

# Grantee: Augusta, GA

## Grant: B-08-MN-13-0002

### April 1, 2021 thru June 30, 2021 Performance Report

**Grant Number:**

B-08-MN-13-0002

**Obligation Date:**

**Award Date:**

**Grantee Name:**

Augusta, GA

**Contract End Date:**

**Review by HUD:**

Reviewed and Approved

**Grant Award Amount:**

\$2,473,064.00

**Grant Status:**

Active

**QPR Contact:**

Hawthorne Edward Welcher, Jr.

**LOCCS Authorized Amount:**

\$2,473,064.00

**Estimated PI/RL Funds:**

\$2,000,000.00

**Total Budget:**

\$4,473,064.00

## Disasters:

**Declaration Number**

NSP

## Narratives

**Areas of Greatest Need:**

The identification of the areas of greatest needs was greatly enhanced by the use of information prepared by HUD that scored at risk census tracts and block group information. For the purposes of meeting §2301(c) (2), the census tracts with the highest foreclosure abandonment risk scores will be targeted for the largest percentage of program resources. Augusta-Richmond County has identified the census tract and block groups with a risk score of 10 but also identifies zip codes located within the high risk area with the highest concentrations of pre-foreclosed and foreclosed properties as of January 2009. Census Tract and Block Group designations that were used to determine HUD foreclosure and abandonment risk scores are encompassed throughout those zip codes identified as Areas of Greatest Need. The score is based on foreclosure filings, foreclosure listings, high-cost sub-prime loan rates, and predicted foreclosure rates. High risk scores of 7 thru 10 were used to determine the City's Areas of Greatest Need and were determined to be concentrations of foreclosed and pre-foreclosed properties located within five (5) targeted zip codes (30901, 30904, 30906, 30909 and 30815)

**Distribution and and Uses of Funds:**

The requirements of Section 2301(c)(2) shall be met through the distribution and use of NSP funds for the Areas of Greatest Need. Furthermore, the City of Augusta anticipates expending the U.S. Department of Housing and Urban Development's (HUD) resources as follows:

Activity Description	50% and Below	# of Units	51-120%	# of Units	Total
Administration	N/A	N/A	N/A	N/A	244,794.54
Financing Mechanism	2,500.00	1	N/A	N/A	2,500.00
Purchase & Rehabilitation	863,572.00	3	215,294.16	8	1,078,866.16
Land Banking	N/A	N/A			

**Distribution and and Uses of Funds:**

197,500.00	3	197,500.00			
Redevelopment	N/A	N/A	949,403.30	10	949,403.30
<b>TOTAL</b>	<b>866,072.00</b>	<b>N/A</b>	<b>1,362,197.46</b>	<b>N/A</b>	<b>2,473,064.00</b>

The City of Augusta plans to utilize other funding sources including, but not limited to: federal, state, and local funding in the targeted areas to maximize the impact of the Neighborhood Stabilization Program. Through the various combined activities proposed, it is anticipated that the targeted areas will be impacted in many different ways that will ultimately stabilize the community through the reduction of vacant or abandoned units. Many areas of expected impact are:

- Decrease the deterioration of targeted neighborhoods;
- Decrease of crime in targeted neighborhoods;
- Increase in property values for targeted neighborhoods; and
- Stabilize the tax base in the targeted neighborhoods.

Furthermore, the Augusta Housing and Community Development Department is truly acceptant of these Neighborhood Stabilization Funds in a time that our nation is facing the greatest foreclosure crisis since the Great Depression. Because of this funding, we are truly committed to providing foreclosure stability, relief, and affordable revitalization efforts to the areas of Augusta-Richmond County that display the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and that have been identified as likely to face a significant rise in the rate of home foreclosures. To date, the local foreclosure rate isn't as severe as the nationalrate, which rose 75 percent lastyear,but



**Distribution and and Uses of Funds:**

based on statistical data compiled from the Augusta-Richmond County NSP Needs Assessment, formulated by Western Economic Services, LLC, we expect the numbers to rise as Augusta catches up with the trend. AHCCD has devised a five point ACTION PLAN utilizing the Neighborhood Stabilization Funds in the Augusta-Richmond County. This ACTION PLAN can be viewed as being diverse in scope, but collective in nature. Augusta-Richmond County was awarded a total of \$2,473,064 in NSP Funds due to a local foreclosure rate of 6.8% (2nd highest in the state) and being seen as an area with a HIGH abandonment risk. Furthermore, compared to the state foreclosure rate of 5.2%, we are greatly in a state of emergency. The ACTION PLAN was purposely devised to promote affordability for persons whether very low, low to moderate, or low, moderate and middle income. Therefore, please find below a synopsis of how our USES OF FUNDS in South Augusta most notably 30815 and the 30906 zip codes will create sustainability and renew hope and homeownership simultaneously!

