

Item Title: Renewal of HUD Entitlement Cooperation Agreements

Specific Action Requested:
That the Board of Commissioners:

- 1. Authorizes the automatic renewal of the existing three-year Cooperation Agreements with the ten municipalities: Apex, Knightdale, Morrisville, Wendell, Wake Forest, Rolesville, Fuquay Varina, Zebulon, Garner, and Holly Springs through September 30, 2025, subject to terms and conditions acceptable to the County Attorney and;**
- 2. Directs the County Attorney to execute a legal opinion stating that the terms and provisions continue to be authorized under state and local law and the agreements continue to provide full legal authority for the County.**

Item Summary:

Purpose: The U.S. Department of Housing and Urban Development (HUD) requires Wake County to enter into cooperation agreements with each participating local government for the administration of HUD grant funds within the Wake County Urban Entitlement Community. The Board of Commissioners must approve agreements with the entitlement communities to satisfy HUD requirements.

Background: Wake County was designated an “Urban County” by HUD in 1992 when the population outside of the corporation limits of Raleigh reached 200,000. Since 2006, nine Wake County municipalities have been party to a cooperation agreement (“2006 Cooperation Agreement”) with the County for the administration grant programs. Holly Springs was added to the cooperation agreement in 2018. Raleigh and Cary continue to receive their own entitlement funds. The Urban County designation presently allows Wake County to receive the following HUD grants as an entitlement community: Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Housing Opportunities for Persons with AIDS (HOWPA) and Emergency Solutions Grant (ESG). This action renews the agreement with the participating towns through September 2025.

Board Goal: This action supports Community Health and Vitality Goal 5: Create affordable housing opportunities and support efforts to end homelessness.

Fiscal Impact: Entitlement grants totaling \$4,344,994 in Federal funding were appropriated in the Housing and Community Revitalization Special Revenue Fund for the 2021-2022 Wake County budget fiscal year. These funds will be leveraged by existing County funds and program income.

Additional Information:

The Cooperation Agreements allow Wake County to administer Federal grant funds within the municipalities that make up the Wake County Entitlement Community. Entitlement grants are distributed to the County on a formula basis. HUD determines the allocations using a statutory formula that measures population, community needs, extent of poverty, housing overcrowding, age of housing and population growth in relationship to other metropolitan areas. The ten towns currently participating in the Cooperation Agreement are Apex, Knightdale, Rolesville, Wake Forest, Wendell, Zebulon, Garner, Morrisville, Fuquay Varina and Holly Springs. Cooperation Agreements are renewed in three-year cycles that align with federal fiscal years (FFY). The current renewal period is for FFY 2022-2024, beginning October 1, 2022 through September 30, 2025. Urban County designation allows Wake County to receive:

1. Community Development Block Grant (CDBG) funds for housing and community development activities that benefit low-to-moderate income families and neighborhoods;
2. HOME Investment Partnership Program (HOME) funds for affordable housing development activities;
3. Housing Opportunities for Persons with AIDS (HOPWA) funds for housing and related services for persons with HIV/AIDS and their families; and
4. Emergency Solutions Grant (ESG) for the purpose of assisting individuals and families in quickly regaining stability in permanent housing after experiencing a housing crisis or homelessness.

The ten municipalities have expressed interest in remaining part of Wake County's entitlement for the next three years. Towns not currently part of the Wake County Entitlement Community are invited to join at each renewal period. Wake County is required to invite the Town of Cary; however, the Town receives their own CDBG funding and will continue administering those funds on behalf of their residents. Cary did confirm their interest in continued participation in the HOME Consortium.

Attachments:

1. Participation Letters from Towns
2. Urban County Qualification Statement