTHER RESOLVED that the governing bodies of the Town and the County have approved this Agreement as set forth in their respective minutes authorizing execution by the parties identified below.

(SIGNATURE PAGE TO FOLLOW)

FOR THE TOWN OF HOLLY SPRINGS, NC FOR WAKE COUNTY, NC

BY: _____
_____, **Town Manager**

BY: _____
David Ellis, County Manager

(Date)

(Date)

ATTEST:

ATTEST:

Name or Title (typed or printed)

Name or Title (typed or printed)

The terms and provisions of the Agreement are fully authorized under State and local law and provide full legal authority for the County.

[AFFIX TOWN SEAL HERE]

Scott Warren, Wake County Attorney

(Date)