

Mr. Sweet

CEREX ATLANTA CORPORATION

June 10, 1968

Mr. Howard Openshaw
Director of Redevelopment
Atlanta Housing Authority
824 Hurt Building
Atlanta, Georgia 30303

Dear Mr. Openshaw:

This is with reference to your letter of June 4, 1968 outlining several objections to our plans for the development of Parcels E-1a and B-2. As I understand it, these objections represent the position both of your office and that of the City Planning Commission.

I should like to take exception, first, to the second paragraph of your letter, which states in part that, "While certain elements of the original plan have been retained.... other features on which the development competition award was made have been eliminated, reducing the original extraordinary site plan proposal to the average run-of-the-mill development." That statement is unjustified as to the facts, and, if it is an expression of aesthetic judgement, not one with which we agree or respect.

Second, I should like to point out that your action in advising the Federal Housing Administration that our plans were not acceptable has resulted in their refusal to issue ready-to-go commitments. This may mean the loss, to us and to the City of Atlanta, of the 221(d)(3) reservations for this project and, if 221(d)(3) money is, as we are advised, exhausted, it may be some time before new reservations are obtained if we lose these.

A far more advisable course for you to have followed (in terms of safeguarding the 221(d)(3) reservations for this project) would have been to permit FHA to issue their commitments and in the period preceeding initial mortgage closing, work with us to achieve that which you feel is necessary. Your control of our going and our coming is so complete in every respect that with or without the commitment we cannot proceed into construction until you

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are completely satisfied with our work. You chose, however, to pursue a course which places the project's development in jeopardy....a needless and disheartening risk and delay.

Third, I should like to point out that we are no less interested than are you or any other City Agency concerned with this project, in producing as superior a development as possible. Our competition submission was not a pipe dream nor did we approach it on the basis of winning a beauty contest thinking to make it work later, as is often the case. I would imagine that we will be with this project long after most of the City officials concerned with it now have left the scene and its success, both as an investment and in the achievement of our social objectives, depends entirely upon its desirability to potential tenants.

It was recognized publicly, by you and by us during the course of the competition, that detailed planning, architecture and fiscal analysis would require certain changes, but that the major concepts presented would be preserved. We have acted in good faith in pursuing our work and those changes which have been made, in practically every single instance of concern to you, have related to four major factors:

- A. The severe cost restrictions governing the 221(d)(3) program which have become even more severe over this past year by virtue of the money market and tremendous increases in construction costs.
- B. Detailed cost analysis of certain of our original development proposals (such as rental town housing in Parcel E-1a and elements of site development) have proved to be economically infeasible in terms of their effect upon rentals.
- C. The need to provide the full number of units originally proposed when certain areas, upon detailed site planning, proved to be economically infeasible for development or, proved to contain conditions of which we were not advised (such as County ownership of certain lands within the project area).

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- D. The rentals and carrying charges which the housing market with which we are concerned can absorb.

Lastly, I should like to point out that most of those elements of our work which you now question have been known to your office and to the City Planning Commission for several months. It is baffling, to say the least, that at this late and critical date you choose to present your comments.

Now, as to the substance of your letter, I should like to make the following brief observations which will be enforced by oral argument and graphic material presented at our meeting on June 11, 1968.

As to your item (a), we do not agree that the geometric arrangement of buildings does not provide interesting and varied pedestrian spaces. The changes we have made in Parcel E-1a with regard to buildings placement are not major. If you are making an aesthetic judgement, we agree that the original concept is better, but not that our revision does it great violence. Additionally, some study of our building placement would have indicated the extreme topographic conditions which account for many of our shifts in building location, conditions we originally felt able to resolve, but in the face of economics, could not. In this regard, I should point out that retaining walls were the first to go when the dollar situation became extreme and this fact mandated a shift in building, parking and driveway location.

As to your item (b), rental townhouses in Parcel E-1a were eliminated solely for reasons of economy and FHA guidance here was quite convincing. They proved too costly to build and could not be absorbed by the rental market with which we are concerned. Eliminating townhouses eliminated the structured and disciplined flow of pedestrian traffic, but that function can be provided by strong and adequately designed pedestrian pathways.

