

**INTER-LOCAL AGREEMENT BETWEEN
DURHAM COUNTY AND THE CITY OF DURHAM**

THIS INTER-LOCAL AGREEMENT is entered into by the **COUNTY OF DURHAM**, a political subdivision of the State of North Carolina, (County) and the **CITY OF DURHAM**, a municipal corporation organized and existing under the laws of the State of North Carolina (City) and together collectively the COUNTY and the CITY may be referred to as the “Parties.” This Agreement shall be effective on the _____ day of _____, 2021 (Effective Date).

BACKGROUND

- A. According to the U.S. Department of Housing and Urban Development, there are over 8,300 homeowners in Durham County with incomes at or below 50% of Area Median Income (AMI). These homeowners all too often lack the income to pay for needed repairs and upgrades to their homes.
- B. The City of Durham has designated funding for a Minor Repair Program to repair homes owned by elderly and disabled homeowners with incomes at or below 50% AMI. The goal of this program is to address urgent and necessary repairs, totaling no more than \$9,500 in City funds per unit, in order to enable to homeowners to remain safely in their homes for as long as possible. Repair services will be provided by a third party vendor under contract to the City.
- C. The City of Durham has also designated funding for a Substantial Rehabilitation Program to repair homes that are in need of more significant improvements, up to a maximum of \$50,000 in City funds per unit. This program will serve elderly and disabled homeowners with incomes at or below 50% AMI. Intake for the program is to be provided by a third party vendor under contract to the City, and repairs will be managed directly by City staff.
- D. The City of Durham and Durham County currently partner on the HUD HOME Consortium, through which a portion of the City’s entitlement HOME funds are used to rehabilitate homes located in Durham County, outside City limits. The implementation of this program has been challenged by the lack of an efficient system to identify eligible homeowners in Durham County. Currently, the City has \$298,898 in HUD HOME Consortium funds that are intended to support substantial rehabilitation projects in Durham County, outside of City limits.
- E. Durham County has funded minor repairs in the past, and desires to continue funding both minor repairs and substantial rehabilitation for low income homeowners in Durham County.
- F. The City of Durham and Durham County recognize that it is more efficient to run County-wide Minor Repair and Substantial Rehabilitation programs rather than separate City- and County-funded programs. Accordingly, the Parties are entering into this Interlocal Cooperation Agreement to establish how such County-wide programs will be administered by the City and to account for the County’s additional financial contributions to the programs in 2021 and 2022.
- G. This Agreement is made as an Interlocal Cooperation Agreement (ILA) pursuant to the General Statutes of North Carolina at Chapter 160A, Article 20, Part 1.

NOW, THEREFORE, the Parties agree as follows:

**ARTICLE 1
PURPOSE**

The purpose of this ILA is to establish the expectations for County funds to be used by the City, so that the City may administer County-wide Minor Repair and Substantial Rehabilitation programs.

**ARTICLE 2
TERM AND TERMINATION**

- A. **Term.** The term of the County's obligation to make a payment under this Agreement shall be for 18 months from the Effective Date, unless this Agreement is earlier terminated pursuant to this Article.
- B. **Termination.** The Parties agree that each Party may, without cause and in its discretion, terminate this contract for convenience by giving the other Party written notice of the termination, which shall be effective at the time indicated in the notice.

**ARTICLE 3
COUNTY AGREEMENTS**

The County agrees:

- A. To convey \$264,000 to the City as the County Funds in connection with the County's contribution of additional funds for the City's Minor Repair and Substantial Rehabilitation programs. The County will provide such funds to the City within __ business days of the City's request therefor, to be delivered by wire transfer to the account indicated by the City.
- B. County Funds are expected to be provided according to the following schedule and upon receipt of appropriate invoices: (1) \$38,000 upon execution of this interlocal agreement and (2) \$226,000 in July 2021, subject to funding availability.

**ARTICLE 4
CITY AGREEMENTS**

The City agrees:

- A. To issue a request for proposals (RFP) to select a vendor or vendors to provide minor repair services and intake for substantial rehabilitation in Durham County, funded with at least \$700,000 in City funds and \$264,000 in County funds.
- B. To utilize \$298,898 in HUD HOME Consortium funds to support substantial rehabilitation projects in Durham County, outside of City limits.
- C. To ensure that County funds are used for the purposes specified in the RFP, to include the operation of a minor repair program in Durham County and to intake for a substantial rehabilitation program managed directly by the City.

- D. To ensure that a minimum of 15% of County funds are spent on repair and rehabilitation activities outside of City limits.
- E. To directly operate a substantial rehabilitation program, except for the intake provided by a third party vendor, that will rehabilitate homes owned by elderly and disabled households with incomes at or below 50% AMI. This includes the rehabilitation of homes outside of City limits using HOME Consortium funds and the rehabilitation of homes inside City limits using City funds totaling up to \$500,000 per year.
- F. To provide the staff necessary for the managing or operating the programs described in this ILA.
- G. To provide the County with the executed non-profit service contracts associated with this agreement.
- H. To return the County Funds to the County if upon expiration of this Agreement, the County Funds have not been used as described in Article 4, Section B above or are still in the possession of the City.

ARTICLE 5 MISCELLANEOUS

The Parties agree:

- A. **Headings.** The subject headings of the sections are included for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions. This contract shall be deemed to have been drafted by both Parties and no interpretation shall be made to the contrary.
- B. **Governing Law.** This Agreement shall be governed by and in accordance with the laws of the State of North Carolina. All actions relating in any way to this Agreement shall be brought in the General Court of Justice in the County of Durham and the State of North Carolina.
- C. **Amendments.** No modification or amendments of this Agreement will be valid or binding upon any Party unless in writing and signed by the Party against whom the modification or amendment is asserted.
- D. **Entire Agreement.** This Agreement, including any attachments shall constitute the entire understanding between the Parties and shall supersede all prior understandings and agreements relating to the subject matter hereof and may be amended only by written mutual agreement of the parties.
- E. **E-Verify.** The Parties agree that this Agreement is subject to the E-Verify requirements of Article 2 of Chapter 64 of the North Carolina General Statutes and any contractor, subcontractor performing services because of this Agreement shall be required to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes.
- F. **No Third Party Rights Created.** This contract is intended for the benefit of the City and the County and not any other person.

- G. Insurance.** The City and County agree to each cover its own risks for liability through either obtaining insurance or by self-insuring itself against any risk. Each shall furnish the other with evidence of such insurance, if any, upon request.
- H. Severability.** In the event any term or provision of this Agreement shall be adjudged to be partially or completely invalid or unenforceable, then such term or provision shall be severed from this Agreement, and the remainder of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

[Remainder of page intentionally left blank; signatures on following page]

IN WITNESS WHEREOF, the Parties have approved this Agreement and have caused it to be signed by the County Manager by approval of the Board of County Commissioners and the City Manager by approval of the City Council duly attested, the year and day first written above.

COUNTY OF DURHAM

BY: Wendell M. Davis, County Manager

ATTEST: _____

CLERK

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

By: _____
Susan F. Tezai
Chief Financial Officer
County of Durham, North Carolina

CITY OF DURHAM

BY: Wanda S. Page, Interim City Manager

ATTEST: _____

CLERK

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

By: _____
David Boyd
Director of Finance
City of Durham, North Carolina