



## Office Of The Administrator

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Frederick L. Russell, Administrator

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February 1, 2011

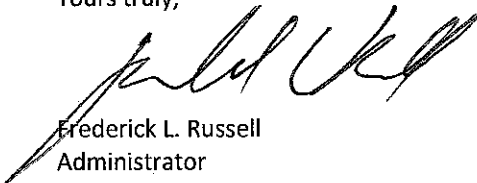
Mr. Chester Wheeler  
Housing & Community Development Director  
925 Laney Walker Street  
Augusta, GA 30901

Dear Chester:

The Augusta-Richmond County Commission, at their regular meeting held on Tuesday, February 1, 2011 approved submission of an NSP3 Substantial Amendment Abbreviated Plan by the Housing and Community Development Department for proposed activities outlined herein. (Approved by Administrative Services Committee January 24, 2011)

If you have any questions, please contact me.

Yours truly,



Frederick L. Russell  
Administrator

02-01-11: #15

# **ARRA – NEIGHBORHOOD STABILIZATION PROGRAM 3**

**(AUGUSTA-RICHMOND COUNTY NSP SUBSTANTIAL  
AMENDMENT ABBREVIATED PLAN)**

## **SUBMITTED BY:**

**AUGUSTA – RICHMOND COUNTY  
HOUSING & COMMUNITY DEVELOPMENT DEPARTMENT  
CHESTER A. WHEELER, III, DIRECTOR  
925 LANEY WALKER BLVD, (2<sup>ND</sup> FLOOR)  
AUGUSTA, GA 30901  
(706) 821-1797 (OFFICE)  
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# THE NEIGHBORHOOD STABILIZATION PROGRAM

## SUBSTANTIAL AMENDMENT ABBREVIATED PLAN

Jurisdiction(s): City of Augusta, Georgia Jurisdiction Web Address: <a href="http://www.augustaga.gov">www.augustaga.gov</a>	Contact Person: Hawthorne Welcher, Jr. Assistant Director-Housing Address: 905 Laney Walker Blvd. Telephone: (706) 821-1797 Fax: (706) 821-1784 Email: <a href="mailto:hwelcher@augustaga.gov">hwelcher@augustaga.gov</a>
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### INTRODUCTION:

The City of Augusta (through its Housing and Community Development Department-AHCDD) will work to comply with the U. S. Department of Housing and Urban Development's (HUD's) regulations under Section 2301(b) of the Housing and Economic Recovery Act of 2008 (Pub. L.110-289, approved July 30, 2008) (HERA), as amended, and an additional allocation of funds provided under Section 1497 of the Wall Street Reform and Consumer Protection Act of 2010 (Pub. L. 111 203, approved July 21, 2010) (Dodd-Frank Act) for additional assistance in accordance with the second undesignated paragraph under the heading 'Community Planning and Development—Community Development Fund' in Title XII of Division A of the American Recovery and Reinvestment Act of 2009 (Pub. L.111-5, approved February 17, 2009) (Recovery Act), as amended, for the purpose of assisting in the redevelopment of abandoned and foreclosed homes. The City of Augusta's federal allocation under said amendment (\$1,161,297.00), as designated by HUD through formula allocation, is available for application through the submission of a NSP3 Substantial Amendment/Abbreviated Plan due March 1, 2011. The Augusta Housing and Community Development Department therefore submits the following plan to consist of grantee driven concentrated revitalization in specific mini-target areas including both rehabilitation of existing housing and in-fill construction for homeownership as Eligible Activities on behalf of the City of Augusta, Georgia and in accordance with the National Objectives of the Neighborhood Stabilization Program 3 grant.

## 1. Areas of Greatest Need

The neighborhood or neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. The State of Georgia's twentieth percentile most needy census tract is 17, and therefore the requirement of a minimum need score of 17 has been set for the City of Augusta. In accordance with this requirement, and as outlined on the HUD minimum threshold website for each state at [www.hud.gov/nsp](http://www.hud.gov/nsp), the City of Augusta has identified two of a potential twelve Census Tracts in which to utilize NSP3 funding.

### Area Demographics

Census Block Groups 13245901680420401050703 and 13245901680420401050702 within Census Tract 105.07 (see [Map 1](#)) have been selected as a development area for the HUD mandate of funding allocation under section 2301(f)(3)(A)(ii) to provide benefit to low-income persons (earning 50 percent or less of area median income) with no less than twenty-five percent 25% of NSP3 funds. This development area for the 25% Set-Aside allocation will include the acquisition and rehabilitation of no less than a combination of three abandoned parcels for the purpose of rehabilitation or new construction to provide for-sale housing to these low-income persons.

These Census Blocks Group are encompassed within the neighborhood of Terrace Manor in the 30906 zip code of Richmond County. 30906 is a rural zip code in Augusta, Georgia. According to the U. S. Census Bureau the population is primarily African-American, and about evenly divided between singles and married couples. The average house value here (\$65,900) is lower than in the Augusta-Richmond County metro area as a whole (\$76,800) which primarily may have been affected by the size and age of properties in the area. The median age here is 33.2. There are 28,040 men and 31,500 women. The median age for men is 31.1 while for women the median age is 34.9.

Considering the impact of the housing crisis on the for-sale market, the economic impact made on the City of Augusta and the demographic make-up of this Census Tract, it is important to consider the result of adding product to the existing housing stock and further saturation of the for-sale marketplace with more property. However, with property in this area appraising at less than average for the "metro area" of Augusta-Richmond County and with a properly designed subsidy assistance mechanism in place, homeownership is still a very viable option for households at or below the 50% AMI income level. A changing marketplace has created a greater emphasis on rehabilitation of properties with an end use of rental and lease option to

decrease the number of dilapidated homes and to increase occupancy rates while building non-profit/for-profit development capacity. However, these end results may also be accomplished through scattered site development and in-fill construction coupled with reasonable development subsidies to achieve true affordability for the household.

