

MINUTES

Housing Resources Executive Committee and Low-income Housing Coordinating Group Meeting

October 3, 1968

The regular monthly meeting of the Housing Resources Executive Committee and the Low-income Housing Coordinating Group was held at 9:30 a.m., on Thursday, October 3, 1968, as a tour through portions of the City of Atlanta to observe the different slum areas and some of the typical new low-income housing projects going up in the City. This tour was sponsored jointly by the HRC and EOA, Inc. The bus was arranged for by EOA.

List of those invited, with attendance indicated, agenda, project data and other related documents are attached to the file copy of these minutes only.

The first area visited on the tour was the Bedford-Pine Urban Renewal Area. Mr. Lester Persells, Associate Executive Director of the Housing Authority, acted as narrator during the tour through the Bedford-Pine area. This area is located near downtown Atlanta and is North, East and Southwest of the new Civic Center on Piedmont Avenue. This is one of our worst slums. The Urban Renewal project is still in the Planning stage, but is expected to get in execution soon, perhaps under the newly approved Neighborhood Development Program of the 1968 Housing Act. It will take about 2½ years from now to clear the land in the clearance portion. The reason for it taking so long is that it will have to be taken block by block. Many of the families in this area will have to be relocated. Some of the houses or buildings will not be demolished but will be rehabilitated. The West side of Parkway Drive, South of Forrest Avenue, in the Bedford-Pine area is to be used for Commercial development and the East side of Parkway Drive, South of Forrest Avenue, is intended for the Georgia Baptist Hospital Expansion program.

The people are working together to help clean up the areas and are working on a rat control program in the area.

The first stop was Wheat Street Garden Apartments in the Butler Street Urban Renewal area. This is a 221 d(3) project, Non-profit and Rent Supplement. The non-profit sponsor is the Wheat Street Baptist Church. The Pastor is Rev. William Holmes Borders. The Wheat Street Garden Apartments are being developed in three phases. In Phase I there are 280 units, which are all two bedrooms with the rent for the upstairs apartments at \$74.00 and the downstairs apartments at \$71.00. This section was completed just before the current accelerated low-income housing program started. Phase II of the project has 84 units with rent for a one bedroom apartment being \$79.00 and the rent on the 3 bedroom apartments being \$98.00. The cost per unit of Phase II was \$10,912 of FHA Commitment. In Phase III of the project there

are 108 units of three bedrooms at \$140.00 with \$80.00 a month Rent Supplement. The cost per unit of Phase III is \$12,500, FHA Commitment.

We then traveled to another section of the City which is commonly known as "Lightening". Lightening is located almost in the heart of the City between Northside Drive and Marietta Street. This area is zoned M-2 (Heavy Industry). Most of the housing is dilapidated and the streets are so narrow that it is almost impossible to get a car through them. Old, abandoned cars line most of the streets of the area, which hinder the safety of the area. People from this area and many of the other slum areas are being hired for \$1.60 an hour to clean up the streets and to work with the small children. Lightening is considered the worst slum in Atlanta.

A walk through portions of this area, brought the tour group into first hand contact with the slum conditions which exist in this and other similar areas. The realization of the need for clearance and rebuilding of something useful in this area was dramatic.

The bus then took us to and through the Vine City area. Vine City has long been considered for an Urban Renewal project. The main problem that lies here is lack of citizen agreement on participation. Here like in many of the other slum areas, the houses are built right next to each other, with roofs and floors about to cave in. Plumbing, which is not up to standard, is a hazard to the safety and health of people in this area.

We then traveled to the Friendship Center in the University Urban Renewal area. The Friendship Center is a 221 d(3) Non-profit project. The non-profit sponsor is the Friendship Baptist Church, Rev. Samuel Williams, Pastor. The developer is Celotex Corporation and the Builder was Rogers Construction Company. The Center has 208 units with the maximum allowable density for A-1 (Apartments) development of 16 units per acre. It has 34, 1 bedrooms at \$87.50, 95, 2 bedrooms at \$101.00, 30, 3 bedrooms at \$115.00 and 49 Towne Houses at \$107.00. The units are centrally air-conditioned, utilities, stove and refrigerator are furnished. The cost per unit is \$10,812, FHA Commitment.