**Definitions and Descriptions:**

(1) Definition of “blighted structure” in context of state or local law.  
 The definition of a blighted structure in the Code of Augusta-Richmond County requires that an area is a slum and blighted area and that it is detrimental and a menace to the safety, health and welfare of the inhabitants and users thereof and of the locality at large, because of general dilapidation of structures, narrow sub-standard streets, inadequate community facilities, and the members of the governing body are fully aware of these facts and conditions. While each circumstance will present different factors to consider, staff will generally consider a structure as blighted if one of the following criteria is met:  
 1) The structure is open, cannot be secured against entry, and is unsafe or unfit for human occupancy;  
 2) The unsafe structure is secured against public entry, but it presents a threat to a neighboring property or public way (such as a road or sidewalk) because of a potential collapse or other threat;  
 3) The structure is determined to harbor rodents or other nuisances which may negatively impact a neighboring property; or  
 4) The unsafe structure is secured against entry and does not threaten a neighboring property or public way, but its present state of disrepair threatens the general welfare of the public by: reducing the real or perceived value of an adjacent property; presenting a visual blight due to collapse, fire damage, or other unrepaired damage; lying in a state of incomplete construction, resulting in a negative view of the surrounding properties; or other similar conditions.  
 (2) Definition of “affordable rents.”  
 Rental housing for which the tenant(s) is/are paying no more than 30 percent (front end ratio) of his or her income for gross housing rents/costs, including utilities.

**Public Comment:**

The Augusta Housing and Community Development’s NSP Substantial Amendment was published on our consolidated municipality’s website (www.augustaga.gov) on Friday, November 7th thru Friday, November 21st (15 calendar days). Furthermore, the Public Meeting was held on Tuesday, November 11th (6:00 pm) in the Commission Chambers (530 Greene Street, Augusta, GA 30901).

**Low Income Targeting:**

The Augusta Housing and Community Development Department (AHCCD) has budgeted twenty-five percent (25%) or \$618,266.00 of its total funding appropriation to be used through a Rental Housing Program to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes don’t exceed 50% of the area median income (\$55,600.00). Only one (1) rental housing award will be committed to each project. Additionally, the focus of the Rental Housing Program, for the very low income family, is to work with non-profits, public housing authorities, and/or for profits to serve as developer’s and property managers. However, the major focus is to provide heavy subsidy in an effort to minimize each project’s debt service, thus making the rents to be charged truly affordable for our targeted population.

**Acquisition and Relocation:**

The Augusta Housing and Community Development Department is budgeting \$2,028,268.46 for Rehabilitation/Redevelopment/new Construction to be committed to non-profits, private developers/for profits as leverage funding. Eligible activities of these funds include acquisition (all/any properties purchased, are to be purchased at a HUD minimum discount price below the appraised and/or market value), construction, rehabilitation, developer’s fee, and project related soft costs. These funds shall be used for the redevelopment of abandoned/foreclosed upon structures to be sold to persons/families whose income does not exceed 120% of the Area Median Income. The buyer, whether a nonprofit entity, public agency, and/or for profit entity acting as a sub-recipient of NSP funds, must be dedicated to documenting that it paid less than what would be considered fair market value. While the majority of public acquisitions are a fair market value, Section 2301(d) 1 of the HERA Act specifies that: Any purchase of a foreclosed upon home or residential property under this section shall be at a discount from the current market appraised value of the home or property, taking into account its current condition, and such discount shall ensure that purchasers are paying below-market value for the home or property. Furthermore, while utilizing these NSP funds strategically is of the utter most importance, we (AHCCD) do know that alone, the NSP funds will not be enough to achieve sustainable neighborhood stabilization. Therefore, to capitalize and provide the best leveraging mechanism, we will stress the importance to non-profits/public agencies/for profits of leveraging NSP funds with other funds from public and private sources to include Department of Community Affairs, HOME Investment Partnership, Housing Trust Fund, Community Development Block Grant, private funding and/or loan capital. It is a must that we give more credence to applications that involve partnerships geared at promoting targeting improvement to neighborhoods with a significant market weakness and that are currently severely distressed with a focus of eliminating blighted problem properties, and providing restoration through habitable, decent, safe, and sanitary affordable housing for rent and sell. We are ultimately pursuing public/private and/or public/public partnerships that promote leverage to our targeted area of greatest need (South Augusta - 30815 and 30906) where we truly believe we can achieve sustainable neighborhood stabilization.

