

Central Atlanta 'Progress' Is Poor People's Regress

By Larry Keating

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Central Atlanta Progress was originally incorporated as the Central Area Improvement Association in 1941. Its mandate is to promote the land use, public and economic interests of businesses in central Atlanta.

Some of its programs and activities are mostly good. The downtown Ambassador Force, financed by CAP, provides directions to tourists and a visible security presence throughout the central area. Downtown concerts and other entertainment, financed by CAP and others, occasionally enliven public spaces. And CAP works for public benefits such as improved transportation in the central area.

For more than 50 years, CAP has pressed the state and local governments to rid Atlanta's core of low-income black people, whether residents, consumers or businesses serving a low-income clientele.

But other CAP policies and activities have damaged public interests that it saw as conflicting with its goal of a vibrant commercial center surrounded by upper-income consumers. For more than 50 years, CAP has pressed the state and local governments to rid Atlanta's core of low-income black people, whether residents, consumers or businesses serving a low-income clientele.

The plan for the Downtown Connector, where Interstates 75 and 85 join to pass through the central city, was financed by the city and the Central Area Improvement Association in the 1940s. Its construction demolished a wide swath of low-income black neighborhoods, eliminated many businesses and cut the black business, religious and entertainment district along Auburn Avenue in half. A transportation consultant's original proposal to route the expressway through a dilapidated industrial area did not allow for the expansion of the central business district, and the buffer between it and poor black neighborhoods, that CAP wanted.

When the interstates were being built in the 1950s and '60s, urban renewal projects, executed piecemeal to minimize community awareness and opposition, eliminated most of the remnants of the original Buttermilk Bottom and Auburn Avenue neighborhoods — long established thriving black communities.

Later, conflict arose about the number and percentage of low-income replacement housing units that would be built in Buttermilk Bottom. In 1974, Atlanta's first black mayor, Maynard Jackson, used his influence to negotiate a solution. Low-income units were to make up 25 percent of the new units.

The city selected a CAP subsidiary, called Park Central Inc., to redevelop the area. And Park Central was allowed to fall well short of the negotiated number of low- and moderate-income units and to focus extensively on upper-income ones. In fact, under Atlanta's second black mayor, Andrew Young, the city sought and obtained state legislation allowing it to more deeply subsidize new middle- and upper-income units, which it then did.

From 1960 through the early 1970s, Central Atlanta Progress lobbied the Georgia Legislature and the city of Atlanta to build a rapid rail system. And when the Metropolitan Atlanta Rapid Transit Authority system was constructed in the 1970s and '80s, it destroyed the small businesses in the central bus transfer area where low-income black people had bought groceries and other goods largely unavailable in poor neighborhoods. Bus routes were terminated on the periphery of the central area, requiring changes of trains underground at the central Five Points MARTA station. None of the small grocery stores and other businesses in the former bus transfer area survived, because their customers had been channeled underground. They were not entitled to any compensation, because the effect of MARTA on the businesses was indirect.

Vendors to the Poor

Several years later, the economic descendants of these small stores began appearing outside the Five Points transfer station, in the form of street vendors selling fruit, vegetables and sundry items. These merchants carried fewer goods than the small stores had, but they again enabled poor, mostly black, transit-dependent people to buy things often unavailable in their commerce-starved neighborhoods.

CAP and the street vendors fought over every aspect of the vendors' operations for years: location, range of products, hours and, especially, how the merchandise was displayed. And, having taken part in some of their negotiations, I can say with assurance that CAP's consistent goal was to require the vendors to upgrade the quality of their physical structures to something they could not afford.

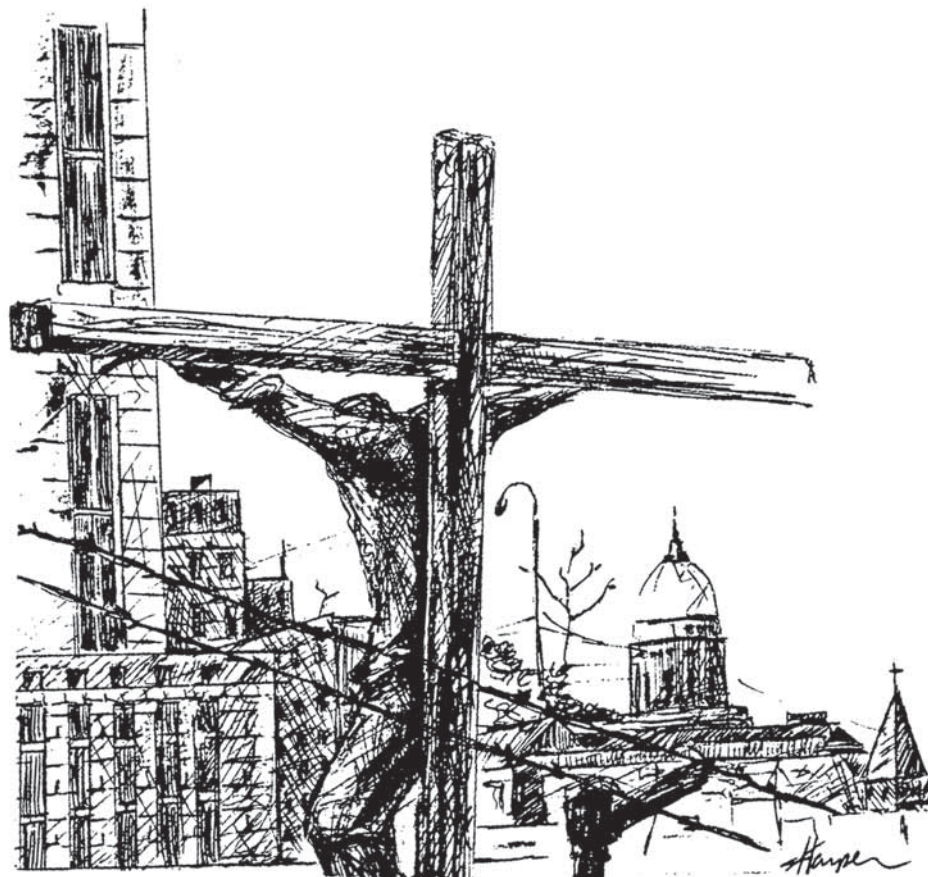
The merchants were tenacious. They had some stalwart allies on the Atlanta City Council, and they managed to have the president of the vendors' association elected vice chairman of the Atlanta Vending Review Board. But CAP's deeper pockets, greater power and continuous pressure eventually prevailed. In October 2009, as Mayor Shirley Franklin's administration was drawing to a close, CAP succeeded in passing legislation dooming the traditional street merchants.

