

STATE OF NORTH CAROLINA

COUNTY OF BUNCOMBE

**INTER-LOCAL AGREEMENT BETWEEN
THE CITY OF ASHEVILLE AND THE COUNTY OF BUNCOMBE
TO ESTABLISH A HOMEOWNER GRANT PROGRAM**

This Agreement is entered into effective July 1, 2022 by and between the COUNTY OF BUNCOMBE, a body politic and corporate, organized and existing under the laws of the State of North Carolina (hereinafter referred to as "County") and the CITY OF ASHEVILLE, a municipal corporation of the State of North Carolina (hereinafter referred to as "City"). Collectively hereinafter referred to as "Party" or "Parties".

WITNESSETH:

WHEREAS, the Parties find that there is a lack of affordable housing in both the City and the County caused by factors such as gentrification, low housing stock, and low area median income; and

WHEREAS, this lack of affordable housing contributes to the increase of property values and creates a situation wherein the costs necessary for homeowners to retain a residence can outpace homeowners' income growth; and

WHEREAS, these pressures disproportionately impact homeowners of low to moderate income and older neighborhoods or properties and has a negative impact on disadvantaged populations; and

WHEREAS, the parties have worked together to develop an economic public assistance program designed to assist homeowners of low and moderate-income as defined by homeowners earning 80% of Area Median Income (AMI) or less to assist with basic life necessities and welfare needs of persons of low and moderate-income; and

WHEREAS, pursuant to N.C. Gen. Stat. § 160D-1311, the Parties are "authorized to engage in, to accept federal and State grants and loans for, and to appropriate and expend funds for community development programs ... for the restoration or preservation of older neighborhoods or properties" and programs "concerned with employment, economic development, crime prevention, childcare, health, drug abuse, education, and welfare needs of persons of low and moderate-income;" and

WHEREAS, the City and the County negotiated this Agreement for the public purposes of providing for the public health, safety, and welfare to the citizens of the City and the County; and

WHEREAS, the City and the County agree to be mutually accountable to carry out this agreement; and

WHEREAS, pursuant to N.C. General Statute 160A-461, the City and County may enter into agreements in order to execute a governmental undertaking; and

WHEREAS, City and County mutually wish to partner on this initiative and find that, under the terms of this Agreement, it is in the best interests of both parties and that the undertaking will benefit the public; and

WHEREAS, the City and County desire to set forth the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises made in this Agreement and the mutual reliance placed by each party on the responsibilities of the other, and such other considerations as the Parties agree are good and sufficient, it is agreed as follows:

1. Description: subject to approval by the City Manager or their designee (hereinafter the City Manager) and the County Manager or their designee (hereinafter the "County Manager") (hereinafter collectively referred to as the "Managers"), the Parties agree to create a joint Homeowner Grant Program (hereinafter the "Program"). The Program shall generally be structured as follows:

Funding

- a. The County has included \$300,000 (Three Hundred Thousand Dollars) in its Fiscal Year 2023-24 Budget for the Program.
- b. The City has included \$150,000 (One Hundred and Fifty Thousand Dollars) in its Fiscal Year 2023-24 Budget for the Program.
- c. Any grants awarded under the Program shall be funded as follows:
 - i. A maximum of \$300.00 from funds contributed by the County
 - ii. A maximum of \$200.00 from funds contributed by the City
- d. City Funding shall only be available to eligible grantees whose qualifying property is located within the Asheville City Limits.
- e. The obligations of the City and the County under this Agreement are contingent on sufficient funds being allocated in their respective annual budgets. Program funds in succeeding years are contingent upon such appropriations and in the amounts of such appropriations, if any.

Grantee Qualifications

- f. In order to qualify for the Program, Grantees must own the property:
 - i. Have lived on the property for which they are seeking Program assistance for at least five years as their primary residence.
 - ii. Earn less than 80% of AMI as a household.
- g. Grantees are not eligible for duplicate benefits

Use of Program Funds by Grantees

- h. Grantees may, at their option, choose to have funds granted to them by the Program applied to their property tax bill and/or paid and applied to other housing-related obligations such as housing costs, taxes, mortgage or insurance.

