

MINUTES

HOUSING RESOURCES EXECUTIVE COMMITTEE AND LOW-INCOME HOUSING COORDINATION GROUP MEETING

February 1, 1968

The regular monthly meeting of the Housing Resources Committee Executive Group and the key individuals involved in low-income housing, was held at 10:00 a.m. this date, in Committee Room 2, Second Floor, City Hall.

Fifteen (15) members of the Housing Resources Executive Group; Nine (9) key individuals concerned with Low-income Housing; five (5) other invited guests; and members of the Press attended the meeting. Lists of those invited, with attendance indicated, is attached to the file copy of these minutes.

Chairman Alexander presided.

Mr. Alexander opened the meeting by stating that this was the second meeting of the Low-income Housing Coordination Group. He expressed regret that the School Department was not included in the first meeting on January 2, 1968.

Each guest introduced himself by giving his name and organization he represented.

Mr. Alexander asked Mr. Jones to explain the Summary of the Low-income Housing Report, dated January 15, 1968, copies of which were distributed to all in attendance.

Mr. Jones explained the Summary. He stated that this report showed the status of a 2-year goal of a 5-year program that Mayor Allen's office had established. He pointed out that this was the first time this report showed a comparison with the previous report. He stated that the "In Planning" totals were actual projects that were being worked on. He said that applications may not be made to HUD for commitments on some of these projects. He said that in addition, 4,481 units in various projects are in discussion stage. He pointed out that unfortunately 8,266 units which had been proposed did not materialize and specifically mentioned the Sewell Road project as an example. He stated that 10,157 units have been rehabilitated through the Housing Code Division, plus 247 units by the Housing Authority in the West End U. R. Project and 30 units voluntarily by private enterprise. He pointed out that this report deals only with Low-income Housing in Atlanta. The second page of this Summary is a compilation of Public Housing in Atlanta. The third page consists of notes that have a direct bearing on the Low-income Housing Program. He also mentioned that during the period of existence of this Committee (Nov. 15 '66 to present) 1,312 new low-income units were constructed; that according to reports from the Building Department for end of 1967 that under the Housing Code Enforcement Program 1,272 units were demolished; that it can be assumed that most of the units demolished were low-income housing.

Mr. Alexander asked that copies of the Summary report be distributed to those invited but who did not come and stated that developers should be included in next meeting.

Mr. Alexander said there were two primary problems to discuss: (1) acquisition of land that is approved by all parties concerned that could be zoned and community facilities be provided and; (2) the use and ability to use low-income housing that could be built that does not meet the Building Codes but which would be every bit as good as the Housing Code calls for.

Mr. Alexander asked Dr. Letson about the possibility of having developers build schools for lease to the School Department.

Mr. Earl Landers said he had nothing definite to report, but Tom Choyce had advised him that he had been in contact with Pete Lattimer, and had mailed a letter to Mr. Landers on January 31, 1968; that apparently the City Attorney is working on the possibility of having schools built for lease to the School Department.

Mr. Archer Smith said that "governmental" bodies cannot commit themselves to long-term leasing beyond their term of office (which is usually one year). He stated that City schools are considered "governmental"; that contractors could dedicate land to City; that a lease that would be terminable would be impossible to get. He said the only way to acquire schools by leasing would be by legislation to change the code section of schools being considered "governmental".

Dr. Letson said that schools built by private developers and leased to the School Board would probably be more expensive than construction by the City through General Obligation Bonds. However, failure 10 years ago to provide adequate school facilities for today's population means the Board must now build schools on more expensive property at higher interest and construction costs. He placed emphasis on the need for Kindergartens to be built in or near housing developments.

Dr. Letson said that procedures for getting capital outlay funds are tied to the calm, quiet past many years ago and are not adequate for today's needs.

Mr. Alexander asked where do these funds come from that would be used to pay rental on leased schools?

Dr. Letson said the funds would have to become an annual charge in terms of the budget; that funds are limited to property tax; that we need some additional source of revenue.

Dr. Harrison asked what degree of independence did schools have on expenditures?

Dr. Letson said no independence in bonds.

Dr. Harrison asked what the governing responsibility was?

Dr. Letson said the same law as Board of Aldermen.

Mr. Archer Smith gave three ways to solve the problem of leasing schools:
(a) go to the courts and look into former cases of this nature and get the courts to see that things have changed and that schools must lease on a long term (20-30 year) basis; (b) that financing is even more strenuous; we should arrange for extending the lease provision beyond the term of the Council;
(c) easiest way to solve the problem is probably to tell the private developer we will zone the land if you will dedicate the land to the City.

Mr. Alexander said we also want to know whether a developer can be authorized to actually build a school?

Dr. Letson said this ties up with a proposal that we secure legislation authorizing a local School Building Authority. Such an Authority by legislation should be given certain rights and privileges to overcome these problems.

Mr. Flanigen said that the Zoning Committee at present time does not trade for zoning.