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The original competition drawing did in fact show townhouses step up or down the grades. It was later recommended by your office and concurred in by us, that the B-2 site be converted to all co-op townhouses which more fully and economically served the market for townhouse occupancy. In addition, FHA requirements regarding percentage of grade around the E-1a townhouses parking lots which served these steep townhouse had severe cost implications. Also, the cost of producing such a steep townhouse proved to be so high as to approach or exceed the maximum rentals under the 221(d)(3) program as follows:

<u>Type of Unit</u>	<u>Monthly Rent On E-1 Site</u>	<u>Monthly Charge On B-2 (co-op site)</u>
2BR	\$ 98	\$ 81
3BR	112	98
2BR basement	105	96
3BR basement	119	109
4BR basement	126	119

Note: Includes all utilities

As to your item (c), we agree that the community plaza was a major and highly desirable element of our original proposal. We eliminated it and distributed the functions elsewhere throughout the project in that a part of Parcel E-1b and all of E-1c cannot now be developed for housing due to certain facts not brought to our attention during the competition. We, therefore, sought to recapture some of the lost units by placing them on the community plaza site. However, we are quite willing to eliminate that housing and to reinstate the original community plaza proposal, but you must recognize that this will mean a net loss of approximately 40 dwelling units.

Additionally, it should be noted here that the new centrally located community recreation area was not only approved by the Planning Commission and the full Board of Aldermen in our Community Unit Plan submission, but was also approved by the Atlanta Housing Authority. Similarly, the

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new church site location plan was forwarded to both the Housing Authority and Collier Gladdin's office on April 22, 1968 and no objection was raised at that time.

As to your item (d), changes in relationship of peripheral drives and parking areas to the housing units they serve, were made necessary by detailed studies which could not have been performed during the competition and by other changes such as building location and elimination of retaining walls. However, not by any stretch of the imagination can we understand the charge that the basic concept and relationship of driveways and parking to housing units served, has been violated.

As to the statement that a massive "sea of asphalt" parking area, remote from housing units is created, we point out that this is not the fact except perhaps in one instance. Even though the number of parking spaces has been increased to serve a larger number of housing units the parking solution in our proposal is superior to the original in many instances and in fact results in eliminating seas-of-parking. The statement that parking areas are remote from housing units is absolutely unfounded. Except in two instances they are all in the same relationship as originally proposed and improved in many instances -- at FHA insistence.

As to your item (e), the concept of uninterrupted pedestrian streets is maintained. As a matter of fact, it is improved in both Parcels E-1a and B-2. Site plans showing the use of this particular street has been in your possession since March. As a matter of fact, its utilization resulted as much from your suggestion that it be used and dedicated to the City so that approximately \$30,000 in site improvement credits would accrue to the City, as it did from our desire to eliminate the cost of constructing additional roadway.

As to your item (f), the pedestrian and vehicular traffic between Parcels B-2 and E-1a will provide for controlled street crossing as originally proposed.

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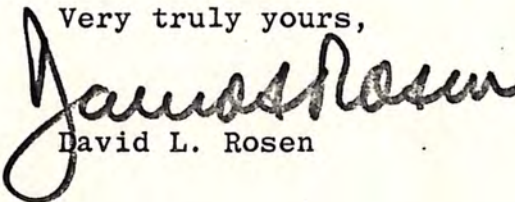
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As to your item (g), we have rethought the placement of church sites within building clusters in view of our meetings with church groups which established that the churches will attract members both from within and without the project area. To place churches within the clustered areas would be to introduce large amounts of parking which we consider undesirable.

As to your item (h), the geometric arrangement of Parcel B-2 not only does relate to topography, it is governed by topography. We do propose a cluster arrangement of buildings with much of the site open and existing trees preserved. The statement that "the entire site is covered with buildings and parking areas" is completely unsupported by the facts and rather contentious. Coverage is approximately 20% for all buildings, roads and parking areas. The original plan proposed 331 dwelling units and 450 parking spaces. The present one proposes 250 dwelling units and 375 parking spaces -- on the same acreage.

Very truly yours,


David L. Rosen

DLR/sbs

cc: Mr. Lester H. Persells
Mr. Ralph Johnston
Mr. Collier Gladdin
Mr. Rodney Cook
Mr. Hamilton Douglas, Jr.
✓ Mr. Cecil Alexander
Mr. Larry Chkoreff
Mr. Stanley Berman