<b>Overall</b>	<b>This Report Period</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	\$0.00	\$4,473,064.00
<b>Total Budget</b>	\$0.00	\$4,473,064.00
<b>Total Obligated</b>	\$0.00	\$4,473,064.00
<b>Total Funds Drawdown</b>	\$25,105.39	\$3,744,506.73



<b>Program Funds Drawdown</b>	\$0.00	\$2,472,053.63
<b>Program Income Drawdown</b>	\$25,105.39	\$1,272,453.10
<b>Program Income Received</b>	\$10,950.87	\$1,504,813.15
<b>Total Funds Expended</b>	\$0.00	\$3,558,679.47
<b>HUD Identified Most Impacted and Distressed</b>	\$0.00	\$0.00
<b>Other Funds</b>	\$ 0.00	\$ 0.00
Match Funds	\$ 0.00	\$ 0.00
Non-Match Funds	\$ 0.00	\$ 0.00

## Funds Expended

Overall	This Period	To Date
Augusta Housing and Community Development	\$ 0.00	\$ 3,558,679.47

## Progress Toward Required Numeric Targets

Requirement	Target	Projected	Actual
<b>Overall Benefit Percentage</b>	99.99%	.00%	.00%
<b>Minimum Non Federal Match</b>	\$ .00	\$ .00	\$ .00
<b>Overall Benefit Amount</b>	\$4,177,442.39	\$ .00	\$ .00
<b>Limit on Public Services</b>	\$370,959.60	\$ .00	\$ .00
<b>Limit on Admin/Planning</b>	\$247,306.40	\$295,203.82	\$276,875.56
<b>Limit on Admin</b>	\$ .00	\$295,203.82	\$276,875.56
<b>Most Impacted and Distressed</b>	\$ .00	\$ .00	\$ .00
<b>Progress towards LH25 Requirement</b>	\$1,118,266.00		\$1,177,432.66

## Overall Progress Narrative:

As of June 30, 2021 progress has continued as the Grantee has reinvested Program Income (PI) into Eligible Activities as defined by HUD. Those projects which generate income through rents collected have remained occupied at high rates, while those on market for sale have either been sold or continue to receive high levels of traffic from interested prospects. We are treating all NSP matters as matters of great importance.

## Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
221073117-5211119/408450-5444112-2, Development of	\$0.00	\$1,823,380.94	\$863,622.00
221073117-5211119/408450-5444112-3, Land Bank	\$0.00	\$197,500.00	\$187,054.48
221073117-5211119/408450-5444112-4, Financing	\$0.00	\$2,500.00	\$2,500.00
221073117-5211119/408450-5444112-5, Sand Ridge	\$0.00	\$0.00	\$0.00
221073117-5211119/408450-5444112-6, Redevelopment	\$0.00	\$2,154,479.24	\$1,176,693.05
221073117-5311111/408450-5311111-1, Administrative	\$0.00	\$260,761.94	\$211,807.22
221073117-5311111/408450-5311111-2, Administrative	\$0.00	\$32,613.22	\$11,251.05
221073117-5311111/408450-5311111-3, Administrative	\$0.00	\$14,665.00	\$8,987.27
221073117-5311111/408450-5311111-5, Administrative	\$0.00	\$17,572.94	\$10,138.56

## Activities



## Grantee Activity Number: 10

### Activity Title: rental property

#### Activity Type:

Rehabilitation/reconstruction of residential structures

#### Project Number:

221073117-5211119/408450-5444112-2

#### Projected Start Date:

10/01/2009

#### Benefit Type:

Direct ( HouseHold )

