

**Memorandum of Understanding
Between
Mecklenburg County ("County") and the Town of Huntersville ("Town")**

Introduction

This Memorandum of Understanding ("MOU") is hereby entered into by and between the Town of Huntersville, hereafter referred to as ("Town") and Mecklenburg County, hereafter referred to as ("County") for the purpose of establishing the parameters of an annual set-aside allotment to the Town for the funding of the U.S. Department of Housing and Urban Development ("HUD") Community Development Block Grant ("CDBG") projects as a participant within the County's CDBG program.

BACKGROUND

WHEREAS: The County is an Urban County participant in HUD's CDBG program.

WHEREAS: CDBG law states that in order to be entitled to receive CDBG funds an "urban county," a county must have a total combined population of 200,000 or more (excluding metropolitan cities) from the unincorporated areas and participating jurisdictions.

WHEREAS: The Town has reached the 50,000 population threshold necessary to obtain stand-alone entitlement status as a "metropolitan city" in Federal year FY15.

WHEREAS: The Town and County see the mutual benefit of the Town remaining a part of the County CDBG program which will enable continued collaboration between multiple entities within the County geography.

NOW, THEREFORE, the parties do agree to the following:

Agreement

The Town and County agree to the following:

- The County agrees to offer the Town the first right of refusal for a set aside amount equal to what the Town would have been awarded for a stand-alone program minus 20 percent for administrative costs.
- On or before October 7: The Town must submit potential project(s) to the County for review and approval. Projects can be submitted earlier, however, this is the absolute drop dead date for projects to be considered.
- On or before October 15: The County will provide determination on project acceptance after reviewing submission(s) and ensuring that program goals and objectives are met as set forth in the Consolidated Plan and that the proposed project is an eligible activity per the CDBG regulations.
- October 16 - November 15: The Town must qualify the project(s) by providing evidence that the project(s) meets the beneficiary standard for low-to-moderate income individuals and that data is available and will be tracked sufficiently.

NOTE: If a survey is needed to determine qualification, more time may be needed as the survey instrument and method must first be approved by HUD. In this situation the Town would need to seek approval from HUD much earlier in the process to stay within the parameters of this agreement.


- o November 20: Deadline for first right of refusal. The County must be informed by this date in writing if the set aside will be used so that the County can publish the NOFA for the next fiscal application cycle. Notices typically go out no later than December 1.

Terms of MOU

- o The original MOU will be signed on or before July 1 of the first year of the Five Year Consolidated Planning performance period.
- o According to the terms of this agreement the County will appropriate \$128,000 in CDBG Entitlement funding for the Town's annual first right of refusal.
- o This MOU will remain in effect for the duration dictated by the most current HUD approved annual and consolidated plans (current plan approved for the period of July 1, 2015 through June 30, 2020).
- o This MOU will be reviewed at the beginning of each FFY that the Five Year Consolidated plan would be renewed. The MOU will stay in effect until one party informs the other in writing that the MOU will be discontinued.
- o In the event that termination is desired, a 180-day notification must be provided by the initiating party so that termination will occur at the end of a fiscal year.

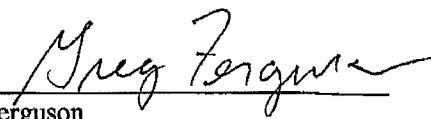
IN WITNESS WHEREOF, the PARTIES hereto have caused this Agreement to be executed by these duly authorized officers this day and year first written above.

MECKLENBURG COUNTY,
NORTH CAROLINA


Dena R. Diorio
Assistant County Manager
Mecklenburg County Manager's Office

Date: 10/19/2016

THE TOWN OF HUNTERSVILLE
NORTH CAROLINA


Greg Ferguson
Town Manager
The Town of Huntersville

Date: 10/11/16