Administrative Services Committee Meeting

Commission Chamber- 10/8/2019- 1:05 PM

ADMINISTRATIVE SERVICES

1. Motion to approve Housing and Community Development Department's (HCD's) request to provide funding to assist one (1) low to moderate- income homebuyer with down-payment assistance to purchase a home in the Laney Walker Bethlehem Revitalization area.

Attachments

2. Motion to approve the minutes of the Administrative Services Committee held on September 24, 2019.

Attachments

3. Replace the gas allowance with a $500.00 dollar a month car allowance. **(Requested by Commissioner Ben Hasan)**

Attachments

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Administrative Services Committee Meeting
10/8/2019 1:05 PM
HCD_ Down Payment Assistance request (1)

Department:	HCD
Presenter:	Hawthorne Welcher Jr. and/or HCD Staff
Caption:	Motion to approve Housing and Community Development Department's (HCD's) request to provide funding to assist one (1) low to moderate- income homebuyer with down-payment assistance to purchase a home in the Laney Walker Bethlehem Revitalization area.
Background:	In 2008, the Augusta Commission passed legislation supporting community development in Laney Walker/Bethlehem. Since that time, the Augusta Housing & Community Development Department has developed a master plan and development guidelines for the area, set up financial incentive programs for developers and home buyers, selected a team of development partners to focus on catalytic change, and created a marketing strategy to promote the overall effort. The Laney Walker/Bethlehem Revitalization Project, has allocated a portion of its bond funds for the purpose of a Down Payment/Closing Costs/Gap Subsidy Mortgage Assistance Program. This program is meant to assist qualified residents with the purchase of housing dwellings within this redevelopment area. The application for down payment assistance awaiting approval to move forward with the process of becoming a homeowner is: 1318 Eleventh Street, Augusta, GA 30901 $25,000.00 The application has a first mortgage from a lending institution but needs down payment assistance to complete the process. A prospective homeowner is only eligible to receive up to $25,000 if they are purchasing a single-family dwelling in the Laney Walker/Bethlehem Revitalization Project area. Once approved, the Lender will schedule closing and the applicant will soon be on their way to homeownership in Augusta – Richmond County.
Analysis:	The approval of the application will enable an individual to become a homeowner and "Make the American Dream a

	Reality". Approval will also have a positive impact on the community by increasing the tax base in the Laney Walker/Bethlehem area of Augusta, Georgia.
Financial Impact:	Augusta Housing and Community Development Department receives annual allocations from Laney Walker Bethlehem Project which will fund this assistance request. This approval would be for the amount of $25,000.00 given in the form of down payment assistance, closing cost assistance and/or gap subsidy.
Alternatives:	Do not approve HCDs Request.
Recommendation:	Motion to approve Housing and Community Development Department's (HCD's) request to provide funding to assist one (1) low to moderate- income homebuyer with down-payment assistance to purchase a home in the Laney Walker Bethlehem Revitalization area.
Funds are Available in the Following Accounts:	Laney Walker/Bethlehem Revitalization Project funds.

<u>REVIEWED AND APPROVED BY</u>:

Finance.
Law.
Administrator.
Clerk of Commission

HOME PROGRAM
HOMEBUYER WRITTEN AGREEMENT

NOTICE TO HOMEBUYER: This AGREEMENT contains a number of requirements you must fulfill in exchange for the federal assistance you are receiving through the Home Investment Partnerships Program (HOME Program). Be sure to read each paragraph carefully and ask questions regarding any sections you do not fully understand. This AGREEMENT will be enforced by a forgivable loan and mortgage as set forth below. You should be sure that you thoroughly understand these documents before you sign them.

THIS AGREEMENT, made and entered into this ____ day of ___, **20**___ by and between ________________________________ hereinafter referred to as "BORROWER," and **AUGUSTA HOUSING & COMMUNITY DEVLOPMENT** having its principal office at **925 Laney Walker Blvd, 2nd Floor, Augusta, Georgia 30901**, hereinafter referred to as "LENDER."

WHEREAS, on ___________________, the Lender agreed to provide to the Borrower financial assistance to be used in pursuit of the purchase of certain real property hereafter described;___Map Parcel #_____________________and

WHEREAS, a percentage of said financial assistance was provided in the form of a Forgivable Loan, hereinafter referred to as a "LOAN," with said Loan being in the amount of _________________________, subject to the condition that the Borrower executes this Agreement.

