

CITY OF ATLANTA



CITY HALL ATLANTA, GA. 30303

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IVAN ALLEN, JR., MAYOR

R. EARL LANDERS, Administrative Assistant
MRS. ANN M. MOSES, Executive Secretary
DAN E. SWEAT, JR., Director of Governmental Liaison

July 1, 1969

MEMORANDUM

To: Dan Sweat, Jr.

From: George Berry

Subject: Status of Sale of Shopping Center Site by Atlanta Housing Authority to Model Neighborhood, Inc.

At your request, I have talked with Philip Vrooman, Disposition Officer of the Atlanta Housing Authority for a rundown on the status of this transaction.

It seems that this is considered a very unusual transaction as far as the Housing Authority is concerned. The initial proposition was made without the benefit of a written proposal and after the proposed sale had been announced publicly, the Housing Authority personnel assisted the Model Neighborhood, Inc. in preparing a proposal that would satisfy the requirements of the Department of Housing and Urban Development. The written proposal is dated May 22, 1968. It proposes to buy the two parcels involved for a total of \$216,500.00. When the sale was first proposed, Model Neighborhood, Inc. paid over to the Housing Authority \$10,800.00. These funds were borrowed from the Trust Company of Georgia and require some sort of quarterly payment. We understand that these payments are being met from the proceeds of the \$6,000.00 granted to the organization through EDA in 1968.

The proposal conditioned the sale of the property on Model Neighborhood, Inc. being able to secure a loan for the balance which in turn necessitates securing commitments from a sufficient number of tenants to make the venture economically feasible. Mr. Vrooman states that there have been many conferences with Mr. Moody over the past year in an attempt to assist his organization in meeting this condition but, while Mr. Moody and his associates have appeared confident and determined, these commitments have not been obtained as yet.

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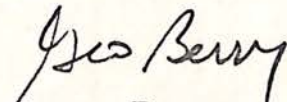
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The written proposal that was drawn up for this proposed sale does not have a time period written in which places any time limit on when this commitment must be met. Further, the way Mr. Vrooman interprets the document, the \$10,800.00 is refundable if Model Neighborhood, Inc. does not consummate the sale. As a matter of fact, there seems to be some confusion at the Housing Authority as to what the \$10,800.00 is because the Authority has never deposited the check even though it was received a year ago.

Mr. Vrooman states that at the last conference that was held with Mr. Moody a few weeks ago, he stated that it looked like it would be about six (6) months before the transaction could be consummated.

Very truly yours,


George Berry

GB:p