

HOUSING RESOURCES COMMITTEE

Report

COMPLAINT

On April 18, Mr. Albert N. Cowan made the following complaint to this office.

His brother, Robert H. Cowan, of Jacksonville, Florida, owns a residential structure (Cowan Family Home) located at 1043 Stewart Avenue, S.W., in the Adair Park portion of Model Cities area; that Robert H. Cowan was required by the City of Atlanta (Building Department - Housing Code Division) during 1967 to bring this structure up to Housing Code standards and spent \$6,600 on the project; that the work was done by a Mr. G. J. Carruth, a White Minister, who also professed to be a Contractor.

Mr. Cowan continued that recently his brother was called into the Housing Authority Rehabilitation Office at 530 McDaniel Street, S.W. and told that additional work needs to be done on his house which will cost an additional estimated \$7,000; that he may obtain a 3% direct Federal loan with up to a 20-year mortgage and has 60 days in which to comply.

Mr. Albert Cowan also said that his brother is 76 years old and does not want to place a new 20-year mortgage on this property, even if it is at 3% interest. (Estimated cost is approximately \$5.55 per month, per \$1,000); that he lets his sister, Miss Pearl Cowan, live there free and Miss Pearl Cowan rents rooms (I understand as a livelihood which is her principal source of income and support); that the house is liveable and basically sound; that no major damage or vandalism has occurred to the property since it was brought up

to Housing Code standards by the City in 1967; that the owner, Robert H. Cowan, is willing to make additional minor repairs occasioned by fair, wear and tear during the past 2 years, but does not feel that he should be required to spend now an additional \$7,000, after having spent \$6,600 in 1967 to meet City requirements, which were designated, inspected and work accepted by the City's official representatives.

### FINDINGS

Check with the Housing Code Division reveals that on February 9, 1967, a Housing Code case was initiated against this property in connection with a house-by-house inspection in a designated concentrated Housing Code Enforcement area; that a building permit for repair of this structure was taken out 4-24-67 by G. J. Carruth, Contractor, in amount of \$4,100; that the work was complied 6-9-67 by the Housing Code Division and certificate issued for 3 units, with existing facilities (copy of Housing Code record attached, Encl. 1). Mr. Cowan maintains that his brother paid \$6,600 to the contractor and presumes that the extra \$2,500 above permit cost was the contractor's profit. He also states that the contractor procured floor tile for one of the rooms but did not install it, which he promised to do later, but never did.

Check with the Housing Authority Rehabilitation Office for Model Cities at 530 McDaniel Street, S.W., reveals that on April 22, 1969, that office issued Mr. Robert H. Cowan an itemized list of "Violations" which also stated that all work to be done shall comply with specifications set forth in "Invitations to Bid" and "Minimum Property Standards for Urban Renewal Rehabilitation" and that the property be reduced to two units (copy attached, Encl. 2).

The Housing Authority Inspector's estimate of the cost of this work was originally \$7,000 but was later reduced to \$6,000 as result of conference between the owner and inspector.

This is essentially what has happened:

- A. Model Cities has designated this portion of the Adair Park area for rehabilitation in 1969, although it was included in a concentrated Housing Code Enforcement program conducted in the same area on a house-by-house basis in 1967.
- B. Model Cities has accepted Urban Renewal Project Rehabilitation Standards, essentially as used in West End, i.e., "Property Rehabilitation Standards, Model Cities Urban Renewal Redevelopment Area", based on HUD Pamphlet PG-50, "Rehabilitation Guide for Residential Properties". These Urban Renewal Rehabilitation standards were prepared by the HUD Regional Staff.
- C. The HUD Guide is reasonable and permits considerable flexibility in local application. However, the standards prepared by the Housing Authority and approved by HUD include  
• considerable local interpretation of the HUD Guide and, as was explained to me by the Housing Authority Rehabilitation Inspector, are intended to essentially

rebuild properties, rather than just repair them, and is designed to place them in essentially new house condition, presumably free from additional maintenance for the next 15 years, thus placing them in a category very similar to housing rebuilt for resale under the FHA 221 (h) program.

- D. No consideration has been given to the City's previous rehabilitation efforts in this area under the Housing Code. Zoning requirements for the area have been taken literally from the Zoning Map, with no allowances made for previously approved use of specific structures.
- E. No consideration is given to legal non-conforming uses in the area, authorized by the Zoning Ordinance.
- F. Although most of the Model Cities' requirements are reasonable and would be desirable if no other improvement efforts had been made on the property recently, some of the requirements however appear impractical, particularly for rental property. Examples in this particular case are:
  - 1. Requiring resanding and refinishing of perfectly solid wooden floors throughout.
  - 2. Removal of good fencing, desired to be retained by the owner as a means of protection.

3. Removal of serviceable electric switch in hallway entrance to the bathroom and re-installing same switch inside the bathroom.

COMMENT

The Model Cities Rehabilitation Standards as such, are unenforceable. If owners fail to comply voluntarily, the Housing Authority has no other course open than to turn the case over to the City to effect compliance. At this point (and this is quite important) the City will require, and the Courts will enforce, only compliance with the City of Atlanta's Housing Code.

