

## **CHARLOTTE MECKLENBURG REGIONAL HOUSING CONSORTIUM JOINT COOPERATION AGREEMENT**

THIS AGREEMENT, is entered into effective July 1, 2012, by and between the City of Charlotte, a North Carolina municipal corporation, (herein called the "Lead Entity") and the geographically contiguous units of general local government as shown on the signature pages attached hereto which include the county of Mecklenburg, the towns of Cornelius, Davidson, Huntersville, Matthews, Mint Hill and Pineville and governmental units located within said municipalities, (including the Lead Entity, each herein called a "Consortium Member" and, together with the Lead Entity, "Consortium Members", the "Consortium," the "Participating Jurisdiction," or the "parties"). Said Lead Entity and Consortium Members are each a general local governmental unit of the State of North Carolina, and are authorized to enter into this Agreement pursuant to North Carolina statutes, Article 20 of Chapter 160A.

WITNESSETH THAT:

WHEREAS, the Cranston-Gonzalez National Affordable Housing Act of 1990 (herein called "the Act") authorizes units of general local government to enter into cooperation agreements to undertake or assist in undertaking affordable housing pursuant to the HOME Investment Partnership Act; and

WHEREAS, the Consortium Members desire to cooperate to undertake housing assistance activities under the HOME Program; and

WHEREAS, it is the desire of the Consortium Members that the Lead Entity act in a representative capacity for the Participating Jurisdiction as well as itself. The Consortium Members desire the Lead Entity to assume overall responsibility for ensuring that the Consortium's activities as established below, are carried out in compliance with the requirements of the Act, State and Federal regulations, program requirements and the Consolidated Plan for the Consortium;

NOW, THEREFORE, the parties hereto mutually agree as follows:

1. To cooperate, to undertake, or to assist in undertaking housing assistance activities for the HOME Program. The Consortium Members hereby authorize the Lead Entity to act in a representative capacity for the Participating Jurisdiction for the purposes of the HOME program and to submit for and receive HOME funding from the United States Department of Housing and Urban Development ("HUD"). The Consortium Members shall cooperate in the preparation of the Consolidated Plan by providing to the Lead Entity all pertinent and necessary information and assist the Lead Entity in implementation of its HUD approved Consolidated Plan.
2. The Lead Entity assumes overall responsibility for ensuring that the Consortium's HOME program activities are carried out in compliance with HOME rules, including the requirements of 24 CFR parts 91 and 92, and the Consolidated Plan.
3. The Consortium Members agree to affirmatively further fair housing within their respective jurisdictions and that any Consortium Member that does not affirmatively further fair housing within its own jurisdiction shall be prohibited from receiving HOME funds.

4. Subject to the Lead Entity's overall responsibility for HOME program compliance, the Lead Entity may seek input from the Charlotte Mecklenburg Regional Housing Consortium Board of Directors (the "Board") to provide policy direction for the operations of the Consortium.
5. The Lead Entity and the Consortium Members shall be responsible for providing matching funds required by federal regulations for any funds allocated for the Participating Jurisdiction. No Consortium Member shall refuse to provide matching funds required by its projects as required by HUD regulations and this Agreement. A Consortium Member who refuses to provide such matching funds shall reimburse the Lead Entity immediately and in full for any and all expenses incurred by the Lead Entity as a result of its failure to do so. Matching funds will not be required when the Consortium Member does not have a project within its jurisdiction. For purposes of this Agreement, matching funds are as defined by HUD federal regulations.
6. The Consortium Members hereby authorize the Lead Entity to submit a request for and receive HOME funding from HUD on behalf of the Consortium and to otherwise act on behalf of the Consortium.
7. The Consortium Members hereby authorize the Lead Entity to establish a local HOME Investment Trust fund for receipt of HOME funds and repayments as required by 24 CFR Part 92.503.
8. The Consortium Members shall cooperate in the implementation and monitoring of the HOME Program. The Lead Entity shall have the right and responsibility to monitor Consortium Members to assure compliance with all HOME requirements during both project implementation and any affordability period.
9. The Consortium Members shall be entitled to a pro rata portion of the HOME funding for eligible uses under the Act.
10. The Lead Entity currently receives an annual allocation of HOME funds. Should the Lead Entity's allocation decrease as a result of this Agreement, reimbursement to the Lead Entity may occur prior to the disbursement to Consortium members.
11. HOME Program funds under this Agreement shall revert to the Lead Entity for reallocation should the following occur for a Consortium Member:
  - (i) Eligible projects could not be identified; and
  - (ii) Matching resources could not be identified.
12. The Consortium Members agree that 15% of all HOME funds received will be subcontracted for projects administered by Community Housing Development Organizations (CHDOs) as defined in the Act and that have 501(c) tax exempt status as required by federal law. Proposed CHDOs must be approved by the Consortium.

