

CITY OF ATLANTA



HOUSING RESOURCES COMMITTEE
Room 1204; Ext. 430
March 10, 1967

CITY HALL ATLANTA, GA. 30303
Tel. 522-4463 Area Code 404

IVAN ALLEN, JR., MAYOR

R. EARL LANDERS, Administrative Assistant
MRS. ANN M. MOSES, Executive Secretary
DAN E. SWEAT, JR., Director of Governmental Liaison

Dear Committee Members:

Enclosed for your file is a copy of minutes of the organizational meeting of this Committee in the Aldermanic Chamber at the City Hall, February 14. Several members who were unable to attend that meeting have requested that minutes be sent them in order that they could keep abreast of developments.

Also enclosed for the benefit of those who did not attend the meeting is a copy of Mayor Allen's address at the meeting.

The guest speaker Mr. Ferd Kramer of Draper and Kramer of Chicago related in a very interesting manner, some of his experiences in working with a group of private individuals in developing a much needed community housing project in Chicago which contributed in stabilizing a declining neighborhood and at the same time providing much needed housing for the staff of Michael-Reese Hospital and Illinois Institute of Technology. The project involved the purchase of badly deteriorated homes and tenements and construction of new apartments, together with the rehabilitation of the better structures. Mr. Kramer emphasized the importance of group action and support in projects of this kind, including cooperation of owners of existing properties and participation by lending institutions, builders, sub-contractors, labor and the City. It is hoped that this may inspire similar projects in Atlanta.

Mr. Kramer stressed the importance of using Section 221d(3) of the National Housing Act in connection with financing rental housing for medium- - low income occupants. The 3% below market interest rate, together with FHA's waiver of the $\frac{1}{8}\%$ mortgage insurance fee allows the sponsor to provide housing at lower rentals, or in the case of cooperatives, lower monthly payments. This helps to close the rental gap between conventionally financed apartments and Public Housing. He also stated that apartment sponsors could usually obtain a substantial tax write-off through the use of limited dividend corporations. Mr. Kramer indicated that mortgage funds are now available for needed housing projects in all of the larger cities and stated that financing discounts have dropped 4 to $4\frac{1}{2}\%$ in most areas during the past three months.

Mr. Kramer's talk was extemporaneous, so unfortunately copies are not available.

A copy of news release by Committee Chairman, Cecil A. Alexander, on February 24, as to activities and accomplishments of the Committee has been mailed to each member. We will endeavor to keep you informed through periodic reports of this nature from time to time as to progress of the program.

On February 24, HUD announced approval of fund "reservation" for 3000 additional units of Public Housing for Atlanta. The Housing Authority request for these units to help meet its share of the accelerated program for low-cost units was approved by the Board of Aldermen, December 20, 1966. This will be quite a boost in providing standard housing for many of Atlanta's families in the lowest income bracket.

On March 7, bids were opened by the Housing Authority for construction of 140 units of Public Housing as an extension of Perry Homes, South of Proctor Creek. These will consist of 78 three bedroom units, 46 four bedrooms and 16 five bedrooms.

Panel meetings were held recently by the Social Problems and Public Information Panels.

Dr. Edwin Harrison has been elected Chairman of the Construction and Design Panel and Moreland Smith, Vice-Chairman.

Virgil Milton has been elected Chairman of the Business Participation Panel and Edward L. Simon, Vice-Chairman.

Dean William S. Jackson has been elected Chairman of the Social Problems Panel.

Lee Burge has been elected Chairman of the Finance Panel and Gordon Jones, Vice-Chairman.

Acting Chairmen of other Panels are urged to report as soon as possible the names of permanent Chairman and Vice-Chairman of their Panels.

During February permits were taken out for construction of 11 single family houses to cost under \$15,000 each; 23 such houses were completed within the City; permit was also issued for construction of 95 apartment units to cost under \$10,000 each.

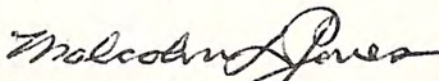
Due to the shortage and high price of large suitable tracts of land within the City for development of low cost housing, it appears that a substantial portion of the accelerated program requirements will have to be built on small tracts and individual lots scattered throughout the City. Builders should be encouraged in this direction.

On small lots, of which there are many in the Central City, where dilapidated structures are being demolished under the Housing Code, if such lots are zoned residential and were of record at the time the Zoning Ordinance was adopted in 1954, a single family residence can be rebuilt on the lot. This is not generally known by property owners.

Cooperative housing, sponsored by non-profit organizations taking advantage of the 3% FHA insured mortgages, at 100% of FHA appraisal, including the land, is becoming a very popular trend in the Atlanta area. This provides an incentive of ownership by the occupants which greatly reduces abuse and vandalism, so prevalent in the past in low income areas. Many fraternal, educational and religious organizations are in a position to take advantage of this approach and should be encouraged to do so. Additional information on this technique is available at the Housing Resources Committee office in City Hall.

Any member learning of new or projected developments in the low cost housing field is requested to pass such information on to the Housing Resources Committee office which endeavors to maintain a record of such developments and their status.

Sincerely,



Malcolm D. Jones
Supervisor of Inspection Services

Encl: Minutes of February 14 Meeting
Copy of Mayor Allen's Address