

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. The Covid-19 pandemic and resulting economic downturn have created significant economic hardships for many Durham residents, as a result of loss of income, illness and related challenges. Low income households have been disproportionately impacted, both in terms of economic losses and the rate of Covid-19 infection.
- B. As a result of these challenges, many low income households are struggling to pay rent and utilities and are at risk of eviction and/or utility cutoffs.
- C. In recognition of the challenges being faced by low income households across the County, the United States Congress included funding for emergency rental assistance for low income households in the Consolidated Appropriations Act, 2021, Public Law 116-260, approved in December 2020.
- D. Both the City and County of Durham have received allocations of funding for emergency rental assistance from the U.S. Department of the Treasury, which is charged with overseeing the Emergency Rental Assistance Program (ERAP). These funds must be spent by December 31, 2021.
- E. The County of Durham has infrastructure in place to manage emergency rental assistance funding, and recent experience managing the State of North Carolina’s HOPE program, the City of Durham CDBG –CV funded rental assistance program, and County-funded emergency assistance programs.
- F. The City and County of Durham recognize that it will be more effective to operate a single emergency rental assistance program to serve residents throughout the county. Durham County has agreed to operate such a program on behalf of both the City and the County.
- G. Accordingly, the Parties are entering into this Interlocal Cooperation Agreement to establish how such a County-wide emergency rental assistance program will be administered by the County and to account for the City’s additional financial contributions to the program.
- H. This Agreement is made as an Interlocal Cooperation Agreement (ILA) pursuant to the General Statutes of North Carolina at Chapter 160D, Article 13, Part 2.

NOW, THEREFORE, the Parties agree as follows:

ARTICLE 1 PURPOSE

The purpose of this ILA is to establish the expectations for federal ERAP funds allocated to the City of Durham to be used by the County, so that the County may administer a County-wide emergency rental assistance program.

ARTICLE 2 TERM AND TERMINATION

- A. **Term.** The term of this Agreement shall be for 12 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 operate an emergency rental assistance program in accordance with the requirements of Public Law 116-260, the guidelines established by the U.S. Department of the Treasury for ERAP funding, and the local program guidelines mutually agreed upon by the Directors of the Durham County Department of Social Services and City of Durham Community Development Department, all of which may be amended from time to time and all of which are incorporated by reference.
- B. To provide a software platform and staff necessary for managing or operating the program described in this ILA, which may be funded with City and County ERAP administrative funds in accordance with the requirements and guidelines established by the U.S. Department of the Treasury.
- C. To ensure that City ERAP funds provided to the County under this ILA are used to serve residents of the City of Durham.
- D. To provide the City with program information and data necessary, in an appropriate format, to enable the City to complete all required reporting to the U.S. Department of the Treasury in a timely manner.
- E. To provide the City with appropriate documentation of expenditures made using City ERAP funds, in the format mutually agreed upon by the Directors of the Durham County Department of Social Services and City of Durham Community Development Department.
- F. To allow the City access to any documents related to the administration of the program to ensure compliance with program and regulations set by the U.S. Department of the Treasury, to include, but not limited to case files, both paper and electronic, financial files, as well as agency and programmatic policies.
- G. To partner with the City to publicize the emergency rental assistance program and to provide support for low income households interested in applying for assistance.

- H. To return City ERAP funds to the City if upon expiration or termination of this Agreement, the City ERAP Funds have not been used as described in Article 3, Section A above or are still in the possession of the County.
- I. To make any reports to the U.S. Department of the Treasury that are required for the County ERAP Funds.

ARTICLE 4 CITY AGREEMENTS

The City agrees:

- A. To convey up to \$8,414,809 in City ERAP funds to the County as the City Funds to support emergency rental assistance for City of Durham residents. The City will provide such funds to the County within 15 business days of the County's request therefor, to be delivered by wire transfer to the account indicated by the County.
- B. City funds are expected to be provided according to the following schedule and upon receipt of appropriate invoices: \$4,207,405 upon execution of this agreement, \$4,007,404 upon submission of documentation by the County to the City that at least 50% of City ERAP funds have been obligated or disbursed; and any remaining funds by September 1, 2021 as described in Article 4, Section C below.
- C. To directly utilize up to \$200,000 from the non-administrative portion of City ERAP funds to engage qualified nonprofit organizations to provide outreach and application support to low income households. Any funds not utilized for this effort will be transferred to the County under the terms of this ILA by September 1, 2021.
- D. To partner with the County to publicize the emergency rental assistance program and to provide support for low income households interested in applying for assistance.
- E. To make any reports to the U.S. Department of the Treasury that are required for the City ERAP Funds.

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