

**INTERLOCAL COOPERATION AGREEMENT BETWEEN  
MECKLENBURG COUNTY AND TOWN OF DAVIDSON**

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 and the Town of Davidson (referred to herein as "Town") 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 Town and the 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 Town of Davidson established the Town Tax Assistance Program (DTAP) in 2023 for qualifying low to moderate income residents who wish to continue living in their homes as they 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 Town of Davidson will partner to administer a program to assist qualifying low to moderate income residents of the County and Town 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 Town of Davidson Board of Commissioners 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 Town agree as follows:

## **AGREEMENT**

### **1. PURPOSE.**

The purpose of this partnership agreement is to combine County and Town efforts to have greater efficiency of scale to assist a greater number of low to moderate income residents within the County and Town 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 Town.
- 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 TOWN**

- 3.1 Town agrees:
  - 3.1.1 To transfer \$17,200 (seventeen thousand two hundred) dollars ("Town Funds") to Mecklenburg County finance as soon as practicable after July 1, 2024, or when funding becomes available in the FY2025 budget.
  - 3.1.2 To use the Town tax rate of twenty-six point six zero cents (Town's FY2025 approved property tax rate) with corresponding median household value of \$607,800.00 (six hundred seven thousand eight hundred) dollars in the formula to calculate the HOMES grant amount for a maximum Town grant amount of \$566.00 (five hundred sixty-six) dollars.
  - 3.1.3 That the use of funds for the HOMES program will be split by paying \$860.00 to Mecklenburg County by the Town for administering the program.
  - 3.1.4 That eligibility criteria will be based upon the County's HOMES eligibility criteria.
  - 3.1.5 The joint program will be managed by Mecklenburg County Department of Community Resources.
  - 3.1.6 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 \$16,340.00 for grants and \$860.00 administrative fee for Town, consistent with the attached Exhibit A estimates.
  - 4.1.3 To apply the same eligibility criteria to County and Town funds.
  - 4.1.4 To only use Town funds for the HOMES program and no other purpose.
  - 4.1.5 To provide the Town with a final accounting and program status report by June 30, 2025.

### **5. AMENDMENT.**

- a. The County Manager and Town Manager or their designees, are authorized to amend any components of this agreement without further authorization of the Mecklenburg County Board of Commissioners or Town of Davidson Board of Commissioners.
- b. 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.**

- a. 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.
- b. 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 Town showing in detail the allocation of funds administered under the program through the date of termination.
- c. **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:
  - i. 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
  - ii. 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.

- d. **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.
- e. **TOWN AUTHORITY TO TERMINATE.** The following persons are authorized, consistent with this Agreement, to terminate this Agreement on behalf of Town: (a) the Town Manager, or any designee of the Town Manager.
- f. **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 Town funds that have not been utilized by the HOMES program to the Town.

- 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	Town
County Manager	Town of Davidson
Mecklenburg County	James Justice Town Manager
CMGC	251 South Street
600 E. Fourth Street 11 <sup>th</sup> Floor	P.O. Box 579
Charlotte, NC 28202	Davidson, NC 28036

**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 Town 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.

**TOWN OF DAVIDSON**

Town Manager: \_\_\_\_\_  
DocuSigned by: *James E. Justice*  
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Approved as to form by Town Attorney: \_\_\_\_\_  
DocuSigned by: *Karen Wolter*  
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This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

Finance Officer: \_\_\_\_\_  
DocuSigned by: *Pieter Swart*  
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**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: \_\_\_\_\_