Census Blocks Groups 13245913380420401070401 within Census Tract 107.04 is a secondary focus area for the City of Augusta (see [Map 2](#)). Within the Census Tract is the neighborhood of Sand Ridge which in many ways is similar to most neighborhoods within southern Richmond County and specifically Terrace Manor. The properties are primarily homeowners with considerable terms of stay. The population demographics are relatively consistent by way of income and education for native Augustans. However, unlike Terrace Manor, Sand Ridge is a neighborhood that has exceeded the average sales price for southern Richmond County at \$118,000 ([www.homes.augusta.com](http://www.homes.augusta.com)) and with new construction exceeding \$150,000 in some areas. Additionally, the Sand Ridge neighborhood has a different economic demographic, which may be based on its proximity to Fort Gordon Garrison Installation Command (less than two miles) which is one of the three largest contributors to the economic dynamic of the City of Augusta.

Understanding the housing market has played a major role in creating the conditions for a successful recovery of destabilized neighborhoods. It has also been an important tool for strategic planning of approaches to bring about neighborhood recovery. However, to gain that understanding of market conditions, the fundamental decisions that set program guidelines for NSP1 and NSP2 grantees of which properties to acquire, which to rehab, and which to demolish came at the expense of financial resources supplied by HUD. With a focused approach to layered investment in specific target areas based on the current housing market including the foreclosures that have yet to happen for delinquent loans or households to be affected by future losses of income and/or continued lost of income, the City of Augusta will have an immediate impact of areas of greatest need by eliminating some specifically selected abandoned properties and more importantly effectively market the homes to new homeowners through properly appropriated subsidies and adequate counseling to ensure affordability and long term homeownership.

## 2. Definitions and Descriptions

To ensure affordability for NSP3 developments, the City of Augusta will ensure that one hundred percent (100%) of the Augusta-NSP units are income restricted. Low-Income Homeownership Program units are limited based on beneficiary income and beneficiaries must meet income limits for fifty percent (50%) of the area median income households.

The City of Augusta will also ensure long term affordability through the use of mortgages, land use restrictions, liens, and promissory notes for homeownership type activities. It is also important to notate that when NSP3 funds are used to finance a homebuyer program, properties must remain affordable in accordance with the affordability guidelines set forth for the applicable number of years from the date of initial purchase. If the resale of the property is completed prior to the end of the affordability period, the principal amount of the loan is immediately due and payable to the City of Augusta. Recaptured funds will be returned to the NSP Trust as —program income and be used for additional NSP related activities in accordance with the NSP3 Program and as agreed upon by the Director, and Assistant Director-Housing.

If an owner of a single family unit ceases to occupy the property as their primary residence, or if the home is rented, sold, or title is transferred before the affordability period expires, the funds provided by the City of Augusta will be subject to recapture immediately. The City of Augusta will use the minimum affordability period of the federal HOME Investment Partnership Program, to include:

**24 CFR 92.252 – Qualification as affordable housing: Rental,**

**24 CFR 92.252 (a) – Rent Limitation;**

**24 CFR 92.252 (c) – Initial Rent Schedule and Utility Allowance;**

**24 CFR 92.252 (e) – Periods of Affordability (listed below);**

- o **Up to \$15,000 = 5 Years**
- o **\$15,000 - \$40,000 = 10 Years**
- o **Over \$40,000 = 15 Years**
- o **New Construction 20 Years**

**24 CFR 92.252 (f) – Subsequent Rents during the Affordability Period;**

**24 CFR 92.254 – Qualification as Affordable Housing: Homeownership**

**Green Build and Energy Efficiency:**

Homebuilders and homebuyers across the country are increasingly interested in green building. Green building means improving the way that homes and homebuilding sites use energy, water, and materials to reduce impacts on human health and the environment. Building a green home means making environmentally-preferable and sustainable decisions. The AHCD will seek to meet Green Build standards of Energy-efficient construction techniques and products, improved indoor environments through environmentally-preferable materials and building practices, water-

efficient products and processes, waste reduction and recycling during the construction process, and smart growth and sustainable land development practices with each development project but minimally within each development area outlined in these eligible Census Tracts.

ENERGY STAR qualified homes are independently verified to meet strict guidelines for energy efficiency set by the U.S. Environmental Protection Agency. Any home three stories or less can earn the ENERGY STAR label if it has been verified to meet EPA's guidelines, including: single family, attached, and low-rise multi-family homes; manufactured homes; systems-built homes (e.g., SIP, ICF, or modular construction); log homes, concrete homes; and even existing retrofitted homes.

These properties will have an efficient home envelop, with effective levels of wall, floor, and attic insulation, comprehensive air barrier details and high performance windows. The properties will have efficient air distribution, where ducts for environmental benefit are installed with minimum air leakage; efficient equipment for heating, cooling, and water heating; efficient lighting, including fixtures that earn the ENERGY STAR; water saving toilets; and efficient appliances, including ENERGY STAR qualified dishwashers, refrigerators, and clothes washers.

Rehabilitation projects will meet different standards for energy efficiency than those properties that are new construction. As many of the properties in the Augusta-Richmond County are older homes, the state of Green Build techniques prevalent here currently is minimal. However, the AHCDD is dedicated to ensuring that each property it invests in as rehabilitation will be more environmentally friendly and thus steps have been taken to research and adequately apply such techniques to future projects.

