

# Memorandum of Understanding

## Laney Walker / Bethlehem (LW/B) Revitalization-

### Honnête Habitats III, LLC

This Memorandum of Understanding ("MOU") is entered into on the \_\_\_\_\_ day of \_\_\_\_\_, 2025 by and between the Augusta, GA's Housing and Community Development Department (HCD) and Honnête Habitats III, LLC. (HH) HCD serves as Augusta, GA's manager for Laney Walker/Bethlehem (LW/B). HH serves as a supportive services partner and as an investor/developer partner.

Honnête Habitats III, LLC is a real estate development company focused on constructing speculative houses in the southeastern United States. HH engages in building appealing designs of affordable houses that will meet the needs of a wide range of clients. As part of its plans to become one of the leading builders in the United States of America, HH adopts international best practices in the industry. The mission of HH is to develop, promote, and preserve quality housing while building strong, healthy neighborhoods in urban areas and helping residents improve their lives.

The above-named parties to this Memorandum of Understanding recognize the importance of facilitating developments within the LW/B neighborhoods to include increasing homeownership opportunities for low to moderate income households as a joint, coordinated effort. This MOU and the accompanying program descriptions set forth the terms and conditions under which the parties express their intent to present and execute a comprehensive approach to achieving the goals of this initiative. It is expected that a signed Development Agreement will evolve from this MOU.

## Part I. Structure and Purpose of Initiative

This local initiative will be known as the Laney Walker / Bethlehem Revitalization Project Initiative (the "Initiative"). The greater Initiative is designed to facilitate the development of residential housing and mixed-use development located on property currently owned by the Augusta, Georgia Land Bank Authority (AGLBA). Augusta, GA has concluded that it is beneficial to act as a team for the purpose of increasing homeownership and rental housing opportunities, as well as retaining the cultural and historic context that defines the Laney Walker & Bethlehem communities.

## Part II. Partnership Goals

The goal of the Initiative is to continue HH. as a supportive service partner and as an investor/developer partnership which will:

- Foster comprehensive revitalization, in partnership, and the promotion of new, single-family housing (homeownership) in the LW/B communities.
- Increase homeownership opportunities in LW/B through approved participating lenders and use of financing assistance offered through the LW/B bonds funds, various HUD programs and HH.
- Foster the use of architecturally compatible building design that captures the character and history of the LW/B communities, utilizing the LW/B Pattern Book as a basis;

- Increase homeownership by providing targeted counseling and education to potential homebuyers;
- Conduct outreach activities to potential renters and homebuyers in the community to inform them of housing opportunities;
- Provide ongoing supportive (wraparound) services for homebuyers; and
- Build a model of partnership that can be replicated in other communities.

### Part III. Responsibilities of the Parties

The parties will have the following responsibilities:

#### HCD's Responsibilities

- **Lot Identification and Rezoning:**  
HCD worked with HH and identified 6 lots located at 1241, 1243, 1245, 1249, 1251 and 1257 Twelfth Street with respective Tax Map #059-1-014-00-0, 059-1-013-00-0, 059-1-012-00-0, 059-1-011-00-0, 059-1-010-00-0, 059-1-009-00-0 for this initiative.  
On May 6, 2024, the Planning Commission recommended approval of the rezoning request from R-1C (One-family Residential) to R-3A (Multiple-family Residential). The combined lots yield approximately 0.92 acres.
- **Land Infusion:** HCD will infuse the six (6) identified combined lots to be transferred upon sell of each unit.
- **Demolition and Site Preparation:** HCD will cover pre-development activity (i.e., remediation, demolition, site prep, clearing, etc. revalued at \$35,000.
- **Homebuyer's Assistance:** HCD will provide homebuyers assistance funding up to \$10,000 per unit for gap financing, down payment assistance, closing cost, and/or interest buy down for buyers of the nine (9) units.
- **Project Oversight:** HCD will collaborate with HH to oversee the project through predevelopment and construction phases.

#### HH's Responsibilities

- **Development Costs:** HH will be responsible for all development costs of the new community of nine (9) townhomes beyond the demolition costs paid by HCD. The estimated total cost is approximately \$2M funded through private sources.
- **Workforce Housing Plans:** HH will identify and finalize workforce housing plans for the proposed nine (9) townhomes on the combined six (6) lots.
- **Deal Structure Agreement:** HH will finalize the deal structure, including land infusion, pre-development costs, construction allocation, and down payment terms.
- **Homeowners Association:** HH will establish and manage Homeowners Association to maintain shared property and amenities, enforce community rules and regulations, and ensure the overall upkeep, safety, and value of the condominium (townhome) community for the benefit of all residents.

### Part IV. Performance Objectives

The overall performance of the Initiative will be evaluated on the completion of development and implement services (as shown above), and the number of residents who are able to obtain housing.

To date, HCD has undertaken an extensive effort to ensure the success of this revitalization. Public meetings were initially held to receive stakeholder input, and on-going meetings are being held to keep the public informed. Land acquisition activities have resulted in significant and meaningful site control. Master plans have been designed to reflect the activity to date, while guiding future endeavors.

## **Part V. Public Relations**

The parties agree that initially, and throughout the term of this MOU, marketing and public announcements relative to Initiative activities be coordinated among and approved by both HCD and HH. prior to public release.

## **Part VI. Relationship of Parties**

Nothing in this MOU shall be deemed to constitute or create an association, partnership or joint venture among the participating parties, or any agency or employer-employee relationship. No party is granted, nor shall it represent that it has been granted, any right or authority to assume or create any obligation or responsibility, expressed or implied, on behalf of, or in the name of another party, or bind another party in any manner.

## **Part VII. Term; Early Termination**

The term of the MOU is twenty-four (24) months from the date of the execution. At that time, renewal of the partnership may be extended upon the agreement of both parties within 90 days of expiration. The participating parties reserve the right to terminate the MOU with 90-day notice.

## **Part VIII. Administration and Reports**

HCD will facilitate monitoring the Initiative and providing bi-monthly reports to the participants.

## **Part IX. Additional Provisions**

HCD and HH. shall each identify a primary contact and an alternative contact.

## **Part X. Acknowledgements**

As the authorized representative for my organization, I have read this MOU regarding the Initiative. I agree that it accurately describes the purpose, operational plan and roles of the Initiative participants. I understand that this document is not a contract and is not a legally binding agreement.

In Witness Whereof, the parties have set their hands and seals as of the date first written above.

**Attest:** **Augusta, Georgia**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Garnett L. Johnson  
As Mayor

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Tameka Allen  
As City Administrator

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Hawthorne Welcher, Jr.  
As Director, HCD

Approved as to Form by: \_\_\_\_\_ Date: \_\_\_\_\_  
Augusta, GA Law Department

SEAL

\_\_\_\_\_  
Lena Bonner  
As its Clerk of Commission

**Honnête Habitats III, LLC**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Name: Brea E. Elles

Title: Founder

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