

April 21, 1967

A regular meeting of the Urban Renewal Policy Committee was held on Friday, April 21, 1967 at 10:00 A. M. in Committee Room #2, Second Floor, City Hall.

The following members were present:

Rodney Cook, Chairman
Edwin Sterne
Gregory Griggs
George Cotsakis
Frank Etheridge

Absent:

Hugh Pierce
John Flanigen

Also present were:

George Aldridge
Jim Kluttz
George Berry
John Izard
Hugh Peterson
Robert Sommerville
Howard Openshaw
Collier Gladin
Les Persells
Bob Bivens

The Chairman called the meeting to order and the following business was considered:

Mr. Gladin introduced to the Committee and others present, Mr. Jimmy Kluttz, a new addition to the City's planning staff. He stated that Mr. Kluttz comes to the City highly recommended with impressive qualifications; that he has several years experience in the housing field and will serve as the City's coordinator of urban renewal.

In behalf of the Committee, Chairman Cook recognized and welcomed Mr. Kluttz, stating they look forward to working with him.

Submission of Revised Application to Combine the Buttermilk Bottoms and Bedford Pine Project Area.

Mr. Persells exhibited a combined map of the two existing project areas and stated that at the time this was initially discussed with the renewal assistance administration, the Housing Authority was advised that the necessary right-of-way for the widening of Bedford Place could be dedicated to the City and that the City could proceed

with the widening project, however, when Part I of the Buttermilk Bottoms Application was presented for their review and approval, a change of policy at the Federal level was made, necessitating that the City purchase the right-of-way for the street widening, which will require a cash outlay of a quarter of a million dollars. Mr. Persells stated further that inasmuch as the City is not in a position to make this cash outlay, the only solution to the problem seems to be to combine the two projects. He then cited the advantages to such a combination: First, the proximity of the projects to each other dictate a tying together of the street alignments; since there is a change in street grades as much as 20 feet at some points, considerable regrading of the street system will be required. Secondly, there is a Federal restriction on relocating people outside of a project proper, and combination of the two projects would permit the temporary on-site relocation of people from one project to the other. Thirdly, if the projects aren't combined, the City stands to lose approximately \$125,000 in credits for the widening of Bedford. Mr. Openshaw explained the existing project boundary line is on the east side of Bedford; the City is immediately widening on the west side of Bedford to 3 lanes (all within the Buttermilk Bottoms project) and this being the boundary line, only 50 percent credit will be eligible, both in the cost of the right-of-way and street improvements, unless the projects are combined so as to include the east side of Bedford, making it an interior street; this would then permit a 100 percent credit for the widening that the City had hoped to receive. Mr. Persells stated also the coordination, acquisition, demolition and relocation will be much simpler as a single project, rather than two. During ensuing discussion, Mr. Cook expressed concern about the additional delay in acquisition of properties in the Buttermilk Bottoms project since the people in this area have been told it would begin within the next six weeks. The Committee was also doubtful that it would involve just a six months delay, and Mr. Cook further expressed particular concern about known hardship cases along Forrest Avenue. Mr. Persells explained that he did not believe there would be that much delay in the projects actually; that as soon as the Survey and Planning Application is submitted to combine the projects, the Housing Authority can immediately proceed with preparation of Part I of the application and would expect to have it ready by the time the Survey and Planning Application is approved; that since about 60% of the Buttermilk Bottoms project has been acquired under the Letter of Consent method the Authority has agreed that it would not make any such additional request after the Federal people had called to their attention that you cannot execute a project under the guise of Letters of Consent. However, in order to facilitate acquisition of hardship cases, Mr. Persells stated Mr. Davis (City Comptroller) has agreed to make available up to \$250,000 to purchase bona fide hardship cases in the 40% balance of the project; that based on a preliminary survey of the types of hardship cases existing and

potential numbers, it is felt this amount will take care of the situation during the additional delay involved in submitting the revised Survey and Planning Application. In addition to this, Mr. Persells stated the Authority also proposes to request an amendment to the last Letter of Consent to include the acquisition of three pieces of property at the corner of Piedmont and Forrest which are among the priority hardship cases; that the advance acquisition of these three tracts will solidify the area and facilitate development of the entrance to the auditorium.

In response to questioning by Chairman Cook, Mr. Persells stated that through two bond issues, three and one quarter million dollars in urban renewal funds have been allocated, most of which are committed; that present estimates indicate when all credits in all of the urban renewal areas the City now has are pooled, the City's total cash requirement (the actual cash amount the City will have in the projects) will be about \$900,000. It was mentioned that this figure was dependent upon all of the non-cash credits currently scheduled in the projects being built. Mr. Sommerville felt any delays which are not absolutely necessary should be avoided. He stated delays of this sort imperil the entire urban renewal process and creates an attitude of bitterness toward the City on the part of people living in these areas.

After other discussion, it was the general consensus of the Committee that combining of the two projects would be desirable and beneficial to the City if the matter of acquisition of hardship cases could be assured.

In answer to questioning by Chairman Cook, George Berry of the Comptroller's Office stated he felt additional funds, beyond the \$250,000, could be provided, within reason, for bona fide hardship cases.

A motion was then made by Mr. Griggs and seconded by Mr. Etheridge that the Committee approve the combining of the two projects and accept the loan of \$250,000 from the City to permit advance acquisition of properties determined to be hardship cases. Messrs. Sterne and Sommerville reluctantly concurred with the motion.

