

**INTERLOCAL COOPERATION AGREEMENT BETWEEN
MECKLENBURG COUNTY AND THE CITY OF CHARLOTTE**

This **INTERLOCAL AGREEMENT** (the "Agreement") is made and entered into by and between Mecklenburg County (referred to herein as "County"), a political subdivision of the State of North Carolina, City of Charlotte (referred to herein as "City"), a municipal corporation organized under the law of the State of North Carolina each a "Party," (or collectively the "Parties"), to be effective July 1, 2024.

WITNESSETH:

WHEREAS, the City and County have the authority pursuant to General Statute § 153A-445(a)(1) and Article 20 of Chapter 160A of the North Carolina General Statutes to enter into Agreements and Partnerships with each other for the exercise of any governmental function which either has been granted the authority to exercise and to enter into Interlocal cooperation agreements to specify the details of these undertakings; and

WHEREAS, Mecklenburg County recognizes that homeownership is the single most important investment that many residents make in their lifetime; and

WHEREAS, the Mecklenburg County Board of Commissioners established a taxpayer assistance program ("HOMES") in 2022 to assist qualifying low to moderate income residents within Mecklenburg County to retain their primary residence (their home) by reducing the increased financial burden as a result of escalating real estate property values and resulting in property tax increases; and

WHEREAS, the City of Charlotte established the Aging in Place (AIP) program in 2019 for qualifying low to moderate income seniors who wish to continue living in their Charlotte homes as they age but face tax increases resulting from the real property reappraisals and wants to partner with Mecklenburg County to expand the program; and

WHEREAS, the purpose of this Agreement is to set forth the terms and conditions under which Mecklenburg County and City of Charlotte will partner to administer a program to assist qualifying low to moderate income residents of the County and City who are at risk of losing residential housing due to increased real property taxes; and

WHEREAS, pursuant to the authority under Article 20 of Chapter 160A of North Carolina General Statutes related to Interlocal Cooperation and North Carolina General Statutes §153A-445, the Parties desire to enter into this Interlocal Agreement; and

WHEREAS, the Mecklenburg County Board of Commissioners and the Charlotte City Council have approved the initiatives contained in this Agreement.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants of the parties as set forth herein, the County and City agree as follows:

AGREEMENT

1. PURPOSE.

The purpose of this partnership agreement is to combine County and City efforts to have greater efficiency of scale to assist a greater number of low to moderate income residents within the County and City with maintaining their primary residence in a rising real estate economic environment which outpaces income growth and increases the possibility of loss of home ownership.

2. DURATION OF THE AGREEMENT.

- 2.1. The term of the agreement shall be from July 1, 2024, through June 30, 2025, with program funding beginning July 1, 2024, and ending June 30, 2025.
- 2.2. The parties may renew this Agreement for additional annual terms providing the extension is in writing and approved by the County and City.
- 2.3. In order to provide prompt and efficient services, all parties agree to maintain open communication with the other and be available during regular business hours.

3. DUTIES OF THE CITY

3.1 City agrees:

- 3.1.1 To use the City tax rate of twenty-seven point four one cents (City of Charlotte's approved FY2024 property tax rate) with a corresponding median household value of \$383,000 (three hundred eighty-three thousand) dollars in the formula to calculate the HOMES grant amount for a maximum City of Charlotte grant amount of \$367.00 (three hundred sixty-seven dollars).
- 3.1.2 That the use of funds for the HOMES program will be split 70/30 with 70% allocable to Mecklenburg County, and 30% allocable to the City of Charlotte.
- 3.1.3 That eligibility criteria will be based upon the County's HOMES eligibility criteria.
- 3.1.4 The joint program will be managed by Mecklenburg County Department of Community Resources.
- 3.1.5 Promote the HOMES program through their standard communication channels, platforms, and public information distributions.

4. DUTIES OF THE COUNTY

4.1 County agrees:

- 4.1.1 Department of Community Resources will manage the HOMES program.
- 4.1.2 Funding at a 70/30 split (70% County/30% City), consistent with the attached Exhibit A estimates.
- 4.1.3 To return \$1,516,236 City Funds to the City by July 31, 2024, or at the earliest date possible in Fiscal Year 2025.
- 4.1.4 To apply the same eligibility criteria to County and City funds.
- 4.1.5 To only use City funds for the HOMES program and no other purpose.
- 4.1.6 To provide the City with a final accounting and program status report by June 30, 2025.

5. AMENDMENT.

- 5.1. The County Manager and City Manager or their designees, are authorized to amend any components of this agreement without further authorization of the Charlotte City Council or the Mecklenburg County Board of Commissioners.
- 5.2. Except as provided herein, this Agreement may not be modified or amended except by a subsequent written agreement authorized and signed by all parties.

