



**Date:** July 9, 2013

**To:** Thomas J. Bonfield, City Manager  
**Through:** Keith Chadwell, Deputy City Manager  
**From:** Reginald J. Johnson, Director  
Department of Community Development  
**Subject:** Amendment One to Joint Cooperation Agreement  
with the County of Durham for Durham City-County HOME  
Consortium (DCCHC)

### **Executive Summary**

In July 2011, the Council authorized the City Manger to execute a new Joint Cooperation Agreement with the County of Durham for the Durham City-County Consortium. The effective date of the Agreement began July 1, 2012 and continues for a period of three years ending June 30, 2015. Following the expiration of the three years (the "qualification period"), this Agreement shall automatically renew for successive three (3) year "qualification periods", unless terminated earlier in accordance with this Agreement.

### **Recommendation**

The Department of Community Development recommends that the City Council authorize the City Manager to authorize the City Manager to execute an Amendment One to the Joint Cooperation Agreement with the County of Durham for the Durham City-County HOME Consortium (DCCHC).

### **Background**

A consortium agreement can and should be amended if important issues have been omitted, or as circumstances change and new information warrants. The consortium may choose to permit the lead entity to amend certain elements of the agreement with notice to other members, such as the addition of member jurisdictions during the qualification period, or changes to monitoring or reporting requirements. The Agreement should specify the consortium's process for amendments. The Agreement executed in July 2011 states that it may be amended by agreement of all parties in writing. The County was notified in June 2013 in writing of the proposed amendments and therefore the City as the Lead Entity is in compliance with HUD requirements for submission. The consortium must submit an amended consortium agreement to the Department of Housing and Urban Development Field Office. The HUD Field Office provides copies of the amended consortium agreement to HUD Headquarters as applicable.

## Issues and Analysis

The specific amendments are as follows:

1. Section F is replaced and reads as follows:

The County and City shall participate jointly in the development of the DCCHC Program. Subject to Section III G, the Program will define a strategy in sufficient detail to accommodate the collective and individual needs and priorities of the City and County as agreed upon by each governing body. Lead Entity staff will coordinate with County staff to identify those activities to be funded by the County's pro rata share prior to preparation of the draft Annual Action Plan. Each participating government shall be responsible for receiving citizen input whether through public hearing or public forum for their share of the HOME program funds. The County shall provide the Lead Entity with a summary of citizen comments received by May 15<sup>th</sup> of each year. The County portion shall be calculated based upon the incremental increase in HOME entitlement funding allocated to the DCCHC Program as a result of the County's participation. Based on the current population of the City and County, the DCCHC Program will be eligible to receive approximately 5% more in total HOME funds than the City would receive as an entitlement community.

2. Section G is replaced and reads as follows:

- G. HOME funds will be expended within the boundaries of Durham County to alleviate housing problems and/or to create affordable housing for the respective fiscal years as applicable. The Durham Citizen Advisory Committee will advise both governing bodies how HOME funds shall be distributed. The Lead Entity shall make final decisions concerning HOME funds distribution and will provide the 100% of the match required for the entire HOME allocation. Local matching funds are required by HUD to participate in the HOME Program.

3. Section H is amended to read as follows:

- H. Up to 10% of the total allocation of HOME funds during each HOME program-year (in accordance with HUD regulations) will be used by the Lead Entity to finance the costs of administering the DCCHC program, in accordance with 24 CFR 92.207.

4. Section J is replaced and reads as follows:

- J. The City as Lead Entity agrees to prepare and adopt the Consolidated Plan and Annual Action Plans needed for the DCCHC to receive HOME funding. The City in its capacity as Lead Entity assumes overall responsibility for ensuring that the Consortium's HOME Program is carried out in compliance with the requirements of the HOME Program, including requirements concerning the Consolidated Plan in accordance with HUD regulations in 24 CFR Parts 92 and 91, respectively, and the requirements of 24 CFR 92.350(a)(5).

5. Section M, the following language is deleted:

- M. Any property shall be jointly owned by the City and County

**Alternatives**

The City and the County has the flexibility in determining when to initiate changes to the Joint Cooperation Agreement Durham City-County HOME Consortium (DCCHC) in order to facilitate a more efficient and effective process.

**Financial Impact**

To receive HOME funds, participating jurisdictions must provide a 25% local match. Durham has used housing bond program income and general funds appropriated for housing for persons with special needs to fulfill the match requirement. Because of past expenditures of local funding, the match requirement has been met for several years in advance.

**SDBE Summary**

Not applicable to this item.