WHEREAS, the Forgiveness Loan is funded by the U.S. Department of Housing and Urban Development ("hereafter HUD") via the HOME Investment Partnership Program (hereafter "HOME Program"), and restrictions apply to the Borrower when participating in the City of Augusta's Forgiveness Loan Program.

NOW THEREFORE, in consideration of the said Loan and in accordance with the provisions of State of Georgia Statues, the parties do hereby agree as follows:

The Borrower covenants and agrees with the Lender to adhere to the following HOME Program Restrictions imposed on them for the federal assistance provided:

Affordability Period

You must comply with the HOME Program's period of affordability. The period of affordability for the home will be _____________years, based on the amount of the direct subsidy to the HOMEBUYER. During this ____________ year period, the HOMEBUYER must maintain the home as his/her **principal place of residence** at all times. During this time the recapture restriction is effective and requires all HOME funds that were provided for the purchase of the home to be repaid to the City, including principal, interest, late fees, and other charges, if you do not occupy the property as your principal residence or if you sell or transfer the property.

Maximum Sales Price

The property may not have a purchase price for the type of single family housing that exceeds 95% of the median purchase price for the area. It has been verified that the purchase price of the housing does not exceed 95 percent (95%) of the median purchase price of homes for the area, as set forth in 24 CFR Part 92.254(a).

The maximum purchase price is as follows for the Augusta Richmond County GA:

Unit #	**FHA Limits Pre-Economic Stimulus Act**	
	Existing Homes	**New Homes**
1 Unit	**$ 152,000**	**$ 227,000**
2 Unit	**$ 195,000**	**$ 291,000**
3 Unit	**$ 236,000**	**$ 352,000**
4 Unit	**$ 292,000**	**$ 436,000**
Unadjusted Median Value	**$ 160,000**	**$ 239,000**

Appraised property value

The AWARDEE certifies that a certified property appraiser has appraised the property that is the subject of this AGREEMENT at a value of $__________________.

Principal residence requirement

This agreement shall remain in force throughout the affordability period as long as the home remains the principal residence of the HOMEBUYER. Should the HOMEBUYER not maintain the home as his/her principal residence, or rent or sell the residence to another party, the HOMEBUYER will be in breach of this agreement and will be required to repay any amount that has not yet been forgiven, as set forth in Section 5 of the AGREEMENT, as of the day the home is no longer the principal place of residence of the HOMEBUYER. If the home is sold to another party, the liability of the HOMEBUYER will be limited to the amount of the net proceeds of the sale as set forth in Section 7 below.

________*Buyer Initials*

Recapture Agreement

This is a mechanism to recapture all or a portion of the direct HOME subsidy if the HOME recipient decides to sell the house within the affordability period at whatever price the market will bear. The recaptured funds will come from the net proceeds if available. Any such repayment as required shall be made to the Lender no later than thirty (30) days following the action that require the repayment.

Obligation of Repayment

As security of Borrower's obligation of repayment, and subject to the terms and conditions of this Agreement, the Borrower grants, and the Lender shall and hereby does have, a lien on the real estate hereinafter described in the full amount necessary to satisfy said repayment obligation and the cost, including reasonable attorney's fees, of collecting the same. The real estate subject to said lien is legally described as:

ALL THAT LOT OR PARCEL OF LAND, (Add lot Description)

Promptly after the date of any sale, transfer or other conveyance of the above describe property, or in the event of a sale by contract for deed, at least ten (10) days prior to the date of such sale; or if the property shall cease to be the Borrower's **principal place of residency**, the Borrower or his/her heirs, executors, or representatives shall give the lender notice thereof.

In the event the Borrower or his/her heirs, executors, or representatives shall fail or refuse to make a required payment within said limited period, the Lender may, with or without notice to the Borrower, foreclose said lien in the same manner as an action of the foreclosure or mortgages upon said real estate, as provided by State Statue.

Ownership of Property

You must hold fee simple title to the property purchased with HOME funds for the duration of your Forgiveness Loan.