Authority of Managers

- i. The Managers are given broad authority, by and with the consent of their respective legal counsels, to mutually alter the structure of the Program and its requirements in any way that is consistent with the spirit and intent of this Agreement and the respective budgetary procedures of the Parties.
2. Payment: Each Party shall be responsible for allocating the agreed-upon funds for the Program. The County shall be responsible for paying any grants awarded by the Program. The County shall thereafter invoice the City quarterly for its share of any grants awarded by the Program. The City Agrees to pay such Invoices in a timely manner up to the amount allocated.
 3. Term/Renewal/Termination: The term of this Agreement shall begin on the day and year first above written, and shall terminate on June 30, 2025. This Agreement may be terminated by either party for convenience at any time for any or no reason upon thirty (30) days written notice.
 4. Remedy to Return Agreement to Compliance: In the event that a remedy is necessary for either party to ensure that the terms of this Agreement are realized, the Parties agree to meet and agree to an Action Plan that describes action to be taken by each party to bring the Agreement into compliance.
 5. Indemnification and Hold Harmless for Third-Party Claims

The City agrees, to the extent permitted by North Carolina law, to indemnify and hold harmless the County and its officers, agents and employees from any third-party claims arising from negligent acts or omissions of the County employees and/or County in connection with the performance pursuant to this Agreement.

The County agrees, to the extent permitted by North Carolina law, to indemnify, defend, and hold harmless the City and its officers, agents and employees from any third-party claims arising from negligent acts or omissions of the City employees and/or City in connection with the performance pursuant to this Agreement.

6. Insurance:

The City is self-insured for general liability and maintains excess general liability coverage up to \$15,000,000 per occurrence: Including coverage for bodily injury and property damage. In addition, the City is self-insured for workers' compensation and maintains excess workers' compensation coverage per statutory requirement and carries \$1,000,000 of employer's liability insurance. Further, this provision shall specifically include auto liability as County employees may be directed by the City to operate City vehicles as Permissive Users.

The County is self-insured for general liability up to \$500,000 and maintains excess general liability coverage up to \$7,000,000 per occurrence: Including coverage for bodily injury and property damage. In addition, the County is self-insured for workers' compensation and maintains excess workers' compensation coverage per statutory requirement and carries \$1,000,000 of employer's liability insurance. Further, this provision shall specifically include auto liability as City employees may be directed by the County to operate County vehicles as Permissive Users.

- a) Maintaining the types and amounts of insurance or self-insurance specified in this paragraph is a material obligation of the City and County.
 - b) The City and County shall comply at all times with all lawful terms and conditions of each of its insurance policies and all lawful requirements of its insurer.
 - c) The City and County shall each demonstrate compliance with the requirements of this paragraph by submitting Certificates of Insurance to each other upon request.
 - d) Nothing in this Agreement is intended to affect or abrogate either Party's governmental immunity.
7. Required Reporting: When this agreement is fully executed each party shall ensure compliance with all applicable Federal, State, and local government regulations, respectively.
 8. Amendments: This Agreement constitutes the entire Agreement between the Parties. This Agreement may be amended, supplemented or modified only by duly executed written instruments as an amendment to this agreement.
 9. Compliance with Laws: Each party shall comply with all state, federal, or local laws, or ordinances, codes, rules or regulations governing performance of this Agreement.
 10. Assignability: This agreement is not assignable by either party without the prior written consent of the other party.
 11. Budgetary Limitations: Nothing stated in this Agreement shall be construed as requiring either party to make any budgetary appropriations.
 12. Non-Discrimination: In accordance with State and Federal laws, each party shall not discriminate against any person on the basis of sex, national origin, race, ethnic background, color, religion, age or disability in its program activities related to this Agreement.
 13. E-Verify Employer Compliance: Employers and their subcontractors with 25 or more employees as defined in Article 2 of Chapter 64 of the NC General Statutes must comply with E-Verify requirements to contract with governmental units. E-Verify is a Federal program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law. E-verify can be accessed via this link: <http://www.uscis.gov/e-verify/employers>.
 14. Governing Law: This Agreement is entered into in North Carolina and shall be construed

under the statutes and laws of North Carolina.

15. Severability: Should any provision or provisions contained in this agreement be declared by a court of competent jurisdiction to be void, unenforceable or illegal, such provision or provisions shall be severable and the remaining provisions hereof shall remain in full force and effect.

16. Notices: In the event either party hereunder desires or is required to provide any notice to the other party, the party desiring or requiring to provide such notice shall provide it in writing, by email to the other party at the address listed below:

The City:

Buncombe County:

17. Both parties agree that this contract shall follow the requirements under 2 C.F.R. § 200.326 and 2 C.F.R. Part 200, Appendix II.

NOW THEREFORE, the parties hereby make, agree, and execute this Agreement by the below signatures of duly authorized officials or agents.

CITY OF ASHEVILLE

BUNCOMBE COUNTY

Debra Campbell, City Manager

Avril M. Pinder, County Manager

Date

Date

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

City of Asheville Chief Financial Officer

Date

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

County of Buncombe Chief Financial Officer

Date