



# CITY OF ATLANTA

OFFICE OF COMPTROLLER

CITY HALL

Atlanta, Georgia 30303

CHARLES L. DAVIS  
COMPTROLLER

EDGAR A. VAUGHN, JR.  
DEPUTY COMPTROLLER

September 12, 1968

Mr. Dan E. Sweat, Jr.  
Director  
Governmental Liaison  
City Hall

Dear Dan:

We have reviewed the amended application for the Rockdale Urban Redevelopment Project R-21 which was approved by the Board of Aldermen on September 3, 1968. Basically, we are in agreement with the proposed amendment, however, there are certain factors we feel should be taken into consideration and brought to light at this time. This amendment results in additional cost to the City of Atlanta of \$169,369.00. Of this amount \$102,960.00 is attributable to increases in administrative costs (\$30,360) and interests on temporary loans (\$72,600). The major portion of the increases are due solely to the extension of the project execution period by 36 months.

It is our understanding that this extension in the project execution period principally results from the reluctance of the FHA to approve the release of construction funds over a short period of time. They apparently have some doubt about the economic feasibility of this type of project and believe that by staging the project some degree of the risk can be removed.

However, since this extension results in an increase in Federal Government costs of more than \$200,000.00 in addition to the \$169,000.00 increase in the City's share, it would seem apparent that a reduction in the period of this extension would benefit all parties involved. Perhaps proper channeling of this cost information might result in a review of the risk supposedly involved and a prompter release of funds.

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We are in no way objecting to the project amendment and realize that there are certain Local Grant-in-Aids that might also delay completion of the project. However, a shortening of the project by even 12 to 24 months should result in substantial savings while still allowing a reasonable period for completion.

Any assistance you can give us in this matter would be greatly appreciated.

Very truly yours,



Charles L. Davis  
Comptroller

CLD:cs