



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
PEACHTREE SEVENTH BUILDING, ATLANTA, GEORGIA 30323

Room 645

Office of the Regional Administrator

file in CO file
R-11 FINANCE

IN REPLY REFER TO:

3RF

Mr. Lester H. Persells
Executive Director
Housing Authority of the
City of Atlanta
824 Hurt Building
Atlanta, Georgia 30303

Dear Mr. Persells:

Subject: Project No. Ga. R-11
University Center Urban Renewal Area
Part II, Amendment No. 9 to the Urban Renewal
Plan and Loan and Grant Contract

I am pleased to confirm the telegraphic announcement that the Assistant Secretary for Renewal and Housing Assistance has executed an amendatory allocation order authorizing the revision of your existing Contract for Loan and Grant and Urban Renewal Plan. Subject to your execution of an amendatory contract, this amendatory allocation order will increase the amount of the Federal capital grant authorization by \$318,644 to a total of \$5,565,629 and increase the amount of the loan authorization by \$122,764 to a total of \$3,760,427.

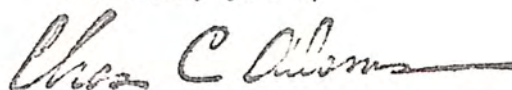
Your attention is directed to the fact that the Loan and Grant Contract expressly states that the Government has no obligation to enter into any contract for additional Federal financial assistance in connection with this project.

You are hereby advised that we have no intention of increasing the project capital grant from the amount now approved, except for increases which might arise pursuant to future Federal legislation. It is therefore your responsibility to monitor the carrying out of activities pursuant to this contract in such a way that, if project costs should increase, you will be able to act promptly to prevent overrunning the budget on which the Federal grant is based. In such circumstances, and regardless of the reason for the additional costs, you should reduce the scope of project costs and activities so as to be able to complete the project with the present project capital grant. The only alternative means by which the Local Public Agency could fulfill its obligation to complete the project would be by obtaining any necessary additional funds from non-Federal sources; contribution of such funds to the project would not constitute a local grant-in-aid. This should be made known to the governing body of the Local Public Agency, and to the chief executive and governing body of

the locality.

Enclosed are Forms HUD-6200, Project Cost Estimate and Financing Plan, and HUD-6220, Project Expenditures Budget, with an explanation of differences between requested and approved amounts. Our approval of the project expenditures budget constitutes a concurrence in your incurring costs in conformity with such budget from the date of approval thereon.

Sincerely yours,



for Edward H. Baxter
Regional Administrator

Enclosures

cc: Mr. Howard Openshaw