#### Heating & Cooling, Appliances, and Water Heating-rehabilitation and in-fill construction

The AHCDD will be using, as is cost efficient, a 15 SEER heat pump which is more efficient than models in the homes currently in the area which will result in a higher seasonal efficiency rating and heating seasonal performance factor (HSPF). Also, these properties will have energy efficient appliances, 1.6 gallon water saver toilets and programmable thermostats installed in the homes for increased savings and less waste. Additionally, water heaters will be replaced with a high efficiency gas storage water heater with a polypropylene outer jacket for better heating elements and temperature maintenance.

#### Effective Insulation-rehabilitation and in-fill construction

The AHCDD will, as is cost efficient, meet the minimum requirement for a Zone 3 Uninsulated Attic according to Energy Star's R-Level Recommendation Guide for Home Improvement by adding R30 blown fiberglass insulation to the attic. This should increase the properties heating

and cooling efficiency and ensure the best performance from other upgrades made to the property.

#### Building Materials-in fill construction

The AHCDD will, as is cost efficient, use 30lb roofing felt instead of 15lb felt as this roofing underlayment is more durable as a water barrier and 30 year Architectural shingles for longer life of the roof. Additionally, the AHCDD will use composite decking instead of pressure treated lumber. Although the appearance of pressure treated wood when well maintained is a plus to this decking material, composite decking offers a greater warranty for life span and does not pose the threat of rot. The reduced need for replacement decreases the negative effects on the environment.

### 3. Low-Income Targeting

The Augusta Housing and Community Development Department (AHCDD) has budgeted twenty-five percent (25%) or \$290,324.25 of its total funding appropriation to be used through a *Low Income Homeownership Program*. The purchase and rehabilitation/redevelopment of these abandoned or foreclosed upon homes or residential properties will be for housing individuals or families whose incomes do not exceed 50% of the area median income (\$55,600.00). To ensure that long term affordability is achieved for each of these low income buyers the total development costs of each project shall be funded by the City of Augusta rather than incorporating leveraged funds from a developer allowing for an eligible subsidy of up to a maximum of fifty percent (50%) of the total development cost. The focus of the *Low Income Homeownership Program*, for the very low income family, is to provide heavy subsidy in an effort to eliminate each project's debt service. With no burden of mortgage on the part of the secondary partner through the use of grants funds only the option if then available to, after building to suit, meet the market where it is at the time of sale. The changing market conditions can and have dictated the success of grantees through the application of procedures and plans from a 2009 forecasted solution to a 2011 problem. By creating a product that meets the buyer need and affordability, with subsidies available to meet buyer income qualifications with today's rapidly evolving lending criteria, and by eliminating developer investment allowing product to be sold at comparative market prices, the City of Augusta will have guaranteed true affordability for our targeted population.

### 4. Acquisition and Relocation

The Augusta Housing and Community Development Department is budgeting \$638,713.35 for Rehabilitation and Redevelopment activities to be completed by the City of Augusta. Eligible



activities of these funds include acquisition (all properties purchased, are to be acquired at or below the HUD mandate under Section 2301(d)(1) of HERA, amended under Federal Register /Vol. 74, No. 117 / Friday, June 19, 2009 /Notices 29225, of a minimum one percent (1%) discount price below the appraised value), construction, rehabilitation, activity delivery costs, and project related soft costs. 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.*

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 in accordance with HUD mandate under Section 2301(f)(3)(A) that supersede existing CDBG income qualification requirements. Furthermore, the City of Augusta shall guarantee compliance with all regulations outlined under the *Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970* and additional compliance with the *NSP Tenant Protections at Foreclosure Under the Recovery Act*.

#### 5. Public Comment

The Augusta Housing and Community Development published Public Notice in the Augusta Chronicle of the NSP3 Substantial Amendment Abbreviated Plan on Wednesday, February 9<sup>th</sup>. The Plan was published on our consolidated municipality's website ([www.augustaga.gov](http://www.augustaga.gov)) and remained available for public comment through Thursday, February 24<sup>th</sup> (15 calendar days) with the approval by the Administrative Services Committee on January 24<sup>th</sup> and the full Augusta Commission on February 1<sup>st</sup>, 2011. Please find attached directions to the public notice and Abbreviated Plan posted for a 15 day comment period:

#### 6. NSP Information by Activity

**Activity #1 Name:**

HERA ACTIVITY NAME: ADMINISTRATION AND PLANNING COSTS

AHCDD ACTIVITY NAME: ADMINISTRATION AND PLANNING COSTS

**Activity Type:**

HERA 2008 §2301©(3) – Administration and Planning Costs

24 CFR 570.205 and 206 – General Administration and Planning Activities

24 CFR 570.489(h) – Pre Award Costs

**National Objective:**

Not Applicable

**Activity Description:**

Not Applicable

**Location Description:**

All Administrative Activities will be carried out at the office of the Augusta Housing and Community Development, which is located at 925 Laney Walker Blvd (2<sup>nd</sup> floor), Augusta, GA 30901. Cost will consist primarily of salaries for current staff to continue the managerial and administrative responsibilities of protecting the City of Augusta’s interest while complying with HUD statutes, regulations, and procedures under the objectives of the American Recovery and Reinvestment Act NSP3 program.

**Performance Measures:**

N/A

**Total Budget:**

\$116,129.70 – NSP3 Funds

**Responsible Organization:**

Augusta Housing and Community Development Department  
Administrator Contact: Shawn Edwards – HERA Manager  
925 Laney Walker Blvd (2<sup>nd</sup> Floor)  
Augusta, GA 30901  
(706) 821-1797 (office)  
(706) 821-1784 (fax)  
Email: sedwards@augustaga.gov

**Projected Start Date:**

June 30, 2011

**Projected End Date:**

February 28, 2014

**Specific Activity Requirements:**

Special Activity Requirements include:

N/A

**Activity #2 Name:**

ARRA ACTIVITY NAME: FINANCING MECHANISMS

AHCDD ACTIVITY NAME: SOFT SECOND MORTGAGES

**Activity Type:**

HERA 2008 §2301© (3)(A) – Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-second, loan loss reserves, and shared equity loans for low and moderate income homebuyers (24 CFR 570.201(n) Direct Homeownership Assistance).

