

CITY OF ATLANTA

November 28, 1969




OFFICE OF MODEL CITIES PROGRAM
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Ivan Allen Jr., Mayor
J. C. Johnson, Director

MEMORANDUM

TO: Mayor Ivan Allen
Mayor Elect Sam Massell
Executive Board Members
Mr. Jack Delius
Mr. Dan Sweat
Mr. Collier Gladin

Mr. Lester Persells
Mr. Henry Bowden
Mr. James Pilcher
Mr. Horace Ward
Mr. Thomas Choyce

FROM: Johnny C. Johnson
Executive Director 

SUBJECT: Land Acquisition by the Southern Railroad in Pittsburgh
(See attached map)

Introduction

On November 10, 1969, the Model Cities Program first became aware of plans of the Southern Railroad to expand their existing storage yard in the Pittsburgh-Mechanicsville Area. This move affects only the Pittsburgh community where acquisition of 15.2 acres of land is presently in progress; Southern is currently attempting to negotiate the acquisition of 2.8 acres of Pittman Park belonging to the City of Atlanta and part of the 15.2 acre site. Their reuse proposal calls for retention of 11.5 acres to be used for expansion of their existing yard facilities, while the remaining 3.7 acres would be returned to the city for park use. The railroad proposes to finance the cost of constructing the new park, including the replacement of a gymnasium, swimming pool, and tennis courts, all of which would be included in the initial 2.8 acre park acquisition.

This plan raises many issues and questions all of which will have to be answered in the forthcoming weeks. It is the express purpose of this memo to prepare a proper foundation for this period by stating, as accurately as possible, the events that preceded and followed our initial discovery of Southern's plan on November 10, and the issues that I believe have been raised as a result. I have also made some recommendations regarding the course of action we should take.

Agents for Southern Railroad. The firm of Greene, Buckley, DeRinex & Jones, located in the National Bank of Georgia Building is acting as their legal agent; John David Jones and C. Richard McQueen have been involved in past discussions. Land acquisition is being handled by Adams-Cates Realty located in the Hurt Building; Henry Robinson is actively involved in this aspect of the plan.

Existing and Proposed Land Use. Composition of the 15.2 acres of acquisition is as follows:

Park	2.8 acres
Business	4.4 acres
Housing	6.0 acres
Streets	<u>2.0</u> acres
Total	15.2 acres

After acquisition the land will be used for:

Park	3.7 acres
Railroad	<u>11.5</u> acres
Total	15.2 acres

Residential Relocation. The number of buildings and dwelling units to be acquired:

	<u>Buildings</u>	<u>Units*</u>
Single Family	63	63
Two Family	10	20
Multiple Family	<u>2</u>	<u>10</u>
Total	75	93

*Note:

The number of dwelling units is not an accurate indication of the number of families presently occupying them; overcrowding may increase this figure.

Public Notification of Southern's Plans

These agencies initially became aware of Southern's acquisition and expansion plan on the dates indicated:

Parks Department	October 30
Housing Authority	November 5
Planning Department	November 6
Model Cities Program Staff	November 10
Model Cities Board of Directors	November 17
Model Cities Executive Board	November 18

Chronology of Events (1969)

August-September

Acquisition of residential property began sometime during this period.

October 30

Southern's agents H. Robinson and C. R. McQueen met with Alderman Charles Leftwich, Jack Delius, and Stan Martin to discuss the railroad's plan. The Parks Department was asked

to determine the feasibility of a new park design that would exclude 2.8 acres of the existing Pittman Park, but include the additional 3.7 acres the railroad was willing to swap for the excluded portion.

November 5

Southern's land agents met with the Atlanta Housing Authority to determine the type of relocation assistance available to occupants of homes within the acquisition area. Because of the unique nature of this request--a railroad acquiring property under the power of eminent domain in an urban renewal area within the Model Cities Program--the Authority asked the regional office of the Renewal Assistance Administration (RRA) for an opinion. RRA tentatively determined that no financial assistance was available under existing regulations and contacted their home office in Washington, D. C. for further determination.

