



Agenda Action Form Overview

The Board is requested to review the proposed interlocal agreement, which would transfer County non-profit funds to the City of Durham, which in turn will use them through local housing non-profits to operate a home repair program for low-income, elderly, and/or disabled residents.

Background/Justification

The County's subject matter expertise for managing affordable housing / housing security non-profit contracts is limited. It is also inefficient for the City and County to run separate, uncoordinated programs in these areas. As such, County staff were pleased to find a way to partner with the City to offered more robust home repair programming across the entire county, implemented largely through non-profit partners. Good (and well-funded) home repair programs targeted at lower income elderly and disabled individuals can help limit gentrification by enabling many more homeowners in those categories to age safely in place.

The County staff, in coordination with County Commissioners, agreed in the fall of 2020 to focus the County's non-profit funding for the latter half of FY20-21 and all of FY21-22 on four areas. One of those areas was the arena of affordable housing. County staff consulted internally and also with key affordable housing staff in the City's Department of Community Development. Staff discovered that the City was about to release an RFP seeking non-profit assistance with both minor and substantial repair programs. Given that the County does not have significant subject matter expertise in the affordable housing (or home repair) area, the possibility of partnering with the City on County-wide repair programs was attractive. This is doubly true since robust home repair programs help reduce gentrification by making it possible for many more lower- and fixed-income homeowners to age safely in place.

The City agreed to this approach in principle and the County Commissioners were briefed on this approach in early October. The approach has been incorporated into the draft interlocal agreement in front of Commissioners today. The interlocal would transfer one quarter (\$264,000) to the City over the next 18 months to supplement the City funding and accumulated HOME Consortium funding that had already been lined up to fund these programs. The interlocal, if approved, would make both City and County residents eligible for the programs. In general, disabled or elderly (over 65) homeowners with household incomes under 50% of the area median income (AMI) are eligible.

Policy Impact

In general, the County has gotten more involved in affordable housing work in the past few years than it had been previously. It is clearly an important and growing need in the community, so whether the City and/or County and/or other partners take lead or supporting roles in the work, it is important overall that the work proceed and that it be done in as efficient, equitable, and cost-effective way as possible. Having the City and County coordinate their efforts while taking advantage of the expertise (and in some cases volunteers) of non-profit housing partners is a good way to maximize those variables.

Procurement Background



In this case, the County is essentially taking advantage of the outcome of the City's RFP for non-profit home repair and administrative assistance. The City's Department of Community Development Department is currently finalizing a proposed contract with the preferred applicant.

Fiscal Impact

\$264,000 will be transferred to the City over the next 18 months. These are a combination of funds already budgeted in the current year (FY20-21) and that we anticipate budgeting for non-profit funding in FY21-22.

Recommendation

Staff recommends approval of this interlocal agreement.