Our next stop was at College Plaza Apartments located off Westview Drive, in the University Center U. R. Area. The College Plaza Apartments is a 221 d (3) Limited Dividend project. There are 96 units in the project, all having 2 bedrooms, which rent for \$75.95. Water, stove and refrigerator are furnished. The utilities have to be paid by the occupant. The total permit cost for construction was \$8,255 per unit.

We then took the bus to the Allen Temple Project. This project is located off Gordon Road, just beyond the ACRRR. Allen Temple is a 221 d (3) Non-profit project. The non-profit sponsor

is the Allen Temple AME Church. The project is being built in three phases. Phase I - Completed with 151 units. There are 100, 2 bedrooms at \$62.00, 50, 3 bedrooms at \$79.00 and 1 Manager's apartment, which is free. Phase II of the Allen Temple Project has 222 units with 142, 2 bedrooms at \$68.00 and 80, 3 bedrooms at \$80.00. Phase III of the project is now under construction with 208 units with rent for the 2 bedrooms at \$88.50 and 3 bedrooms at \$99.50. The total cost per unit is \$11,566, FHA Commitment. This project provides conclusive evidence that good management is the key to success of a well kept and successful project. This project is under the management of Williamson Realty Company.

The London Towne Houses were next on our itinerary. The London Towne Houses is a 221 d (3) Co-op Non-profit Sponsor project. The non-profit sponsor is FCH, Inc., a national professional non-profit sponsor, and the builder is Diamond and Kaye.

Two other 221 d (3) Co-op projects have been developed by the same group in the Atlanta area, Eastwiche Village off Highway I-20 in DeKalb County and Cambridge Square in Doraville. Both have been very successful.

The Towne Houses must be sold before construction starts. There are six model units to choose from. There is a \$10.00 application fee and \$135.00 down payment, but there is no closing cost. There are 200 units in the London Towne House project: 8, 1 bedrooms at \$63.00, 61, 2 bedrooms at \$69.00, 122, 3 bedrooms at \$84.00 and 9, 4 bedrooms at \$109.00. These purchase prices of the Towne Houses include taxes, insurance, and outside maintenance. The average cost per unit is \$14,078, FHA Commitment. The monthly payments cover the following:

*Mortgage Interest	43%
*Real Estate Taxes	16%
Mortgage Principal	19%
Maintenance	12%
Reserve Funds	5%
Administration	5%
Landlord's Profit	0%
	<u>100%</u>

*tax deductible items

The 221 d (3) non-profit co-op development provides the most for the money of any of the low-income housing programs. It has been very successful nationally in providing a stabilizing influence in home ownership for low-income families.


We then rode through the McDaniel Street Public Housing project located on McDaniel Street between I-20 and Georgia Ave. Mr. Persells again acted as narrator as we went through this project. The project has 650 units with 310 completed on 7-25-68

and 340 units are under construction. This project was built on Urban Renewal land at an average construction cost of approximately \$14,500 per unit. According to Mr. Persells, the total cost per unit, including land and administrative expense, is in the neighborhood of \$18,500 per unit. The project includes approximately 149 high-rise apartments for the elderly, a community house and an administration and maintenance house.

We then returned back to City at 12:22 p.m. and the meeting was adjourned.

Editorial Comment: It was clearly obvious to those on this tour that various pockets of slum conditions of the worst sort still exist in Atlanta; that they can only be eliminated through positive and drastic action by the City; that reuse of the land in these areas, needs to be reanalyzed and change of current or anticipated zoning in some areas carefully considered to permit greater residential use; and that in general, current Federal assisted low-income housing projects are providing very creditable housing for low-income occupants.

Respectfully submitted,


Malcolm D. Jones
Housing Coordinator

MDJ/mc

Encls: As stated (with file copy only)