

August 26, 1968

Mr. Johnny C. Johnson
Executive Director
Model Neighborhood Program
673 Capitol Avenue, S. W.
Atlanta, Georgia

Dear Johnny:

On Tuesday, August 20th, the Model Neighborhood Program's Executive Board approved a \$6,000 grant to Model Neighborhood, Inc. for the purpose of that corporation's performance of certain services in the Model Neighborhood Program area.

Model Neighborhood, Inc., as you know, is a neighborhood development corporation located in the Model Neighborhood Program area. For the past several months the corporation has been operating on a day-to-day basis because of its lack of financial resources. The Corporation has now completely exhausted its resources and in desperation has asked the Model Neighborhood Program for assistance.

This letter seeks your approval of our recommendation to appropriate \$250.00 of our contract funds to Model Neighborhood, Inc. under item 1.1 of our contract, which reads as follows:

- 1.1 The Consultant shall develop programs to bring together local and nearby sources of private capital;
 - 1.1.1 Investigate the feasibility of establishing a development corporation with broad local participation;

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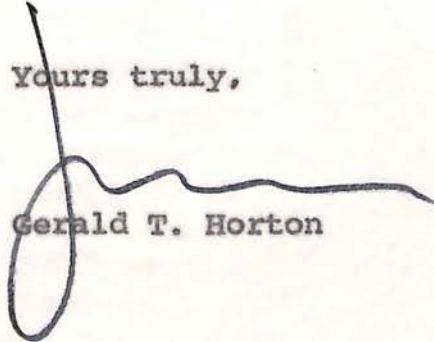
- 1.1.2 Encourage interest from outside sources of capital in investigating in study area developments.

We have discussed on previous occasions the importance of a neighborhood development corporation carrying out economic development programs within the area. At this point, the corporation is an important and significant part of the Program's Economic Development Component.

A subsistence contribution at this time would allow it to continue in operation until other funding mechanisms are formally approved.

With best wishes,

Yours truly,



Gerald T. Horton

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cc: ✓ Mr. Dan Sweat, City of Atlanta
Mr. Scott Rutherford, EDA

O.K. ?