Use of HOME funds

The HOMEBUYER agrees that the HOME assistance will be used to lower the cost of the home by providing down payment assistance. This will reduce the sales price of the home to the HOMEBUYER and reduce the total amount the HOMEBUYER will be required to borrow in order to purchase the home.

________*Buyer Initials*

Household Income

You must be an eligible household through the time of filing a loan application with the City or other lender to the escrow closing of the purchase transaction. Income eligibility means that your annual gross household income, adjusted for household size does not exceed eighty percent (80%) of the Augusta-Aiken median income, as established by HUD.

Insurance requirement

The HOMEBUYER must at all times during the duration of this AGREEMENT maintain a valid and current insurance policy on the home for the current appraised or assessed value of the home. Failure to maintain a valid and current insurance policy will be considered a breach of this AGREEMENT, and the AWARDEE will have the right to foreclose on its mortgage lien if necessary to protect the HOME Program investment.

Property standards

Pursuant to HOME Program rules, the property that is the subject of this AGREEMENT must meet all State and local housing quality standards and code requirements. If no such standards or codes apply, the property must at a minimum meet the HUD Section 8 Housing Quality Standards/Uniform Physical Condition Standards.

Termination Clause

In the event of foreclosure or deed in lieu of foreclosure of Prior Security Deed, any provisions herein or any provisions in any other collateral agreement restricting the use of the Property to low or moderate-income households or otherwise restricting the Borrower's ability to sell the Property shall have no further force or effect. Any person (including his successors or assigns) receiving title to the Property through a foreclosure or deed in lieu of foreclosure of a Prior Security Deed shall receive title to the Property free and clear from such restriction.

Further, if any Senior Lien Holder acquires title to the Property pursuant to a deed in lieu of foreclosure, the lien of this Security Instrument shall automatically terminate upon the Senior Lien Holder's acquisition of title, provided that (i) the Lender has been given written notice of a default under the Prior Security Deed and (ii) the Lender shall not have curved the default under the Prior Security Deed within the 30-day notice sent to the Lender."

This Agreement shall run with the aforementioned real estate and shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, representatives, successors and assigns.

If at any time that the City realizes that you have falsified any documentation or information, you may be required by law to pay the full amount of subsidy provided.

________*Buyer Initials*

Lead Requirement

I understand that my house was built/or not built before 1978. I am in receipt of the "Protect Your Family from Lead in Your Home Booklet" and discussed with the staff of Housing and Community Development.

__________*Buyer Initials*

Homeowner's house was built before 1978 and has received a Lead Inspection Report.

_________*Buyer Initials*

Post Purchase Requirement

Homeowner must attend a Post Homeownership Counseling class and submit a certificate of completion to AHCD within the first two years of purchasing the house. AHCD will not release the lien on the property until this requirement has been met.

_______*Buyer Initials*

IN WITNESS WHEREOF, the Borrower has executed this Forgiveness Loan Repayment Agreement.

____ Date____________________________
HOMEBUYER SIGNATURE

Attest:

Subscribed and sworn to before me ___________________________________, 20____.

My Commission Expires _______________________________________, 20____.

____
Notary Signature

Approved as to form: __________________________ Date:_______________
Augusta, GA Law Department

By: ____________________________________ Date: ___________________
Hardie Davis Jr.
As its Mayor

By: ____________________________________ Date: __________________
Jarvis Sims
As its Interim Administrator

By: ____________________________________ Date:__________________
Hawthorne Welcher, Jr.
As its Director, HCD

SEAL

____
Lena Bonner
As its Clerk

Administrative Services Committee Meeting
10/8/2019 1:05 PM
Minutes

Department:

Presenter:

Caption: Motion to approve the minutes of the Administrative Services Committee held on September 24, 2019.

Background:

Analysis:

Financial Impact:

Alternatives:

Recommendation:

Funds are Available in the Following Accounts:

REVIEWED AND APPROVED BY:

Augusta
GEORGIA

Administrative Services Committee Meeting Commission Chamber - 9/24/2019

ATTENDANCE:

Present: Hons. Hardie Davis, Jr., Mayor; Sias, Chairman; Clarke, Vice Chairman; Davis and B. Williams, members.

