

May 15, 1968

Honorable H. Ralph Taylor
Assistant Secretary
Department of Housing and Urban Development
Washington, D. C. 20410

Dear Secretary Taylor:

On March 10, 1967, the City of Atlanta submitted its application for a Comprehensive City Demonstration grant under the Demonstration Cities and Metropolitan Development Act of 1966. The application was developed by the HUD guidelines for these purposes entitled "Improving the Quality of Urban Life". The total cost of the Atlanta program was estimated for planning purposes at \$500,690.00.

On November 15, 1967, HUD announced the selection of Atlanta along with 65 other cities as initial recipients of Model Neighborhood Program grants. However, Atlanta unlike many of the other 65 cities received less than complete direct Federal funding for this program. Atlanta's program as determined by HUD was to receive \$152,000 in direct Model Neighborhood Program grant funds (80/20 monies) with additional Federal monies to be made available through the CRP and 701 programs totalling \$127,000. The latter are matched on a 1/3 - 2/3 basis.

In addition, monies were also made available to Atlanta through the EDA program totalling \$100,000 but this was completely earmarked for economic planning purposes.

On the surface, this was an impressive outlay of Federal funds and appeared satisfactory at the time; even moreso with the overtures made by HUD to the internal operating procedures to be worked out

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by HUD among its allied agencies relative to "cooperation", "Special processing and handling of materials pertaining to this program", etc. We, therefore, accepted this offer of Federal financial assistance in the spirit of innovative planning and financing on the part of HUD and proceeded to make known our intentions of retaining the original size and scope of the local program without alteration.

Obviously, such a new Federal program is fraught with difficulties in attempting to make it operational. Staffing arrangements alone at the local level are monumental to say nothing of the work elements to be undertaken. Being that as it may, HUD has since the inception of the program promulgated certain technical memoranda which provide a further detailing of "required" work elements. Meanwhile, our staff has struggled along attempting to work out the necessary applications and obtain the additional Federal monies under this circuitous financial arrangement.

On March 15, 1968, the City submitted its 701 Application for Model Neighborhood Program planning purposes - its status at present is still "under going review" by HUD. An Amendatory Application for CRP grant funds for Model Neighborhood Program planning purposes is pending submission to HUD. Combined, each has caused the City to spend an undue amount of time and effort in attempting to utilize this unique method of financing the Model Neighborhood Program in Atlanta.

Unfortunately, each application has had to be written to conform to the specifications of the reviewing agency of HUD thereby restricting and restraining maximum benefit to the Model Neighborhood Program. Neither of these applications provide us with the total flexibility and wherewithal needed by the City to undertake those work elements of the Model Neighborhood Program required by HUD in a satisfactory, proper and expeditious manner.

It is our understanding that there are supplementary Model Neighborhood Program grant funds available, and additionally, HUD is currently in the process of selecting its second round Model Neighborhood Program grant recipients. We feel that HUD would best do well to reconsider full, complete and direct Federal funding of those on-going Model Neighborhood

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Programs prior to expanding this sort of malaise. With laborious and time consuming procedures necessary for obtaining CRP and 701 grant funds for Model Neighborhood Program planning purposes; with indications that the HUD agencies are not cooperating with each other; with no guarantee that the processing of applications has been given the highest priority other than the normal procedure; with the inequitable local non-cash matching requirements we have suffered under; we, therefore, appeal to HUD to reconsider our current financial arrangements relative to the preparation and undertaking of the Atlanta Model Neighborhood Program.

The City of Atlanta requests that HUD reserve and appropriate \$150,000 in Model Neighborhood Program grant funds in lieu of the 701 and CRP Federal grant funds to be used for planning purposes in the Atlanta Model Neighborhood Program. This additional \$150,000 in Federal grant funds would bring our base Model Neighborhood Program grant up from \$152,000 to \$302,000. The formidable obstacles we have faced to date and those that remain will be substantially reduced by favorable action on this matter on the part of HUD.

We respectfully request that this appeal be given your immediate and sincere consideration in order that sufficient funds might be made available for us to do a competent job and to improve the possibilities of achieving the goals of Model Neighborhood planning in Atlanta.

Sincerely yours,

Ivan Allen, Jr.
Mayor

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