

AGENDA ITEM #12

(HUD-52481)

COOPERATION AGREEMENT

THIS AGREEMENT entered into this 5 day of Nov, 2013, by and between **THE HOUSING AUTHORITY OF THE CITY OF AUGUSTA, GEORGIA**, a public corporation organized and existing under the laws of the State of Georgia with its principal office located at 1435 Walton Way, Augusta, Georgia (herein called the "Local Authority"), and **AUGUSTA-RICHMOND COUNTY, GEORGIA** (herein called the "County");

WITNESSETH:

In consideration of the mutual covenants hereafter set forth, the Parties hereto do agree as follows:

1. Whenever used in this Agreement:
 - a. The term "Project" shall mean any low-rent housing developed as an entity by the Local Authority with financial assistance of the United States of America acting through the Secretary of Housing and Urban Development (herein called the "Government"). A listing of the Projects is attached hereto as Exhibit A.
 - b. The term "Taxing Body" shall mean the State of Georgia or any political subdivision or taxing unit thereof in which a Project is situated and which would have authority to assess or levy real or personal property taxes or to certify such taxes to a taxing body or public officer to be levied for its use and benefit with respect to a Project if it were not exempt from taxation.
 - c. The term "Shelter Rent" shall mean the total of all charges to all tenants of a Project for dwelling rents and nondwelling rents (excluding all other income of such Project), less the cost to the Local Authority of all dwelling and nondwelling utilities.
 - d. The term "Slum" shall mean any area where dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitation facilities, or any combination of these factors, are detrimental to safety, health, or morals.

2. The Local Authority shall endeavor:

- a. To secure a contract or contracts with the Government for loans and annual contributions covering one or more Projects comprising up to 2,400 units of low rent housing as shown on Exhibit A hereto; and
- b. To develop and administer such Project or Projects, each of which shall be located within the corporate limits of the County.

The obligations of the Parties hereto shall apply to each such Project.

3.
 - a. Under the constitution and statutes of the State of Georgia, all Projects are exempt from all real and personal property taxes and special assessments levied or imposed by any Taxing Body. With respect to any Project so long as: (i) such Project is owned by a public body or governmental agency and is used for low-rent housing purposes; (ii) any contract between the Local Authority and the Government for loans or annual contributions, or both, in connection with such Project remains in force and effect; or (iii) any bonds issued in connection with such Project or any monies due to the Government in connection with such Project remain unpaid, whichever period is the longest, the County agrees that it will not levy or impose any real or personal property taxes or special assessments upon such Project or upon the Local Authority with respect thereto. During such period, the Local Authority shall make annual payments (herein called "Payments in Lieu of Taxes") in lieu of such taxes and special assessments and in payment for the public services and facilities furnished from time to time without other cost or charge for or with respect to such Project.
 - b. Each such annual Payment in Lieu of Taxes shall be made after the end of the fiscal year established for such Project, and shall be in an amount equal to either: (i) ten percent (10%) of the Shelter Rent charged by the Local Authority in respect to such Project during such fiscal year; or (ii) the amount permitted to be paid by applicable state law in effect on the date such payment is made, whichever amount is the lower.
 - c. No payment for any year shall be made to the County in excess of the amount of the real property taxes which would have been paid to the County for such year if the Project were not exempt from taxation.
 - d. Upon failure of the Local Authority to make any Payment in Lieu of Taxes, no lien against any Project or assets of the Local Authority shall attach, nor shall any interest or penalties accrue or attach on account thereof.
4. The County agrees that, subsequent to the date of initiation (as defined in the United States Housing Act of 1937) of each Project and within five (5) years after the completion thereof, or such further period as may be approved by the Government, there has been or will be elimination, as certified by the County, by demolition,

condemnation, effective closing, or compulsory repair or improvement, of unsafe or unsanitary dwelling units situated in the locality or metropolitan area in which such Project is located, substantially equal in number to the number of newly constructed dwelling units provided by such Project; and provided further, that where more than one family is living in an unsafe or unsanitary dwelling unit, the elimination of such unit shall count as the elimination of units equal to the number of families accommodated therein; and, provided further, that this Paragraph 4 shall not apply in the case of: (i) any Project developed on the site of a Slum cleared subsequent to July 15, 1949, and that the dwelling units eliminated by the clearance of the site of such Project shall not be counted as elimination for any other Project or any other low-rent housing project; or (ii) any Project located in a rural non-farm or Indian area.

5. During the period commencing with the date of the acquisition of any part of the site or sites of any Project and continuing so long as: (i) such Project is owned by a public body or governmental agency and is used for low-rent housing purposes; (ii) any contract between the Local Authority and the Government for loans or annual contributions, or both, in connection with such Project remains in force and effect; or (iii) any bonds issued in connection with such Project or any monies due to the Government in connection with such Project remain unpaid, whichever period is the longest, the County without cost or charge to the Local Authority or the tenants of such Project (other than the Payment in Lieu of Taxes) shall:
 - a. Furnish or cause to be furnished to the Local Authority and the tenants of such Project public services and facilities of the same character and to the same extent as are furnished from time to time without cost or charge to other dwelling inhabitants in the County;
 - b. Vacate such streets, roads, and alleys within the area of such Project as may be necessary in the development thereof, and convey without charge to the Local Authority such interest as the County may have in such vacated areas; and, insofar as it is lawfully able to do so without cost or expense to the Local Authority or to the County, cause to be removed from such vacated areas, insofar as it may be necessary, all public or private utility lines and equipment;
 - c. Insofar as the County may lawfully do so: (i) grant such deviations from the building code of the County as are reasonable and necessary to promote economy and efficiency in the development and administration of such Project, and at the same time safeguard health and safety; and (ii) make such changes in any zoning of the site and surrounding territory of such Project as are reasonable and necessary for the development and protection of such Project and surrounding territory;
 - d. Accept grants of easements necessary for the development of such Project; and
 - e. Cooperate with the Local Authority by such other lawful action or ways as the County and the Local Authority may find necessary in connection with the

development and administration of such Project.