ADMINISTRATIVE SERVICES

1. Motion to approve an amendment to the AUGUSTA, GA CODE Section 1-2-13 (Rules of Procedure), Section 2.01.02 to clarify that any voting member of the Commission is permitted to a make a motion at any point, without needing recognition by the Chair, during any public meeting of the Commission, to become effective upon approval. (Approved by Commission September 3, 2019)

Item Action: Disapproved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Deny	Motion to deny. Ms. Davis out. Motion Passes 3-0.	Commissioner Bobby Williams	Commissioner Sammie Sias	Passes

2. Update regarding the BH3 City Leadership Initiative and the benefits to the City of Augusta. **(Requested by Mayor Hardie Davis, Jr.)**

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Delete	Motion to delete this item from the agenda. Motion Passes 4-0.	Commissioner Bobby Williams	Commissioner Mary Davis	Passes

3.

Approve award of contract to provide professional services to assess the long term space needs of Augusta, Georgia Government operations to LS3P of Savannah, Georgia in the amount of $118,000.00. RFQ 19-231	**Item Action:** Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Mr. Clarke votes No. Motion Passes 3-1.	Commissioner Bobby Williams	Commissioner Mary Davis	Passes

4. Presentation regarding the Fight Blight Initiative through the Joint Collaboration Committee (JCC) and request input from the Augusta Commission on funding redevelopment efforts in the target area. See December 18, 2018 presentation from Environmental Services. **(Requested by Mayor Hardie Davis, Jr.)**	**Item Action:** Approved

Motions

Motion Type	Motion Text	Made By		Motion Result
Approve	Motion to approve receiving this item as information and state our continued support for this Collaboration. Ms. Davis out. Motion Passes 3-0.	Commissioner Bobby Williams	Commissioner John Clarke	Passes

5. Presentation from the Augusta Land Bank Authority. **(Requested by Commissioner Ben Hasan)**	**Item Action:** Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve receiving this item as information. Motion Passes 4-0.	Commissioner Bobby Williams	Commissioner Mary Davis	Passes

6. Discuss Smart City Augusta Initiatives. **(Requested by Mayor Hardie Davis, Jr.)**

Item Action: Approved

Motions

	Motion Text	Made By	Seconded By	Motion Result
Delete	Motion to delete this item from the agenda. Motion Passes 4-0.	Commissioner Bobby Williams	Commissioner Mary Davis	Passes

7. Motion to approve Housing and Community Development Department's (HCD's) request to provide Laney Walker/Bethlehem Revitalization Funding to contract with Captialrise LLC to construct two (2) workforce, residential units on Boyd Lane.

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Ms. Davis out. Motion Passes 3-0.	Commissioner Bobby Williams	Commissioner John Clarke	Passes

8. Discuss Homeless Initiatives for the City of Augusta currently being implemented and what additional things can be done to positively impact the lives of the homeless community. **(Requested by Mayor Hardie Davis, Jr.)**

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to delete this item from the agenda. Motion Passes 4-0.	Commissioner Sammie Sias	Commissioner Mary Davis	Passes

9. Motion to approve the minutes of the Administrative Services Committee held on September 10, 2019.

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve				Passes

Motion to approve. Ms. Davis out. Motion Passes 3-0.	Commissioner John Clarke	Commissioner Bobby Williams

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Administrative Services Committee Meeting
10/8/2019 1:05 PM
Propose Commission Gas Allowance

Department:

Presenter: Commissioner Ben Hasan

Caption: Replace the gas allowance with a $500.00 dollar a month car allowance. **(Requested by Commissioner Ben Hasan)**

Background:

Analysis:

Financial Impact:

Alternatives:

Recommendation:

Funds are Available in the Following Accounts:

REVIEWED AND APPROVED BY:

Lena Bonner

To: Commissioner Ben Hasan
Subject: RE: CSRA TSPLOST Executive Committee Meeting

From: Commissioner Ben Hasan <BHasan@augustaga.gov>
Sent: Thursday, October 03, 2019 8:04 AM
To: Lena Bonner <lbonner@augustaga.gov>
Subject: Re: CSRA TSPLOST Executive Committee Meeting

Good morning Mrs. Bonner will you please place on the agenda to replace the gas allowance with a $500.00 dollar a month car allowance. Thanks!

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