**National Objective:**

To benefit Low, Moderate and Middle Income Household(s) (LMMH) under 24 CFR 570.208(a)(3) – Housing Activities to provide permanent affordable residential structures for persons/families whose income does not exceed 120% of the Area Median Income of \$55,600.00 Low, Moderate, and Middle Income (LMMI).

**Activity Description:**

The use of financing mechanisms to provide subsidy assistance to homebuyers has remedied the need to reduce sales prices of properties below the total development cost through the carrying of second liens as either deferred forgivable grants, non-amortizing loans or reduced rate fixed interest loans. These subsidies reduce buyer financing and achieve the national objectives of the program to ensure permanent affordability while eliminating the subdivision of allocated grant funds into a separate category of reservation. Buyers shall be eligible for up to receive assistance with various financing costs up to 50% of the total development costs to the grantee. At the time of closing, all properties, based on compliance with regulations to ensure affordability, shall be supported as needed based on buyer financing structured under the first lien. Buyers falling at or below 80% AMI shall be eligible to receive a second lien of up to 50% of the total development costs to the grantee. Buyers between 81% and 120% Ami shall be eligible to receive up to 40% of the total development costs to the grantee.

**Location Description:**

Those Census Tracts identified on [Map 3](#) carry a Minimum State Score of 17 required under HUD's regulation and outlined at the HUD NSP3 Mapping Tool for Preparing Action Plan website at <http://www.huduser.org/NSP/NSP3.html>. They include:

- 103.00
- 104.00
- 105.04
- 105.05
- 105.07
- 105.08
- 105.11
- 107.03
- 107.04
- 108.00
- 9
- 14

**Performance Measures:**

As the AHCCD will be completing all activities under Eligible Use B (rehabilitation), D (demolition), and E (redevelopment) through the use of contractual agreements set with general contractors and sub-contractors to perform procured services, the contract amount will have been determined prior to the start of any Activity and therefore compliance monitoring is not applicable. However, the City of Augusta does monitor all financial activities yearly to ensure compliance with federal regulations per grant, which shall include activities under the NSP3 program.

**Total Budget:**

Not Applicable (N/A) in that the subsidy provided for each homeownership transaction is a percentage of the total development costs of the project offered in the form of a deferred forgivable grant, a non-amortizing lien, or a low rate fixed interest mortgage. However, no funding shall be reserved from the grant to include subsidy activities.

**Responsible Organization:**

Augusta Housing and Community Development Department  
Administrator Contact: Shawn Edwards – HERA Manager  
925 Laney Walker Blvd (2<sup>nd</sup> Floor)  
Augusta, GA 30901  
(706) 821-1797 (office)  
(706) 821-1784 (fax)  
Email: sedwards@augustaga.gov

**Projected Start Date:**

June 30, 2011

**Projected End Date:**

February 28, 2014

**Specific Activity Requirements:**

Special Activity Requirements include:

Funding will be provided in the forms of a 0% interest rate grant, 0% interest rate non-amortizing loan, or low rate fixed interest loan all using the minimum affordability period of the federal HOME Investment Partnership Program, to include 24 CFR 92.252 (a), (c), (e), (f), and 24 CFR 92.254 as defined above. All subsidized funding allowances shall be secured by a mortgage and promissory note, that shall be due and payable should the property cease to be the primary resident of the borrower, or if the home is rented, sold, or title is transferred. Funding may be used to reduce mortgage principal amounts, provide second mortgage and pay for the purchaser's closing costs. Any recaptured funds will be returned to the NSP3 Trust as "program income" and used for additional activities in accordance with our NSP3 Program.

**Activity #3 Name:**

ARRA ACTIVITY NAME: ACQUISITION AND REHABILITATION

AHCDD ACTIVITY NAME: LOW INCOME HOMEOWNERSHIP PROGRAM

**Activity Type:**

HERA 2008 §2301(c)(3)(B) purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties; 24 CFR 570.201

(a) Acquisition

(b) Disposition

24 CFR 570.202 - Eligible rehabilitation and preservation activities for homes and other residential properties. Note that rehabilitation may include counseling for those seeking to take part in the activity.

24 CFR 570.204 - Activities by Community Based Development Organizations

**National Objective:**

To benefit Low, Moderate and Middle Income Household(s) (LMMH) under 24 CFR 570.208(a)(3) – Housing Activities to provide affordable multi-family housing for persons/families whose income does not exceed 50% of the Area Median Income of \$54,300.00 (Very Low Income – 25% Set Aside);

HERA 2008 §2301(c)(3)(B) purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties.

**Activity Description:**

The purchase and rehabilitation/redevelopment of these abandoned or foreclosed upon homes or residential properties for households whose income does not exceed 50% of the AMI. To ensure long term affordability through complete funding of the total development costs of each project to increase eligible subsidy of up to a maximum of fifty percent (50%) and eliminate each project’s debt service.