November 6

Planning Department became aware of Southern's plan for the Pittman Park acquisition only. At this time the Department arranged a meeting for Monday, November 10, at the Parks Department Conference Room and requested Model Cities repre-

sentatives to attend.

November 10

Model Cities became aware of Southern's plans for the entire yard expansion at a meeting in the offices of the Parks Department. (See memo of November 11, 1969 - Exhibit No. 1). In addition to the information in the November 11 memo, Southern's agents expressed a strong desire to acquire all the property in the shortest time possible and also suggested that Alderman Leftwich, Chairman of the Parks Committee, gave tentative approval to swap park land for railroad land. In addition, they urged all in attendance to keep their plan as secret or quiet as possible. The reason for this insistence was, according to them, to prevent the appreciation of land values within their acquisition area.

November 17

Legal agents of Southern Railroad, J. D. Jones and C. R. McQueen met with J. C. Johnson, Jim Wright, and Lou Orosz, of the Model Cities Program in their offices. The meeting was arranged by Stan Martin of the Parks Department. This represented the first direct attempt of Southern to involve the Model Cities Program in its plans. Discussion initially centered about the

Pittman Park situation but expanded to the relocation and involvement of Pittsburgh residents. Mr. Jones reiterated the Railroad's position as expressed one week earlier on November 10; the acquisition of land, including a portion of Pittman Park, must be completed as soon as possible; the relocation of people was not a railroad problem; the railroad would pay the fair market value for all property acquired; and that any attempts to involve residents and other public agencies was undesirable because it would slow down the acquisition process. The Railroad clearly wanted the property acquired and facilities constructed without delay.

Model Cities maintained an opposite position: resident involvement in all phases of community development is the core of the Model Cities Program and must be maintained. The formulation of plans affecting residents of the Model Cities Area, without their involvement, is contrary to guidelines set up by the Department of Housing and Urban Development. (HUD). Suggestions were also made that would get the Railroad involved in formulating and financing a portion of the cost of

relocating people from the proposed acquisition area into new housing within the Model Cities Area. It was additionally recommended that this would be an excellent opportunity for Southern to become involved in the development of the Pittsburgh community by devising ways that would assist in impeding the further deterioration of residential structures in the immediate vicinity of the railroad. (Since the railroad is responsible for this deterioration by creating an undesirable residential neighborhood to live in, they should bear the responsibility, rather than the public at large, for preventing this deterioration.) Mr. Jones said he would convey this portion to officials of the railroad.

November 17

Mr. J. C. Johnson presented Southern's plan to the Model Cities Board of Directors. (See minutes - Exhibit No. 2). The Board denounced the plans and attitude of the railroad, particularly the secretive manner by which it planned and executed its program, and additionally, their total disregard for involving residents and the Program staff. Finally the Board passed a resolution urging the Model Cities Executive Board to request the Southern Railroad to cease buying

properties until their actual intentions are known.

November 18

Model Cities Executive Board met and listened to a presentation of Southern's plan by Jim Wright. (See newspaper article - Exhibit No. 3). They resolved to ask Southern to delay its program until the full impact of their plan on Pittsburgh and the Model Cities Program Plan was known.

November 19

A tentative legal opinion regarding the utilization of eminent domain in making the Pittman Park acquisition was received by J. C. Johnson from the Atlanta Department of Law. (See letter of November 17, 1969 - Exhibit No. 4). The opinion said in effect, that the City's ownership and use of Pittman Park was a superior governmental use which could not be acquired by the railroad through its eminent domain power.

Issues

1. Resident Involvement. Lack of any attempt to solicit the involvement of residents in the planning phase of this development. This represents a flagrant violation of the requirements and intentions of the Model Cities Program as expressed by Congress, the Department of Housing and Urban Development, and the City of Atlanta. If this is allowed to continue it will result in destruction of the trust residents now have for the program as a means for improving

their own neighborhoods. There can be no exceptions for excluding resident involvement.

