Mayor Addresses Concerns Over CHIP Grant Management and Community Misinformation

Mayor Bruce Bailey has issued a public statement addressing concerns surrounding the management of the Community Housing Improvement Program (CHIP) grant awarded to the City of Washington in 2014 and 2018. Transparency works best when you have the whole story (not just some information) that is why he has not made any posts about the matter until “HE” was able to sit down and discuss the matter with DCA. The mayor’s remarks come in response to what he describes as “a one-sided misinformation campaign” being circulated by long serving council members regarding the status and administration of the grant. All of these funds are in an account in which we were waiting on DCA to approve the next step to spend those funds.

The CHIP grant, provided by the Georgia Department of Community Affairs (DCA), was intended to support housing rehabilitation efforts in Washington. Under the previous administrations, dating back to 2012, the grant was managed by several different employees through the city’s Community Development office, with “Hands on Washington” contracted to oversee compliance and reporting to DCA.

Upon taking office, Mayor Bailey initiated a comprehensive review of all active and pending grants. During this process, he discovered that while funds from the 2018 CHIP grant had been received, documentation for several housing projects was missing. The mayor reported a lack of accountability from the city administrator at the time and directed both the administrator and the community development director to address the issue. The community development director left in January of 2024, and the city administrator was asked to resign (by a 5-1 vote of council) in June of 2024. Which was another setback for this project. As per our charter I immediately stepped up to guide the city as below:

 “Sec. 2-68. - Removal.

The mayor and council may remove the city administrator at any time by a majority vote adopting a resolution to that effect. The action of the mayor and council in removing the city administrator shall be final. Upon removal as provided in this section, the city administrator shall be paid forthwith any unpaid balance of salary for the calendar month in which removed and such salary for the next six calendar months following, contingent upon serving a one-year probationary period at which time he/she can be terminated with one month's pay.i

Regarding me filling the city administrator position it is in our charter as well:

Sec. 2-75. - Vacancy.

Any vacancy in the office of city administrator shall be filled as soon as possible after the effective date of such vacancy. During such vacancy, the mayor shall discharge the duties and functions of city administrator for a period not to exceed 180 days and shall be compensated accordingly.

I immediately worked on filling the

position of community development director with Crystal Martin who immediately started working on ensuring the CHIP grant funds were obtained. You will find below her timeline attached.

Mayor Bailey worked closely with Councilman Maceo Mahoney to revive the CHIP program, particularly focusing on refurbishing homes in District 1. “Councilman Mahoney was passionate about ensuring his constituents benefited from this program, and I was fully committed to supporting him,” Bailey said.

Efforts to re-engage with the CHIP program included attending CHIP conferences and enlisting Crystal Martin to lead the administrative process. Martin collaborated with DCA representatives (as attached) and coordinated with local staff, including Yoshe, Betrina, and Will, to facilitate citizen applications and ensure compliance.

In December 2024, the city successfully drew down the remaining funds in CHIP funds and reapplied for the 2025 grant cycle. However, on July 21, 2025, the city received a letter from DCA that raised concerns and prompted immediate outreach from city officials. Mayor Bailey personally contacted DCA and secured a meeting to address the situation.

“I want to be clear: I am working nonstop to ensure the City of Washington retains this funding for our citizens,” Bailey emphasized. The mayor outlined several factors contributing to the current challenges:

Multiple changes in the finance department along with continuity in records.

Passing of two general contractors involved in the building of the homes.

No previously established program income plan for owner-occupied rehab

Inadequate oversight and documentation under the previous administration.

Lack of follow-through despite payments made to external administrators.

Limited engagement from council members outside of District 1.

Missed deadlines and compliance failures by previous city staff.

Insufficient supervision of “Hands on Washington,” the organization tasked with managing the grant.

Despite these setbacks, Mayor Bailey reaffirmed his administration’s commitment to transparency and accountability. “This administration immediately began working to ensure the city received all funds in accordance with DCA procedures,” he said.

The city awaits further guidance from DCA and remains focused on utilizing the CHIP funds to improve housing conditions for residents in need.

Crystal Martins Timeline notes:

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Pre-Meeting Notes for DCA & City of Washington  Discussion

I want to begin by sincerely thanking everyone for the work you do and for giving us the opportunity to meet and discuss this matter. I would also like to extend special thanks to Gloria for assisting me from August to December of last year, helping us bring the 2018 CHIP Grant to completion.

Background

I stepped into my role as Community Development Director in August 2024. At that time, the homes funded by the 2018 CHIP Grant had already closed in December 2022. I was never administrator of this grant; I had no prior documentation, only three boxes of mixed papers. The grant had been administered by prior employees and also contracted the original grant administrator to keep the grant on track for quite some time.

From August to December 2024, with Gloria’s assistance, I completed approximately $190,000 in final draws and prepared two full packets of documents for each of the four homes in this project. Once this was completed, I immediately turned my attention to the program income.

Program Income Challenges

Determining the program income was complex due to several factors:

* · Changes in our finance department and a lack of continuity in records
* · The passing of 2 general contractors who had worked on the project
* · No previously established program income plan for owner-occupied rehab

To resolve this, I went through eight years of bank statements to determine exactly what the city had paid out. Once I identified the program income funds, I began drafting a plan to properly distribute them. I also met with

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Tina Hutcheson for guidance and have supported consistent communication with DCA throughout this process.

It is also important to note that our current City Administrator was hired in November 2024—after most of this process had already been completed. When I began working through this situation, there was no City Administrator to provide direction, so I had to piece together missing documents, track down information, and determine who had handled what in prior years.

Our Request and Commitment

This situation should not reflect negatively on our current administration. We want more than anything to work in partnership with DCA to provide resources for our citizens who are in great need of them. In starting the application process while waiting for DCA approval I personally meet with each applicant to get an exact need for individuals’ property. This was to get ahead so once we got approval, we could start at once to avoid more delay.