**Location Description:**

Those Census Tracts identified on [Map 3](#) carry a Minimum State Score of 17 required under HUD’s regulation and outlined at the HUD NSP3 Mapping Tool for Preparing Action Plan website at <http://www.huduser.org/NSP/NSP3.html>. They include:

- 103.00
- 104.00
- 105.04
- 105.05
- 105.07
- 105.08
- 105.11

- 107.03
- 107.04
- 108.00
- 9
- 14

**Performance Measures:**

The specific Housing Rehabilitation Standards that will be applied to NSP rehabilitation are the same that are applied via our current Emergency and Owner Occupied Rehabilitation Programs respectively. Housing that will be assisted with NSP funds, as a minimum, must meet the MINIMUM PROPERTY STANDARDS established by the U.S. Department of Housing and Urban Development (HUD) for decent, safe, and sanitary conditions. These MINIMUM PROPERTY STANDARDS are outlined in 24 CFR 200.925 and 200.926. In addition, housing that is newly constructed or substantially rehabilitated with NSP funds, must meet the Council of American Building Officials (CABO) one or two family building code, as adopted by Augusta-Richmond County, Augusta Housing and Community Development Department rehabilitation standards, and Augusta zoning ordinances. MINIMUM PROPERTY STANDARDS address these major areas: the site; the building exterior; the building systems; the dwelling units; the commons areas; and health and safety considerations.

A. Site. The site components, such as fencing and retaining walls, grounds, lighting, mailboxes/project signs, parking lots/driveway, play areas and equipment, refuse disposal, roads, storm drainage and walkways must be free of health and safety hazards and be in good repair. The site must not be subject to material adverse conditions, such as abandoned vehicles, dangerous walks or steps, poor drainage, septic tank back-ups, sewer hazards, excess accumulations of trash, vermin or rodent infestation of fire hazards.

B. Building Exterior. Each building on the site must be structurally sound, secure, habitable, and in good repair. Each building's doors, fire escapes, foundations, lighting, roofs, walls, and windows, where applicable, must be free of health and safety hazards, operable, and in good repair.

C. Building Systems. Each building's domestic water, electrical system, elevators, emergency power, fire protection, HVAC, and sanitary system must be free of health and safety hazards, functionally adequate, operable, and in good repair.

#### D. Dwelling Units.

1. Each dwelling unit within a building must be structurally sound, habitable, and in good repair. All areas and aspects of the dwelling unit (for example, the unit's bathroom, call-for-aid (if applicable), ceiling doors, electrical systems, floors, hot water heater, HVAC (where individual units are provided), kitchen, lighting, outlets/switches, patio/porch/balcony, smoke detectors, stairs, walls, and windows) must be free of health and safety hazards, functionally adequate, operable, and in good repair.

2. Where applicable, the dwelling unit must have hot and cold running water, including an adequate source of potable water (note for example that single room occupancy units need not contain water facilities).

3. If the dwelling unit includes its own sanitary facility, it must be in proper operating condition, usable in privacy, and adequate for personal hygiene and the disposal of human waste.

4. The dwelling unit must include at least one battery-operated or hard wired smoke detector, in proper working conditions, on each level of the unit.

E. Common Areas. The common areas must be structurally sound, secure, and functionally adequate for the purposes intended. The basement/garage/carport, restrooms, closets, utility, mechanical, community rooms, day care, halls/corridors, stairs, kitchens, laundry rooms, office, porch, patio, balcony, and trash collection areas, if applicable, must be free of health and safety hazards, operable, and in good repair. All common area ceilings, doors, floors, HVAC, lighting, outlets/switches, smoke detectors, stairs, walls, and windows, to the extent applicable, must be free of health and safety hazards, operable, and in good repair. These standards for common areas apply, to a varying extent, to all HUD/NSP housing, but will be particularly relevant to congregate housing, independent group homes/residences, and single room occupancy units, in which the individual dwelling units (sleeping areas) do not contain kitchen and/or bathroom facilities.

F. Health and Safety Concerns. All areas and components of the housing must be free of health and safety hazards. These areas include, but are not limited to , air quality, electrical hazards, elevator, emergency/fire exits, flammable materials, garbage and debris, handrail hazards, infestation, and lead-based paint. For example, the buildings must have fire exits that are not blocked and have handrails that are undamaged and have no other observable deficiencies. The housing must have no evidence of infestation by rats, mice, or other vermin, or of garbage and debris. The housing must have no evidence of electrical hazards, natural hazards, or fire hazards. The dwelling units and common areas must have proper ventilation and be free of mold, odor



(ex. Propane, natural gas, methane gas), or other observable deficiencies. The housing must comply with all requirements related to the evaluation and reductions of lead-based paint hazards and have available proper certifications of such (see 24 CFR part 35).

Note: The construction standards applied above do not supersede or preempt State and local codes for building and maintenance with which HUD/NSP housing must comply. HUD/NSP housing must continue to adhere to these codes.

The City of Augusta will ensure that all housing assisted with HUD/NSP funds within Augusta-Richmond County will meet MINIMUM PROPERTY STANDARDS established by HUD. The following below states performance and acceptability criteria for what the Augusta Housing and Community Development Department considers these key aspects of housing quality:

1. Sanitary facilities;
2. Food preparation and refuse disposal;
3. Space and security;
4. Thermal environment;
5. Illumination and electricity;
6. Structure and materials;
7. Interior air quality;
8. Water supply;
9. Lead-based paint;
10. Access;
11. Site and neighborhood;
12. Sanitary conditions; and
13. Smoke and carbon monoxide detectors.

(Performance Measure Estimate)

\$65,900.00 (average house value for targeted Census Tract) x 150% (value plus up to 50% subsidy assistance equaling \$97,024.75 per unit) x 3 properties = \$291,074.25

Uses: Acquisition and Rehabilitation – persons at or below 50% of AMI

Note (#1): The total subsidy assistance allowed will not exceed 50% of the total development cost of the project to include all eligible construction and pre-development and soft costs.