2. Acquisition of a Portion of Pittman Park. The Model Cities Plan identifies the Park as presently being below standards set up by the Program and by the City of Atlanta in its Parks and Recreation Plan. This deficiency is in terms of acres, and in facilities by which people can enjoy the park such as baseball diamonds, recreation center, etc. The Plan also anticipated acquiring the entire Foy Brick Company in later stages of the Program; the use, of course, would have been a park addition. The reason for not proposing the acquisition of adjacent residential property for eventual park use was because the Pittsburgh community, in several meetings, was against such a move. The relatively good structural conditions of these homes and the preservation of social ties between neighbors was more important to these people.

The railroad, on the other hand, has not considered these facts. After acquisition, which includes 30 dwelling units to be removed expressly for park expansion and the Foy Brick Company, park acreage will increase about one acre. This is one more acre than the park now contains, meaning that it will continue to be substandard. But more important, it means that any plan to bring it up to standards by increasing its acreage in the future will mean that additional homes will have to be acquired.

Consequently, the Railroad has everything to gain and the Pittsburgh community has everything to lose—its people, its homes, and the anticipation of enjoying a larger park in the future.

3. Disregard for the Future Development of Pittsburgh. The Southern Railroad has completely disregarded existing plans for Pittsburgh. This includes the City's 1983 Land Use Plan, the City's Parks and Recreation Plan, and Model Cities Program Plans for the area. These plans represent a substantial number of hours on the part of the agencies involved and the residents affected. The cost of preparing these documents which reflects, in this case, the desires and aspirations of Model Cities residents is not a light consideration. It cannot be disregarded.

The Railroad claims its acquisition of homes to provide itself with more yard facilities is justified for two reasons. First, that the space is needed to accommodate the output of General Motors; the intention is that more business (if this is actually the case) will benefit the city as a whole in the long run. This kind of thinking—egotistical, one-sided, narrow minded, and with the dollar in mind as the ultimate objective—is responsible for destroying central city neighborhoods throughout the country. It is one of the reasons why Congress has found the need for a Model Cities Program. And naturally it is completely opposite the short run, coordinated, and comprehensive approach of this Program

towards improving the life of people living in the area and participating in the Program.

I think that this reasoning is invalid within the boundaries of this Program. The short run time period is unquestionably more critical to Pittsburgh residents than it is to the questionable long run needs of the City, the Southern Railroad, and General Motors—in this instance.

On the second reason, Southern believes it is doing a service to the City by removing substandard structures in the path of its proposed yard facilities. If the structures are substandard to the degree Southern claims, (and this is questionable), then it is because of their nearness to the railroad. Who wants to live near a railroad yard? The people who can afford to live on this residentially marginal land have extreme difficulty in maintaining their homes because of their low income and the high cost of materials and labor used in home repairs. (Because the homes are marginal doesn't mean the people are marginal or undesirable).

It can be predicted with reasonable certainty that once the yard is constructed as presently planned, the adjacent buildings will deteriorate over the years. In a similar manner to the present situation, Southern is laying the groundwork for another claim when the need for additional yard facilities arises, that they are doing a service to the City by removing them.

4. Resident Relocation. The Model Cities Program has continually maintained that residents will be given the opportunity to remain in their neighborhood in the event they had to be relocated. With opportunity there must be choice. The lack of standard dwelling units within the area has placed this burden of providing choice on the provision of temporary housing units. Occupancy of temporary units would be until such time as permanent structures were built. This method represents the foundation of the Model Cities Relocation Plan and without it there will be no public relocation of families to provide land for any facility.

Furthermore, financial assistance from the Model Cities Program and the Neighborhood Development Program (NDP) will make the difficulties of moving easier for all people who must be relocated. This includes tenants and homeowners. The former receive moving expenses and the latter receive moving expenses and up to \$5,000 in differential payments: they are paid the difference in cost (\$5,000 maximum) from the price received for their acquired property and the cost of buying a similar sized home.