6. With respect to any Project, the County further agrees that within a reasonable time after receipt of a written request therefore from the Local Authority, it will:
 - a. Accept the dedication of all interior streets, roads, alleys, and adjacent sidewalks within the area of such Project, together with all storm and sanitary sewer mains in such dedicated areas, after the Local Authority, at its own expense, has completed the grading, improvement, pavings, and installation thereof in accordance with specifications acceptable to the County;
 - b. Accept necessary dedications of land for, and will grade, improve, pave, and provide sidewalks for all streets bounding such Project or necessary to provide adequate access thereto (in consideration thereof the Local Authority shall pay to the County such amount as would be assessed against the Project site for such work if such site were privately owned); and
 - c. Provide, or cause to be provided, water mains, storm and sanitary sewer mains leading to such Project and serving the bounding streets of such Project (in consideration thereof the Local Authority shall pay to the County such amount as would be assessed against the Project site for such work if such site were privately owned).
7. If by reason of the County's failure or refusal to furnish or cause to be furnished any public services or facilities which it has agreed hereunder to furnish or to cause to be furnished to the Local Authority or to the tenants of any Project, the Local Authority incurs any expense to obtain such services or facilities, then the Local Authority may deduct the amount of such expense from any Payments in Lieu of Taxes or to become due to the County with respect to any Project or any other low-rent housing projects owned or operated by the Local Authority.
8. No Cooperation Agreement heretofore entered into between the County and the Local Authority shall be construed to apply to any Project covered by this Agreement.
9. No member of the governing body of the County or any other public official of the County who exercises any responsibilities or functions with respect to any Project during his tenure or for one year thereafter shall have any interest, direct or indirect, in any Project or any property included or planned to be included in any Project, or any contracts in connection with such Projects or property. If any such governing body member or such other public official of the County involuntarily acquires or had acquired prior to the beginning of his tenure any such interest, he shall immediately disclose such interest to the Local Authority.
10. So long as any contract between the Local Authority and the Government for Loans (including preliminary loans) or annual contributions, or both, in connection with

any Project remains in force and effect, or so long as any bonds issued in connection with any Project or any monies due to the Government in connection with any Project remain unpaid, this Agreement shall not be abrogated, changed, or modified without the consent of the Government. The privileges and obligations of the County hereunder shall remain in full force and effect with respect to each Project so long as the beneficial title to such Project is held by the Local Authority or by any other public body or governmental agency, including the Government, authorized by law to engage in the development or administration of low-rent housing projects. If at any time the beneficial title to, or possession of, any Project is held by such other public body or governmental agency, including the Government, the provisions hereof shall inure to the benefit of and may be enforced by, such other public body or governmental agency, including the Government.

IN WITNESS WHEREOF, the Local Authority and the County have respectively signed this Cooperation Agreement and caused their seals to be affixed and attested as of the day and year first above written.

HOUSING AUTHORITY OF THE CITY OF
AUGUSTA, GEORGIA



By Rodger Murchison
Roger Murchison, Chairman

ATTEST:

Jacob Oglesby
Jacob Oglesby, Secretary

AUGUSTA-RICHMOND COUNTY, GEORGIA

By Clara
11/14/13

(Seal)

ATTEST:

Secretary
Secretary

EXHIBIT A

The Housing Authority of the City of Augusta, Georgia Affordable Housing Properties

<u>Project Name/Address</u>	<u>Project Number</u>	<u>Public Housing Units</u>
Olmsted Homes 2141 B Street Augusta, GA 30904	GA001000010	255
Cherry Tree Crossing 1694 Hunter Street Augusta, GA 30901	GA001000020	389
Oak Pointe Apartments 730 East Boundary Augusta, GA 30901	GA001000050	250
Dogwood Terrace 2101 15th Ave. Augusta, GA 30901	GA001000060	270
Peabody Apartments 1425 Walton Way Augusta, GA 30901	GA001000071	228
Ervin Towers 1365 Laney Walker Blvd. Augusta, GA 30901	GA001000072	100
Allen Homes 526 Hines Street Augusta, GA 30901	GA001000080	150
Hal Powell Apartments 2244 Broad Street Augusta, GA 30904	GA001000090	100
Jennings Homes 1690 Olive Road Augusta, GA 30904	GA001000100	150
M. M. Scott Apartments 825 Spruce Street Augusta, GA 30901	GA001000120	100

Barton Village 3619 London Blvd. Augusta, GA 30906	GA001000140	153
Overlook Apartments 2325 Overlook Road Augusta, GA 30906	GA001000160	76
The Legacy at Walton Oaks 601 Fairhope Street Augusta, GA 30901	GA001000170	11
Walton Oaks Family Phase 1 601 Fairhope Street Augusta, GA 30901	GA001000180	14
Walton Oaks Family Phase 2 601 Fairhope Street Augusta, GA 30901	GA001000190	14
The Legacy at Walton Oaks 2 601 Fairhope Street Augusta, GA 30901	GA001000200	20
Twiggs Circle Address To Be Determined Augusta, GA 30901	GA001000210	120