**Total Budget:**

\$291,074.25 – NSP3 Funds (25% SET ASIDE)

**Responsible Organization:**

Augusta Housing and Community Development Department  
Administrator Contact: Shawn Edwards – HERA Manager  
925 Laney Walker Blvd (2<sup>nd</sup> Floor)  
Augusta, GA 30901  
(706) 821-1797 (office)  
(706) 821-1784 (fax)  
Email: sedwards@augustaga.gov

**Projected Start Date:**

June 30, 2011

**Projected End Date:**

February 28, 2014

**Specific Activity Requirements:**

**Special Activity Requirements include:**

The Augusta Housing and Community Development Department’s staff will be responsible for providing the unit to a person/family at or below 50% of the Area Median Income.

**Activity #4 Name:**

ARRA ACTIVITY NAME: DEMOLITION

AHCDD ACTIVITY NAME: DEMOLITION

**Activity Type:**

24 CFR 570.201 (d)-Clearance for blighted structures only.

**National Objective:**

N/A

**Activity Description:**

See Area of Greatest Need Summary or [Map 3](#) (Census Tracts identified with a Minimum State Score of 17).

The Augusta Housing and Community Development Department will purchase properties that have are dilapidated through its already existing Augusta Georgia Land Bank Authority (AGLBA) for the purpose of eliminating blight as part of its rehabilitation and redevelopment activities.

**Location Description:**

See Area of Greatest Need Summary or [Map 3](#) (Census Tracts identified with a Minimum State Score of 17).

**Performance Measures:**

Number of units demolished will be dictated by the number of properties acquired for rehabilitation and redevelopment, as demolition in this case is one of several pre-development activities within the total development budget for each project.

**Performance Measure Estimate**

10% (maximum demolition allowed) x \$1,161,297.00 (grant amount) = \$116,129.70

**Total Budget:**

\$50,000.00 – NSP3 Funds

**Responsible Organization:**

Augusta Housing and Community Development Department  
Administrator Contact: Shawn Edwards – HERA Manager  
925 Laney Walker Blvd (2<sup>nd</sup> Floor)  
Augusta, GA 30901  
(706) 821-1797 (office)  
(706) 821-1784 (fax)  
Email: sedwards@augustaga.gov

**Projected Start Date:**

June 30, 2011

**Projected End Date:**

February 28, 2014

Specific Activity Requirements:

**Activity #5 Name:**

ARRA ACTIVITY NAME: REDEVELOPMENT

AHCDD ACTIVITY NAME: REDEVELOPMENT

**Activity Type:**

HERA 2008 §2301(c)(3)(B) purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties

HERA 2008 §2301(c)(3)(E) – Redevelop demolished or vacant properties as housing

24 CFR 570.20

(a) Acquisition

(b) Disposition

**National Objective:**

Section 2301(f)(3)(A)

To provide permanent affordable residential structures for persons/families whose income does not exceed 120% of the Area Median Income of \$55,600.00 (Low, Moderate, and Middle Income – LMMI)

**Activity Description:**

See Area of Greatest Need Summary or [Map 3](#) (Census Tracts identified with a Minimum State Score of 17). The comprehensive focus of the redevelopment fund is to redevelop abandoned/foreclosed upon structures to be sold and/or rented to persons whose income does not exceed 120% of the Area Median Income.

**Location Description:**

Census Blocks Groups 13245913380420401070401 within Census Tract 107.04 is a primary focus area. However, future activities under this Eligible Use in the form of Program Income may be used in other specified Areas of Greatest as outlined in the Area of Greatest Need Summary or [Map 3](#) (Census Tracts identified with a Minimum State Score of 17) in compliance with 24 CFR 570.500(c).

**Performance Measures:**

Number of units rehabilitated/reconstructed and made affordable.

The specific Housing Rehabilitation Standards that will be applied to NSP Redevelopment Activities are the same that is applied via our current Emergency and Owner Occupied

Rehabilitation Programs respectively. Housing that will be assisted with NSP3 funds, as a minimum, must meet the MINIMUM PROPERTY STANDARDS established by the U.S. Department of Housing and Urban Development (HUD) for decent, safe, and sanitary conditions. These MINIMUM PROPERTY STANDARDS are outlined in 24 CFR 200.925 and 200.926. In addition, housing that is newly constructed or substantially rehabilitated with NSP funds, must meet the Council of American Building Officials (CABO) one or two family building code, as adopted by Augusta-Richmond County, Augusta Housing and Community Development Department rehabilitation standards, and Augusta zoning ordinances. MINIMUM PROPERTY STANDARDS address these major areas: the site; the building exterior; the building systems; the dwelling units; the commons areas; and health and safety considerations.

G. Site. The site components, such as fencing and retaining walls, grounds, lighting, mailboxes/project signs, parking lots/driveway, play areas and equipment, refuse disposal, roads, storm drainage and walkways must be free of health and safety hazards and be in good repair. The site must not be subject to material adverse conditions, such as abandoned vehicles, dangerous walks or steps, poor drainage, septic tank back-ups, sewer hazards, excess accumulations of trash, vermin or rodent infestation of fire hazards.

H. Building Exterior. Each building on the site must be structurally sound, secure, habitable, and in good repair. Each building's doors, fire escapes, foundations, lighting, roofs, walls, and windows, where applicable, must be free of health and safety hazards, operable, and in good repair.

I. Building Systems. Each building's domestic water, electrical system, elevators, emergency power, fire protection, HVAC, and sanitary system must be free of health and safety hazards, functionally adequate, operable, and in good repair.

J. Dwelling Units.

5. Each dwelling unit within a building must be structurally sound, habitable, and in good repair. All areas and aspects of the dwelling unit (for example, the unit's bathroom, call-for-aid (if applicable), ceiling doors, electrical systems, floors, hot water heater, HVAC (where individual units are provided), kitchen, lighting, outlets/switches, patio/porch/balcony, smoke detectors, stairs, walls, and windows) must be free of health and safety hazards, functionally adequate, operable, and in good repair.