Mr. Alexander said that one suggestion was made that this could be handled if someone underwrote the City's schools by insuring the lease. Another might be for the Federal government to get in the act.

Mr. Persells stated that funds for low rental Public Housing in Urban Renewal areas may not be used for any school construction whatsoever. It was brought out that for HEW to assist on rental of schools for low rent Public Housing projects would require that the land on which such schools might be constructed would have to be actually deemed surplus. Also that Federal projections of the Labor Department have included funds for rentals.

Mr. Thigpen said he doesn't know of any program FHA has which could assist in this field; that HUD may have something.

Mr. Alexander asked if FHA had relaxed on certain commercial facilities in housing developments?

Mr. Jim Parham said EOA was thinking about Day Care and Head Start paying for rent for facilities; that these programs are here to stay to some degree.

Dr. Letson stated that one of Atlanta's tremendous advantages is a relatively low property tax. It was also mentioned that General Obligation Bonds are financed by property ad valorem tax. This was confirmed by Mr. Landers.

Mr. Alexander emphasized the importance of timing of community facilities and housing developments (so that community facilities would be developed simultaneously with construction of housing).

Mr. Alexander asked if any facilities are being leased at present time?

Dr. Letson said a Catholic School was leased on an annual rental basis.

Dr. Harrison described a system for building low-income housing being sponsored by Jones-Laughlin at an alledged cost of \$8.50 a square foot, which he said would not conform to local building codes. This method was one in which apartment units would be inserted - shoe box fashion - into a steel frame. Bathrooms and kitchens would be in line and served through a central shaft to save costs of plumbing.

Mr. Alexander mentioned the proposed technique by National Homes to build houses in Thomasville that were panelized and erected on site.

Mr. Alexander said that national codes are more flexible than local codes.

Mr. Alexander told about the team from Savannah which was to make a presentation to the Construction and Design Panel on a new proposed process of construction, but the presentation had to be postponed because of sickness.

Dr. Harrison read his report, which in essence said that the Construction and Design Panel feels that it will be necessary to find some source of funding, outside of city funds, and that codes revision is essential to any real advances in low-cost housing.

Mr. Alexander commented on Interfaith Inc., which has eight or nine incorporators. They are wide spread across the City. He expressed high hopes for this group.

Mr. Alexander asked Mr. Collier Gladin for a report on the Land Use Plan.

Mr. Gladin said that the Planning Department has been working with several different groups; that the proposed Land Use Plan has been presented to Aldermen on individual basis, on committee basis, and through the Planning Board, and it will be brought back to them possibly February 5 to take some type of action on. This Plan proposes the projections that we have translated from the Atlanta Metropolitan Regional Plan for the growth which is anticipated within the next 15 years. It is a plan that distributes this growth. He said they must get a statement of policy from the Board of Aldermen to support this basic guide line approach. The Planners have also met with neighborhood groups. They are working with the Newspapers. A section (in color) will be in the Atlanta Journal-Constitution on February 18, to include 2 pages, of the plans. There will be approximately $\frac{1}{2}$ million distribution of this paper.

Mr. Howland, CACUR, said the Plan was presented on January 24 to his group which unanimously supports the plan and that they are pushing it.

Mr. Hills said the Finance Sub-Committee has been working to establish the Housing Development Corporation sponsored by the business community. They have been unable to get a firm commitment from a group which is considering furnishing the seed money funds. Based on present prospects, the Housing Development Corporation should be operational within 90 days.

Mr. Archer Smith said he would be delighted to check national codes to see what the advantages are.

Mr. Winn said we should work head-on for legislation to permit the building of schools by developers of housing projects.

Mr. Sommerville said he does not think we can get by through evasion techniques and that we should try to use national codes for experimental work.

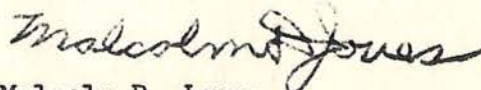
Mr. Thigpen stated that the Low-income Housing Program's pipe line in the Atlanta Metropolitan area is filled which includes FHA 221 d (3) projects; 11 projects of 1,352 units are fully occupied; 11 more projects of 916 units under construction; and 3 projects of 108 units committed. One project is being closed February 1, 1968; construction will start soon. He stated that there are a total of 2,250 units completed or under construction; that there are 11 more projects which are in application stage; feasibility letters have been issued for 2,776 units, making a total of 4,626 units "in sight" for this program.

Mr. Alexander commented on the possibility of reducing the prices on the remaining 221 vacant rough lots in Thomasville. There was no response.

Mr. Alexander also stated that Travelers Insurance Company has agreed to finance 70 units in the Thomasville Urban Renewal area, plus about 70 more if the builder can obtain the land at a reasonable price, which he can live with.

Meeting adjourned at 11:30 a.m.

Respectfully submitted,



Malcolm D. Jones
Housing Coordinator