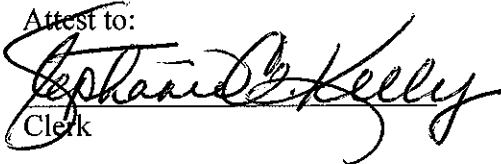
13. Subject to the administrative requirements of the program, the Lead Entity may utilize some program funds for administrative costs to the extent allowable by HUD.
14. The Consortium Board shall have the right to reallocate HOME Program funding to the Consortium to be used by other Consortium Members when a Consortium Member is unable to use the funding due to lack of eligible projects or matching resources. A schedule for reallocation of all HOME program funding to be used by the Consortium shall be determined by the Board before reallocation by HUD to jurisdictions outside the Consortium. The reallocation of funds that are unable to be used shall be consistent with the Consortium's adopted Consolidated Plan.
15. With reference to any program income and repayment generated from the HOME Funds, federal regulations shall govern placement of program income generated from HOME funds are repayments into the local trust fund. The Lead Entity shall, if requested and to the extent possible, separately account for program income and repayments on each Consortium Member's projects. Program Income and repayments on projects shall only be available to the Consortium Member for use on activities that are consistent with the Act, approved Consolidated Plan and must be approved by the Lead Entity.
16. The Consortium Members, as parties to the Consortium, shall direct all activities with respect to the Consortium, to the alleviation of housing problems in Mecklenburg County.
17. To the fullest extent permitted by law, the Consortium Members agree that each will save the other harmless due to the negligent acts of its employees, officers or agents, including volunteers or due to any negligent operation of equipment. This section shall not be construed as waiving any defense or limitation which any party may have against any claim or cause of action by any persons not a party to this agreement. The Consortium Members shall not be held harmless for liability that may result from failure to provide proper accounting or otherwise comply with State and Federal regulations. Consortium Members shall immediately reimburse the Lead Entity in full for any and all expenses for which the Lead Entity shall become responsible in its role as Lead Entity. To the extent that such expense is incurred by the acts or omissions of a Consortium Member, such Consortium Member shall make such reimbursement in full.
18. The Consortium Members agree to remain in the Consortium during the three federal fiscal years for which the Consortium qualifies to receive HOME funds, October 1, 2012 through September 30, 2015. Thereafter, each party shall continue to participate in the Consortium to the extent required by HUD regulations or other applicable laws or until all HOME allocations are expended. The obligations of each of the parties shall remain in effect until all HOME allocations received by the Consortium are expended or such longer period as may be agreed to by the parties. Notwithstanding the foregoing, the Consortium Members have an obligation to abide by HOME requirements throughout the period of affordability of any HOME funded projects.
19. This Agreement shall automatically renew in successive three year qualification periods, unless a Consortium Member provides 120 days prior written notice of its election not to participate in a new qualification period. By the date specified in HUD's consortia designation notice or HOME consortia web page, the Lead Entity will notify each

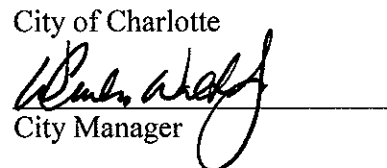
Consortium Member in writing of its right not to participate in the successive three -year qualification period, and by June 30 the Lead Entity will provide HUD's field office with copies of such communications and any Consortium Member's notice of intent not to participate in the new qualification period. Notwithstanding the foregoing, each Consortium Member shall adopt any amendment to this Agreement necessary to incorporate changes to meet HUD requirements for consortium agreements in subsequent three year qualification periods. If the Lead Entity fails to notify Consortium Members of their right not to participate in successive three year qualification periods or if it fails to submit any amendments to the Agreement to HUD, this Agreement will not automatically be renewed. The automatic renewal provisions will not apply when the Consortium adds a new member.

20. Should disputes arise between participants resulting in legal action, such actions shall be filed in the appropriate courts of Mecklenburg County, North Carolina.
21. The Lead Entity and Consortium Members agree to have the same program year for CDBG, HOME, ESG and HOPWA.
22. This Agreement is subject to HUD approval and the Consortium's receipt of HOME Investment Partnership funds.

**IN WITNESS WHEREOF**, the City of Charlotte, as Lead Entity and the Consortium Members, have caused this Agreement to be executed by a duly authorized official of each party.

**SIGNATURE**

Attest to:  
  
Clerk

City of Charlotte  
  
City Manager

- Attachment 1: Mecklenburg County Signature
- Attachment 2: Town of Cornelius Signature
- Attachment 3: Town of Davidson Signature
- Attachment 4: Town of Huntersville Signature
- Attachment 5: Town of Matthews Signature
- Attachment 6: Town of Mint Hill Signature
- Attachment 7: Town of Pineville Signature