



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D. C. 20410

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OFFICE OF THE ASSISTANT SECRETARY
FOR DEMONSTRATIONS AND INTERGOVERNMENTAL RELATIONS

IN REPLY REFER TO:

APR 22 1968

Honorable Ivan Allen, Jr.
Mayor of Atlanta
Atlanta, Georgia 30303

Dear Mayor Allen:

I want to take this opportunity to inform you of what I believe is a most exciting experiment in building new housing for low- and moderate-income families within the Inner-City. Within the next several weeks, a prime contractor, most likely a joint venture of several firms, will be selected by the Department of Housing and Urban Development. This prime contractor will be expected to supervise and manage a variety of low-cost housing experiments in perhaps as many as 20 cities, most of which now have Model Cities grants. These experiments will be carried out only in cities which are willing to cooperate in the development of innovative techniques aimed at generating a higher level of housing construction for low-income families.

The prime contractor will seek out, study and evaluate new design, construction and management techniques and systems, as well as materials and components to be used in the experiments. Based on analysis and after consultation with city officials and such interested private groups as labor unions, neighborhood organizations, builders, architects, sponsors and educators, the contractor will determine the kind of housing to be built in a specific neighborhood. The goal of the overall experiment is to obtain more housing value for each dollar spent in the development of good city housing for low-income families, and to identify the obstacles to building such housing.

Where such housing is to be built within a designated model neighborhood, the experiment will be carried out in the context of the Model Cities planning and program implementation process. In any case, it seems essential that the groups mentioned above be consulted if this bold experiment is to work. Following the selection of the prime contractor, HUD will work with him to select cities which seem to have the capacity and willingness to carry out an experimental project for low-income housing. The Department will be committing not only substantial research funds in this effort, but also tens of millions of dollars of program funds from several program sources.

With the full cooperation of all who become involved in this experiment to better the nation's housing, and to make government more responsive to the most pressing housing needs, I believe that this can be a most significant step toward meeting the goal of a decent home in a suitable living environment for every American family.

Sincerely yours,

David B. Carlson, Jr., for

H. Ralph Taylor
Assistant Secretary