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The Citizens and Southern National Bank

Atlanta, Georgia 30302

December 28, 1966

JAMES P. FURNISS
VICE PRESIDENT

Mayor Ivan Allen
City Hall
Atlanta, Georgia

Dear Ivan:

The other day, the Community Council and certain outsiders listened to EOA's discussion of a proposed corporation in the Summerhill-Mechanicsville area. Purpose of the corporation would be to provide employment for adult semi-skilled and unskilled workers in the demolition, cleaning and boarding up of substandard housing and properties.

Those attending had several observations, one of which was that a new corporation of this sort with untested leadership would have difficulty making a go of this venture if it had to bid in the open market for demolition work. There was a hope that the city of Atlanta might be able to direct contracts to the group at a negotiated price.

I'd like to urge your consideration of this idea. Nevertheless, I feel the city could do a lot to help make a corporation of this sort successful if it put certain strings on its willingness to negotiate.

The sort of strings I have in mind are that a negotiating group would indicate to your satisfaction that it was properly set up with reasonably experienced management, that it would have to operate within a pricing structure fair to the city and that the city would have assurance that the work would be done well.

Among the outside observers at the Council meeting were a couple of men from our bank who were attempting to appraise EOA's lending and development program for small business. Due to EOA

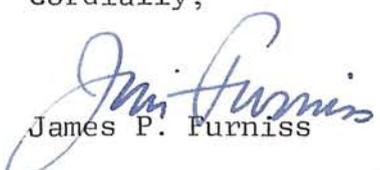
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cutbacks in funds, both these programs have been transferred out of EOA to the Small Business Administration. We were wondering if there were a place where private enterprise could step in and take over some of the functions which government had been asked to do.

As bankers, my two associates and I saw some potential merit in this particular application. Compared with some of the loans which we have made, this one might be shaped into something which could be handled provided the whole enterprise were set up right in the first place. The advantage to the city would be to create a new way in which people in poverty areas could gain useful work as they built an organization which ultimately could compete in the open market for business. It would be a fairly dramatic way of demonstrating that because one is poor does not necessarily rule out economic opportunity.

In thinking about this particular proposed company, it would be helpful to know if the city would entertain a negotiated price for some of this demolition and repair work.

Cordially,



James P. Furniss

JPF/as