There was then a lengthy discussion relative to the thirteen acres of property lying within the University Center Project which the Policy Committee had allocated for 221-D-3 housing. (See Minutes of March 4, 1966, Pages 2 & 3). This entire area, including the ten acres awarded to the colleges, was originally scheduled for 221-D-3 housing, with the ten acres being excluded for college utilization. Mr. Persells stated the thirteen acres was offered for sale on April 12 and that he would like to discuss a

schedule of dates for presentations by the proposed developers - seven at the present time. He explained that in an amendment to the offering, each proposer has been advised he will be given an opportunity to be heard for thirty minutes, with an additional thirty minutes for questions and answers; that it might be advisable to divide the proposals and hear them on two successive days; that he would like to arrange these meetings so that as many members of the committee as possible could attend. In addition to the oral presentations, Mr. Persells stated he hoped to have available, prior to the hearings, written comments on each proposal, highlighting points of interest.

Chairman Cook then stated he was greatly disturbed about the offering price of this property (\$74,000) stating he felt it was entirely too low and unreasonable; that while a specific write-down figure was never mentioned in the discussion of this property for 221-D-3 housing, the Committee anticipated the property would be sold at a reduced cost for this type development, but not for \$74,000 which amounts to about \$5,000 an acre.

Mr. Cook stated he felt this type of question was a real policy decision matter and the offering at this price should have been brought back to the Committee.

Mr. Openshaw stated the Authority appraised the property on the basis of 221-D-3 housing, which they were instructed to do.

Mr. Cook agreed with this, but reiterated no specific write-down figure was mentioned and the Committee had no idea it would be so low; that he did not want to get into this situation again.

Mr. Etheridge stated the Housing Authority's Board of Commissioners had approved the offering on the assumption that proper steps had been taken; that he, quite frankly, was surprised at the low appraisal.

It was pointed out that this area has been designated for low-cost housing from the beginning of the project and it was recognized that this would result in a below market price. The only action taken by the Committee was to exclude the ten acres for the Universities, resulting in a substantial increase to the City.

After other discussion, it was felt by everyone, however, that renewed emphasis should be placed on communication between the Policy Committee and the Authority in such matters and that in the future, they would be brought back to the Committee. Also, Mr. Persells was asked to continue to study the situation at hand so see what steps could be taken to get a higher appraisal of the land without jeopardizing the steps already taken.

The Committee then expressed delight at the submission of multiple proposals and after a discussion of various dates for presentations by the developers, it was unanimously agreed as follows: The Committee would meet on May 9 at 4:00 P. M. to hear 4 of the 7 proposals; and on May 10 at 9:00 A. M. to hearing the remaining three.

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Following a brief discussion, the Committee unanimously concurred that the Housing Authority would proceed with the selling of properties (prior to actual acquisition by the Housing Authority) between Oak and Gordon Streets, east of Sears, designated for shopping center development in the reuse plans. Mr. Persells explained the Authority could sell the properties prior to acquisition, although they could not convey the title.

As a matter of information, Mr. Persells explained that Parcels C-1, 3 and 4 of the Rawson-Washington Urban Redevelopment Area had been offered for 221-D-3 development. The area is comprised of 7.6 acres, and will permit a maximum of 152 units. The property lies near the State office building complex, across from Capitol Homes, right on Interstate 20 at the on and off ramps and has frontage on both Rawson and Logan Streets. Mr. Persells stated the proposals will be opened at the Housing Authority on May 1, 1967 at 10:00 A. M. He presented each Committee member with a copy of the brochure prepared for the offering.

The Committee discussed a request by the Georgia Hospital Association, Inc. for a change in the preliminary plans submitted by them in connection with a proposal to purchase Parcel D-10b in the Butler Street Urban Redevelopment Area. Mr. Persells stated the proposal of the Hospital Association has been accepted but the agreement for disposition of the land has not been consummated; that the Association has now requested permission to reduce the size of the proposed building to two stories (3 were originally proposed with first floor parking) with parking space provided outside of the building, rather than underneath as indicated originally; also, this would reduce the estimated cost of construction from \$235,000.00 to approximately \$140,000.00. He further stated no other proposal to buy and redevelop this property had been received.

The Committee unanimously rejected the Hospital Association's substantial decrease in their improvements, but asked that Mr. Persells write them and give them the option of submitting plans substantially in conformance with their original proposal, or provide the Committee with sufficient site elevations and details as to how the amended proposal would enhance the surrounding neighborhood.

A brief presentation was made on the four proposals for development of the Rockdale Urban Redevelopment Area. Mr. Persells commented that the financial solvency of each developer and their ability to carry out

their proposal had been verified by a special department of the Trust Company of Georgia.

It was unanimously decided that a special meeting would be held Tuesday, April 25, at 4:00 P. M. to discuss these four proposals, and that the Housing Authority's Board of Commissioners would be invited to attend. (See Minutes of April 25, 1967).

Parcel D-19 - Rawson-Washington Urban Renewal Project.
Mr. Persells gave the status of this property as being the same as reported at the meeting of February 17, 1967. (See Minutes, page 6).

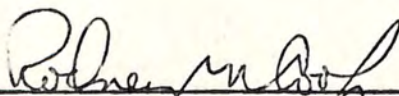
Butler Street Project Area - Mr. Persells reported that all remaining properties within this area will be advertised within the next three to four weeks.

The Policy Committee again expressed the hope that this project would be finalized as quickly as possible and requested the Authority to contact the Board of Education and advise them of this and get some firm commitment on the Butler Street School.

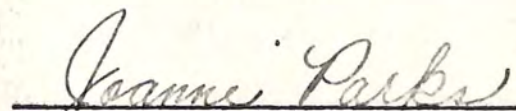
There being no further business to discuss, the meeting was adjourned.

Approved:

Respectfully submitted,



Rodney Cook, Chairman



Joanne Parks, Secretary