6. Where applicable, the dwelling unit must have hot and cold running water, including an adequate source of potable water (note for example that single room occupancy units need not contain water facilities).

7. If the dwelling unit includes its own sanitary facility, it must be in proper operating condition, usable in privacy, and adequate for personal hygiene and the disposal of human waste.

8. The dwelling unit must include at least one battery-operated or hard wired smoke detector, in proper working conditions, on each level of the unit.

K. Common Areas. The common areas must be structurally sound, secure, and functionally adequate for the purposes intended. The basement/garage/carport, restrooms, closets, utility, mechanical, community rooms, day care, halls/corridors, stairs, kitchens, laundry rooms, office, porch, patio, balcony, and trash collection areas, if applicable, must be free of health and safety hazards, operable, and in good repair. All common area ceilings, doors, floors, HVAC, lighting, outlets/switches, smoke detectors, stairs, walls, and windows, to the extent applicable, must be free of health and safety hazards, operable, and in good repair. These standards for common areas apply, to a varying extent, to all HUD/NSP housing, but will be particularly relevant to congregate housing, independent group homes/residences, and single room occupancy units, in which the individual dwelling units (sleeping areas) do not contain kitchen and/or bathroom facilities.

L. Health and Safety Concerns. All areas and components of the housing must be free of health and safety hazards. These areas include, but are not limited to , air quality, electrical hazards, elevator, emergency/fire exits, flammable materials, garbage and debris, handrail hazards, infestation, and lead-based paint. For example, the buildings must have fire exits that are not blocked and have handrails that are undamaged and have no other observable deficiencies. The housing must have no evidence of infestation by rats, mice, or other vermin, or of garbage and debris. The housing must have no evidence of electrical hazards, natural hazards, or fire hazards. The dwelling units and common areas must have proper ventilation and be free of mold, odor (ex. Propane, natural gas, methane gas), or other observable deficiencies. The housing must comply with all requirements related to the evaluation and reductions of lead-based paint hazards and have available proper certifications of such (see 24 CFR part 35).

Note: The construction standards applied above do not supersede or preempt State and local codes for building and maintenance with which HUD/NSP housing must comply. HUD/NSP housing must continue to adhere to these codes.

The City of Augusta will ensure that all housing assisted with HUD/NSP funds within Augusta-Richmond County will meet MINIMUM PROPERTY STANDARDS established by HUD. The following below states performance and acceptability criteria for what the Augusta Housing and Community Development Department considers these key aspects of housing quality:

1. Sanitary facilities;
2. Food preparation and refuse disposal;
3. Space and security;
4. Thermal environment;
5. Illumination and electricity;
6. Structure and materials;
7. Interior air quality;
8. Water supply;
9. Lead-based paint;
10. Access;
11. Site and neighborhood;
12. Sanitary conditions; and
13. Smoke and carbon monoxide detectors

**Performance Measure Estimate**

\$140,818.61 (projected per property) x 5 units =  
\$704,093.05

Uses: Rehabilitation and Reconstruction – persons at or below 120% of AMI

Note (#1): \$140,968.61 is the maximum investment into acquisition/construction cost allotted based on the available funding. However, with eliminated land cost through donation from the Augusta Georgia Land Bank Authority, reduced cost through negotiations with banks, and subsidized cost through development of NSP1 acquisitions these funds and program income will continue to recycle as Eligible Activities to produce more units

**Total Budget:**

\$704,093.05 – NSP Funds

Note (#1): NSP Funds under this category are to be used for Redevelopment activities only to include acquisition, reconstruction, rehabilitation, new construction and project related soft costs (architectural/engineering, surveys, developer’s fee, legal, etc.)