6. TERMINATION OF AGREEMENT.

- 6.1. This Agreement may be terminated upon mutual consent of the parties, or by any court of competent jurisdiction upon the finding that there has been such a substantial breach of this Agreement by the non-complaining party so as to entitle the complaining party to be relieved of its obligations under this Agreement.
 - 6.2. Either party may terminate this Agreement at any time without cause by giving thirty (30) days prior written notice to the other party. As soon as practicable after receipt of a written notice of termination without cause, the County shall submit a statement to the City showing in detail the allocation of funds administered under the program through the date of termination.
 - 6.3. **TERMINATION FOR DEFAULT BY EITHER PARTY.** By giving written notice to the other party, either party may terminate this Agreement upon the occurrence of one or more of the following events:
 - 6.3.1. The other party violates or fails to perform any covenant, provision, obligation, term or condition contained in this Agreement, provided that, unless otherwise stated in this Agreement, such failure or violation shall not be cause for termination if both of the following conditions are satisfied: (i) such default is reasonably susceptible to cure; and (ii) the other party cures such default within thirty (30) days of receipt of written notice of default from the non-defaulting party; or
 - 6.3.2. The other party attempts to assign, terminate or cancel this Agreement contrary to the terms hereof. Any notice of default shall identify this Section of this Agreement and shall state the party's intent to terminate this Agreement if the default is not cured within the specified period.
 - 6.4. **CITY AUTHORITY TO TERMINATE.** The following persons are authorized, consistent with this Agreement, to terminate this Agreement on behalf of the City: (a) the City Manager, or any designee of the City Manager.
 - 6.5. **COUNTY AUTHORITY TO TERMINATE.** The following persons are authorized, consistent with this Agreement, to terminate this Agreement on behalf of the County: (a) the County Manager, or any designee of the County Manager.
 - 6.6. **OBLIGATIONS UPON EXPIRATION OR TERMINATION.** Upon expiration or termination of this Agreement, the County shall comply with all applicable terms and conditions contained herein. In addition, within thirty (30) days of the termination by either party, the County shall return all City funds that have not been utilized by the HOMES program to the City.
7. **ENFORCEMENT OF AGREEMENT.** The parties agree that the remedy of specific performance would be an appropriate remedy, among others, for the enforcement of this Agreement.
 8. **ENTIRE AGREEMENT.** This Agreement constitutes the entire Agreement between the parties with the respect to its subject matter, and there are no other representations, understandings, or agreements between the parties with respect to such subject matter. This Agreement supersedes all prior agreements, negotiations, representations, and proposals, written or oral.
 9. **NOTICES.** Any notices, requests or other communications required by this Agreement shall be in writing and shall be deemed duly given if hand-delivered or mailed first class mail, postage prepaid, certified mail, return receipt requested and addressed:

County	City
County Manager	City Manager
Mecklenburg County	City of Charlotte
CMGC 600 E. Fourth Street 11 th Floor	CMGC 600 E. Fourth Street 15 th Floor
Charlotte, NC 28202	Charlotte, NC 28202

10. MISCELLANEOUS

- 10.1 This Agreement may be executed in several counterparts, each of which will be deemed an original and which together shall constitute one and the same instrument.
- 10.2 All paragraph headings are inserted for convenience only.
- 10.3 This Agreement shall not be assigned by the City without prior written consent of the County.

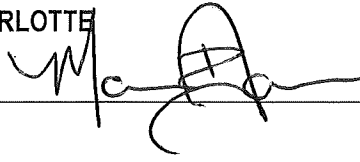
- 10.4 This Agreement replaces and supersedes all prior oral or written agreements between the parties with respect to the subject matter hereof and shall not be amended except by written agreement signed by the parties hereto.

[Signature Page Follows]

IN WITNESS WHEREOF, and in acknowledgement that the parties hereto have read and understood each and every provision hereof, the parties have caused this Agreement to be executed.

CITY OF CHARLOTTE


City Manager:



Approved as to form by City Attorney:

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

Finance Officer:



MECKLENBURG COUNTY

County Manager:

Approved as to form by County Attorney:

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

Finance Officer:

FY2025 HOMES Program Projections

FY25 HOMES Funding Projection/Break-out

	Mecklenburg County	City of Charlotte	Davidson	Combined
Grants	7,004,476	1,432,939	16,340	8,453,755
Administration-On-going Funding				
Full-Time County Staff	395,744	169,604		565,348
Casual Labor	415,940	178,260		594,200
Marketing	87,500	37,500		125,000
Operations (tech, phone, supplies, training)	84,130	36,056	860	121,045
Sub-Total	983,313	421,420	860	1,405,593
Total	7,987,789	1,854,359	17,200	9,859,348

- Assumes Administrative cost are split 70/30 based on Ad Valorem for County/City (Excludes Towns)
- Davidson Administrative cost: \$860
- County Grant Max: \$648
- Estimated Average County Grant: \$531
- City Grant Max: \$367
- Estimated Average City Grant: \$301
- Davidson Grant Max: \$566
- Estimated Average Davidson Grant: \$464
- Estimated (Average Grant) approved County applications to exhaust funding: 13,191
- Total estimated County applications: 23,556 (eligible applicants will be diverted to the Homestead Exemption or other programs)
- Administration staff includes: Social Services Program Coordinator (2), Accounting Specialist (1), Admin Support Assistant (2), Sr.