

# BOARD OF ALDERMEN

ITEM NO. D(1)

## AGENDA ITEM ABSTRACT

MEETING DATE: June 11, 2002

**TITLE: Renewal of the Orange County HOME Consortium Agreement**

<b>DEPARTMENT:</b> Community and Economic Development	<b>PUBLIC HEARING:</b> YES ___ NO <u>x</u>
<b>ATTACHMENTS:</b> A. Resolution B. HOME Consortium Agreement	<b>FOR INFORMATION CONTACT:</b> James Harris, 918-7319

### **PURPOSE:**

The purpose of this item is to adopt a resolution authorizing the execution of a HOME Consortium Agreement for the period July 1, 2002 through June 30, 2005.

### **BACKGROUND:**

In August 1992, the Orange County HOME Consortium was formed by mutual consent of the Towns of Carrboro, Chapel Hill, Hillsborough and Orange County. The County is designated as lead entity for the Consortium. At that time, the elected bodies of the member governments approved a Consortium Agreement. Renewal agreements were executed in June 1996 and August 1999. It is now time to renew the current agreement for another three-year period (July 1, 2002 through June 30, 2005) in order to continue to participate in the HOME Investment Partnership Program.

The HOME Program Review Committee has discussed renewal of the HOME Program Consortium Agreement and a new Agreement has been prepared which is in the form of the Original Agreement and subsequent amendments and renewals with one exception of Section III. Paragraph H. The percentages for matching funds have been recalculated in accordance with Census 2000 population figures, thus, yielding different percentages. The difference is as follows.

	<u>Previous Match Percentage</u>	<u>Proposed Match Percentage</u>
Orange County	42%	40%
Carrboro	12%	14%
Chapel Hill	41%	41%
Hillsborough	5%	5%

The renewal HOME Consortium Agreement is due to the Greensboro office of HUD by June 30, 2002. The document must be approved and executed by all member governments prior to submission to HUD. The Towns of Chapel Hill, Hillsborough and Orange County are scheduling approval of the document during the next thirty days.

The Agreement has been forwarded to the County Attorney for his review and approval prior to submission to the HUD office.

**FINANCIAL IMPACT:**

Execution of the document will enable the Orange County Consortium to continue to receive an annual allocation of Federal HOME funds that have averaged \$400,000 per annum in recent years. Past funding allocations include: FY 1999 \$437,000; FY 2000 \$437,000; and FY 2001 \$438,000;

**RECOMMENDATION:** The Administration recommends adopting a resolution authorizing the execution of a HOME Consortium Agreement for the period July 1, 2002 through June 30, 2005, and future agreements for future periods not materially different from the July 1, 2002 to June 30, 2005 agreement by the Town Manager upon approval by the Town Attorney.