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**Projected Start Date:**

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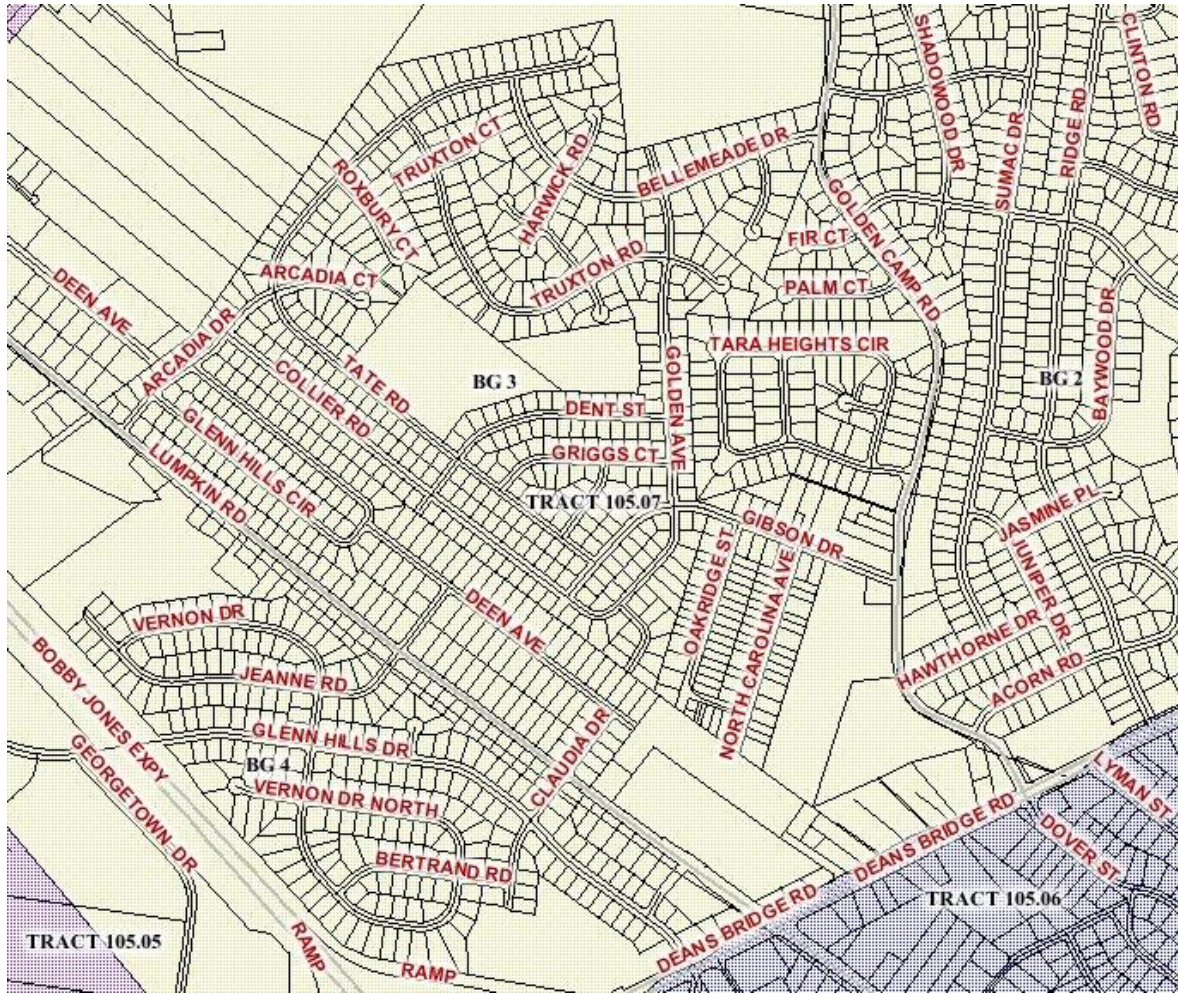
Specific Activity Requirements:

**Special Activity Requirements include:**

All potential homebuyers will be required to complete 8 hours of homebuyer counseling from a selected HUD-approved certified counseling agency before obtaining a mortgage loan.

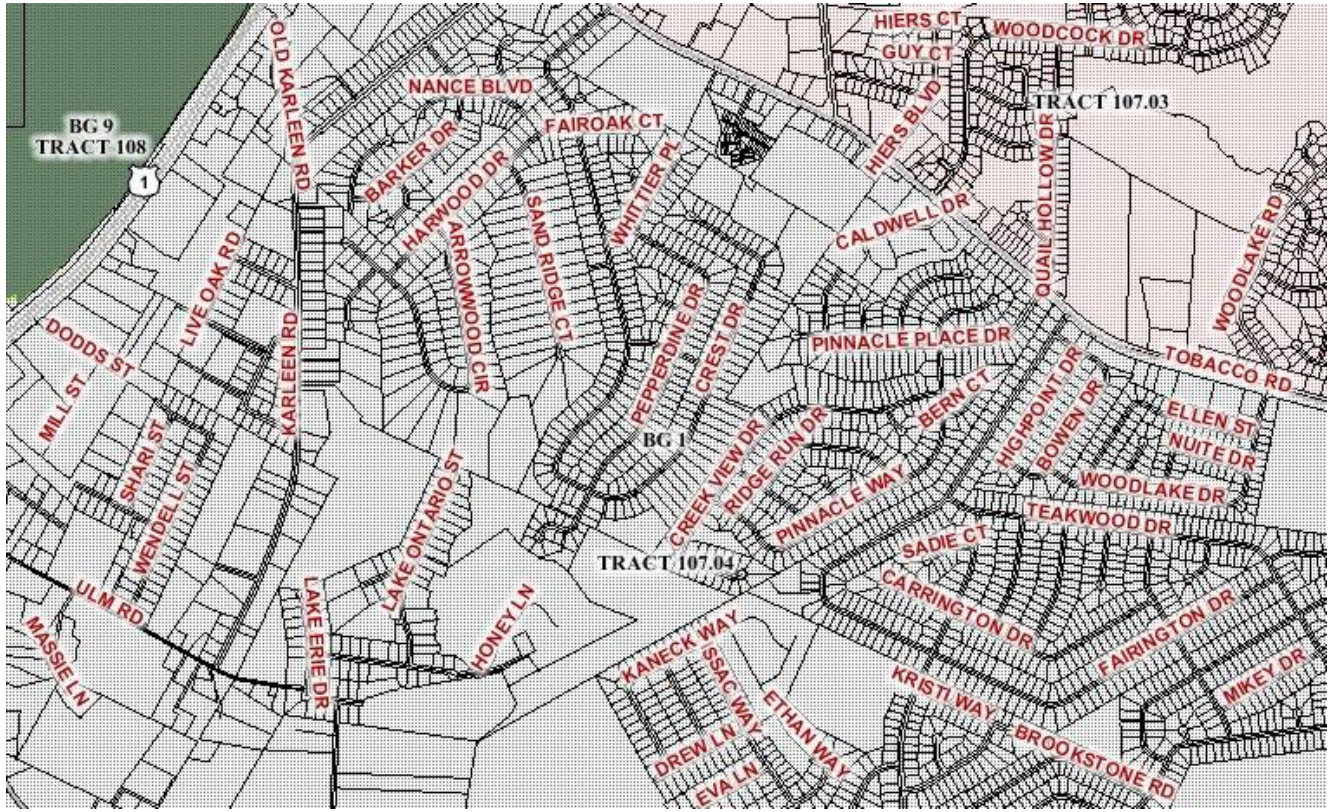


Map 1





Map 2



Map 3