#### National Objective:

NSP Only - LH - 25% Set-Aside

#### Activity Status:

Under Way

#### Project Title:

Development of Rental

#### Projected End Date:

07/15/2010

#### Completed Activity Actual End Date:

#### Responsible Organization:

Augusta Housing and Community Development

#### Overall

#### Total Projected Budget from All Sources

#### Apr 1 thru Jun 30, 2021

#### To Date

\$0.00

\$1,016,843.00

#### Total Budget

\$0.00

\$1,016,843.00

#### Total Obligated

\$0.00

\$1,016,843.00

#### Total Funds Drawdown

\$12,828.94

\$368,394.72

#### Program Funds Drawdown

\$0.00

\$245,355.00

#### Program Income Drawdown

\$12,828.94

\$123,039.72

#### Program Income Received

\$11,138.38

\$436,524.84

#### Total Funds Expended

\$0.00

\$253,375.00

Augusta Housing and Community Development

\$0.00

\$253,375.00

#### Most Impacted and Distressed Expended

\$0.00

\$0.00

#### Activity Description:

Low income, one bedroom duplex rental units rehabbed in 2005 by previous property owner using three high risk ARM loans. Mortgage loans went into default and properties became available for purchase, which were acquired with occupants remaining in units.

#### Location Description:

Acquisition of foreclosed multi-family development in target zip code of 30904 known as the Sand Hills Apartments.

#### Activity Progress Narrative:

#### Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	8/0



	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	16/10
# of Multifamily Units	0	16/10

### Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	8/10	0/0	8/10	100.00
# Renter	0	0	0	8/10	0/0	8/10	100.00

### Activity Locations

**No Activity Locations found.**

### Other Funding Sources

	Amount
Property Sales and Rental Income	\$763,468.00
Total Other Funding Sources	\$0.00

### Other Funding Sources Budgeted - Detail

**No Other Match Funding Sources Found**

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**Activity Supporting Documents:** None

**Project # /** 221073117-5211119/408450-5444112-6 / Redevelopment



## Grantee Activity Number: 9

### Activity Title: acquisition/rehab/redevelopment

#### Activity Type:

Rehabilitation/reconstruction of residential structures

#### Project Number:

221073117-5211119/408450-5444112-6

#### Projected Start Date:

08/01/2009

#### Benefit Type:

Direct ( HouseHold )

#### National Objective:

NSP Only - LMMI

#### Activity Status:

Under Way

#### Project Title:

Redevelopment of Foreclosures

#### Projected End Date:

03/31/2014

#### Completed Activity Actual End Date:

#### Responsible Organization:

Augusta Housing and Community Development

#### Overall

	Apr 1 thru Jun 30, 2021	To Date
<b>Total Projected Budget from All Sources</b>	\$0.00	\$1,939,185.08
<b>Total Budget</b>	\$0.00	\$1,939,185.08
<b>Total Obligated</b>	\$0.00	\$1,939,185.08
<b>Total Funds Drawdown</b>	\$12,276.45	\$1,877,404.35
<b>Program Funds Drawdown</b>	\$0.00	\$961,398.89
<b>Program Income Drawdown</b>	\$12,276.45	\$916,005.46
<b>Program Income Received</b>	(\$187.51)	\$839,870.75
<b>Total Funds Expended</b>	\$0.00	\$1,582,315.35
Augusta Housing and Community Development	\$0.00	\$1,582,315.35
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$0.00

#### Activity Description:

Both new construction and acquisition/rehabilitation of existing housing for sale to income qualified applicants

#### Location Description:

Throughout each of the five targeted zip codes

#### Activity Progress Narrative:

#### Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
<b>Activity funds eligible for DREF</b>	0	0/0
<b>#Additional Attic/Roof</b>	0	3/0
<b>#Clothes washers replaced</b>	0	0/0

#Dishwashers replaced	0	3/0
#Efficient AC added/replaced	0	3/0
#Energy Star Replacement	0	12/0
#High efficiency heating plants	0	0/0
#Light fixtures (outdoors)	0	1/0
#Light Fixtures (Indoors)	0	16/0
#Low flow showerheads	0	0/0
#Low flow toilets	0	1/0
# of Properties	0	14/0
#Refrigerators replaced	0	3/0
#Replaced hot water heaters	0	3/0
#Replaced thermostats	0	3/0
#Sites re-used	0	0/0
#Units deconstructed	0	0/0
#Units exceeding Energy Star	0	0/0
#Units with bus/rail access	0	3/0
#Units with other green	0	1/0
#Units with solar panels	0	0/0

	This Report Period Total	Cumulative Actual Total / Expected Total
# of Housing Units	0	4/20

### Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	3/5	0/15	4/20	75.00
# of Persons	0	0	0	8/0	0/0	8/0	100.00

### Activity Locations

No Activity Locations found.

#### Other Funding Sources

	Amount
Property Sales and Rental Income	\$866,832.88
Total Other Funding Sources	\$0.00

#### Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

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Activity Supporting Documents: None