The approximately 100 families to be relocated by Southern's acquisition will receive none of this assistance. The use of eminent domain, or the threat of it, will not benefit these relocatees. They will not be eligible for temporary housing because none is available at this time. And they will not receive moving expenses and differential payments since they are not part of the NDP or part of an acquisition by a public

agency working with the Model Cities Program.

Again, the people do not benefit and actually become the recipients of inequitable treatment as a result of Southern's non-participation in the Model Cities Program.

5. Acquiring Pittman Park by the Power of Eminent Domain. Can Southern Railroad—a public utility—exercise its delegated power of eminent domain in the acquisition of 2.8 acres of Pittman Park? The question is important because its answer may determine the success or failure of Southern's venture. If the answer is "yes", then there is probably nothing constructive that Pittsburgh residents can do to prevent the plans's completion. If "no", then it may be possible to negotiate with the railroad on the issues already raised.

A tentative finding from the City Attorney's office indicates the railroad does not have the power in this case. (See Exhibit No. 4).

Conclusions and Recommendations

It is clearly evident that the Southern Railroad is determined to fulfill its plans in the most expedient manner. The secrecy at which they acquired property and the concealment of information regarding their intentions until the last possible moment leaves considerable doubt in my mind as to what public they represent. It is obviously not the 45,000 residents of Model Cities or the 8,000 in Pittsburgh.

As with representation, the question of beneficiaries is raised. Who benefits directly from expansion of the existing facilities? Obviously the management and stockholders of Southern Railroad and General Motors enjoy the fruits of this particular venture. The Pittsburgh community suffers for this plan will be to their detriment.

This negative effect is the very sought of situation Congress had in mind when it enacted Model Cities legislation in 1966. The objective of which was to substantially improve the environment in slum and blighted areas of cities. Here we have a good example of how not to improve the environment; the placement of a railroad yard in a residential neighborhood is unequivocally contrary to every known principle of environmental health and safety, and social stability. Southern's arguments of business need and city service do not justify the predictable destruction of a neighborhood. Do these reasons take priority over the objectives of the Model Cities Program? Do they justify Southern's disregard for involving residents and public agencies who diligently worked to establish plans

for creating a better place to live in? Do they justify side stepping a host of social, economic, and physical problems— and creating more in the process—that this Program is committed to solving? Maybe these questions point to the real reason for Southern's secretive approach!

But the plans are now public and we find ourselves with a set of facts—and a challenge: Reversing the historical process. Make the railroad aware of the problems it is creating, and ask them to join us in finding an acceptable solution, for them and for the residents of Pittsburgh.

This approach must be through negotiation. The prerequisite of which is resident involvement. The range to negotiating is between no expansion of yard facilities, to expansion of the facilities with an improvement to the surrounding area. These improvements would consist of high quality buffering between the yards and residential property; a park that is up to city standards in terms of land and facilities; an underpass at McDaniel Street; an adequate relocation program for the people to be displaced including the opportunity to remain in this area; and an adequately designed street system to serve the unusual pattern that would result if the yard were built.

This endeavor would have to be highly coordinated and thoroughly managed. Resident involvement must be solicited and channeled into the direction that would insure maximum impact on negotiations.

Public relations must be mobilized and prepared for the confrontations that will occur. An image of a united front will have to be maintained in order to increase the chances of receiving the most benefits from negotiation. In short, this approach must be thoroughly planned and managed.

As a first step, I would recommend a halt to the railroad's acquisition program. This may be voluntary or be an injunction which should be initiated by a resident committee—possibly one set up to cope with the railroad problem—an adhoc group. Simultaneously, support from other public agencies must be solicited. The Parks Department and Planning Department, and perhaps others, must agree in principle at least, to prevent the railroad from invalidating their plans for the area. (After all, that's what they maintain when we present plans different from theirs).

In summary, we must (1) determine what position and action the Program will take; (2) appoint a coordinator; (3) solicit resident approval for intervention; and finally, (4) insure support from appropriate public agencies.