This is one reason why on October 18, 1968, in Memorandum to Mayor Allen I recommended:

"That rehabilitation in the Model Cities area be accomplished by the City, rather than by the Housing Authority, utilizing both the City and Housing Authority Inspectors. This is believed to be the most feasible procedure in view of the extent of current trained staffs available and should produce the fastest results . . . .

That the Housing Code standards be recommended for use as the Rehabilitation Standards in the Model Cities area . . . ."

Also on October 31, 1968, in Memorandum to the Director of Model Cities, I stated:

"Also, I feel very strongly that one set of rehabilitation standards only for the entire Model Cities should be established for execution by both the Housing Authority and the City; and that initial notices to property owners to rehabilitate their dwellings to meet

required standards should be issued in the name of the City of Atlanta, regardless of who or under whose jurisdiction the actual processing and execution is accomplished. This is to provide the legal requirements necessary to invoke the Police Powers of the City, if necessary, at a later date to insure compliance. This will avoid encountering extensive time delays later and costly repetition of efforts in processing rehabilitation notices originally issued by the Housing Authority Inspectors, but which may eventually have to be turned over to the City to enforce in order to obtain compliance . . . ."

Comparison of Federal Pamphlet PG-50 "Rehabilitation Guide for Residential Properties" and the City Housing Code standards reveals that they are quite similar and not sufficiently far apart to justify two sets of standards for rehabilitation of residential properties within the same area, simultaneous or in quick succession, as in this instance.

However, two sets of standards do currently exist and probably won't be changed now, in view of HUD's already approval of the Urban Renewal Rehabilitation standards. In general, little fault can be found with the Urban Renewal Rehabilitation requirements, and the procedure for effecting them provides assistance and controls which are definitely helpful. See "General Conditions - Bids and Proposal - Construction Contract" (Encl. 3). Therefore adoption of proposed procedure by the City in the Model Cities area appears appropriate and desirable, in fairness to property owners, while at the same time attempting to meet the objectives of Model Cities for improvements "above and beyond" required Housing Code standards.

## EFFECTS AND RESULTS

A tour of the Adair Park Neighborhood (Stewart Avenue West), where the City Housing Code was enforced on a house-by-house basis just two years ago, reveals a very neat and well-kept neighborhood. With few exceptions, this area is definitely a credit to the Housing Code Enforcement efforts and to the City of Atlanta in general. If all of Atlanta was in as good condition of maintenance and general up-keep as this area is now, there would be no problem. There are probably several hundred decent, safe and sanitary residential structures in this general area in good sound livable condition that are, or will be, effected in a very similar manner to Mr. Cowan's property.

With all of the much worse housing in so many portions of the Model Cities area, which badly needs rehabilitation, it is unfortunate that a portion of this excellent area which was just brought up to Housing Code requirements within the past two years, has been selected for Urban Renewal Rehabilitation during 1969. This seems a misuse of effort and waste of money, both private and public.

If the City is to have the support of property owners in any neighborhood, and this it must have for success of rehabilitation efforts, these people, their pocketbooks and previous improvement efforts must be given appropriate consideration.

## PROPOSED PROCEDURE

- A. That owners in the Model Cities rehabilitation areas be informed of Model Cities standards and provided with lists of specific improvements needed to meet these standards. Also that they be advised of the special benefits and free services such as 3% interest, 20-year mortgage rehabilitation

loan, free architectural advice, competent direct supervision over work being done and withholding payment to the contractors until work has been completed and accepted as satisfactory; and to offer these benefits to the owners if they wish to take advantage of them.

- B. At the same time however, inform the owners that all of these improvements, although desirable, are not mandatory or enforceable, but that the Housing Code requirements are.
- C. Then give each owner the opportunity to decide which course he desires to follow.

Unless this is done openingly and above board, many property owners, through ignorance of the law and or fear of getting entangled with City Hall, will commit themselves to larger expenditures than are necessary or that they desire or are financially able to carry out, thus evoking actual hardship.

While the rebuilding concept, as opposed to repair, is costly to the property owners in Adair Park, which is basically a substantial upper-middle class neighborhood where most of the structures are basically sound and well-kept, the current policy will be particularly costly and difficult for the less affluent property owners in areas such as Summerhill, Mechanicsville and Pittsburgh where the structures are poorer built initially and in much worse state of maintenance.

This proposed procedure has been discussed with, and would have the support of, the Chief Housing Code Inspector, Building Department and the Supervisor, Housing Authority, Model Cities Rehabilitation

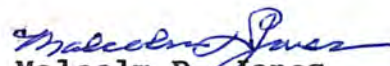


Office, 530 McDaniel Street, S.W.

Unless procedure substantially as indicated above is adopted, the entire rehabilitation effort in the Model Cities area is very likely to eventually result as a serious detriment to success of the program and to the goodwill and support of the housing improvement programs of the City in general and of Model Cities area in particular.

RECOMMENDATION

Therefore, I recommend and strongly urge that the above indicated procedure be adopted in this particular case and in similar situations in all NDP areas, in fairness and justice to all concerned.

  
Malcolm D. Jones  
Housing Coordinator

MDJ/mc

Encls: Housing Code Enforcement Record, 1043 Stewart Avenue, S.W.  
Housing Authority Urban Renewal Rehabilitation requirements  
"Work Write-up" on same property  
General Conditions - Bid and Proposal - Construction Contract