Kiosks, made by General Growth Properties, which owns or manages more than 200 shopping malls nationwide, are being installed at 20 permitted locations in the central business district. GGP will lease what could be as many as 100 domed, steel-framed, brass-accented kiosks and is responsible for maintaining the "integrity and quality of the units."

Observed David Wardell, vice president for operations and public safety at CAP: "The old ordinance allowed for a 7-by-10-foot space, basically a table. There were complaints about stands blocking the sidewalk and blocking the entrance to the MARTA stations." According to GGP, the third-party "street vendor management program and contract arrangement" is the first instance of the corporatization of street merchants in the country.

Wielding the Wrecking Ball

Proximity and access are basic points of conflict



Mark Harper

between downtown Atlanta businesses and poor black people. Over time, CAP has succeeded in eliminating most of the low-income housing that once surrounded the central business district. Urban renewal demolished more than 1,800 units in the two poor neighborhoods east of the core, and CAP created the corporate entity that redeveloped both areas.

An exceptionally cooperative Atlanta Housing Authority eliminated 574-unit Techwood Homes just before the 1996 Olympics and 623-unit Clark Howell Homes just after them, as part of the "Olympic Legacy Program." The other low-rise public housing communities that had ringed the central area were demolished from 1997 to 2008: John Hope Homes, Harris Homes, McDaniel Glenn, Grady Homes, Eagan Homes, Capitol Homes and University Homes. Altogether, nearly 4,700 public housing units near downtown were razed. At this writing, four high-rises for the elderly that were integral to these developments — Palmer House, Roosevelt House, M.L. King and Juniper at Tenth, totaling 811 units — are being prepared for demolition.

CAP's influence on the Housing Authority is well documented. The most succinct declaration is that of AHA Executive Director Renee Glover, a former corporate lawyer. Just after the Olympics, at a CAP-sponsored conference on downtown housing partnerships, Glover declared that public housing in general, and Techwood and Clark Howell Homes in particular, "have to be a part of the downtown agenda."

Some of the most important events in Atlanta's history are obscure because they happened behind closed doors. Some decisions are retroactively revealed, such as Olympic promoter Billy Payne's hat-in-hand appearance in 1987 before Coca-Cola's then chief Roberto Goizueta, seeking (and obtaining) his blessing of an Atlanta bid for the Olympics, before any public awareness of it. Five months after Payne announced in November 1993 that Centennial Olympic Park would be built downtown, a still stunned Mayor Maynard Jackson recalled, "Well, I found out through the newspaper. Even though I am the city mayor, I found out through the newspaper."

But often the intricacies of significant Atlanta decisions remain obscure because the participants remain silent. The decision to build a new stadium for the Atlanta Braves, partly funded by Olympic money but requiring millions of dollars in public financing, is known only by the result. There was

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For more information, contact Sarah Humphrey at odcvolunteer@bellsouth.net or 770.246.7618

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no public discussion. The baseball team had made no public announcement or argument that its 30-year-old facility needed replacement. And the identity of the principal decision makers can only be inferred from the result.

Declaring War on a Homeless Shelter

An exception to this pattern is an ongoing fair housing lawsuit that lifts the veil on a collaborative effort by CAP, city officials and elements of the business community to crush a homeless shelter in an economically ambiguous area between downtown and Midtown.

When pressed as to problems the shelter might present for the surrounding area, Robinson could cite no crime data, police reports or other empirical measures.

The Peachtree-Pine Street shelter, operated by the Metro Atlanta Task Force for the Homeless, is on Atlanta's iconic Peachtree Street, three blocks south of the intensively developing Midtown office and entertainment district and one block north of the 10 lanes of the Downtown Connector, which forms the northern boundary of Atlanta's original downtown. The land uses along these four blocks of Peachtree Street are transitional, including an old, vacant 12-story office building, one- and two-story partly occupied shops, a couple of trendy restaurants and Emory Midtown (formerly Crawford Long) Hospital. CAP has prepared several plans to try to redevelop this area at substantial public cost. Realistically, it will be a long, long time before new development is attracted here. With most recent development going to Buckhead and the northern suburbs, the area around the homeless shelter is at least a decade away from development pressures.

Nevertheless, CAP has sought to push the task force and shelter out of the area since they moved into the former

Any doubt about CAP's intention to force the shelter off of Peachtree Street was eliminated by testimony under oath by CAP senior officials in their long depositions in the fair housing lawsuit.

One of the officials deposed was Richard Orr, senior projects manager of communications and membership for CAP. In the deposition, Steven Hall of the Baker Donelson LLP law firm asked Hall, "So the answer to my question is, yes, Central Atlanta Progress has tried to bring about the removal of the task force from its location at Peachtree and Pine?" And Hall responded "yes."

In another deposition, CAP President A.J. Robinson admitted under intense questioning that the actions he had taken regarding the task force were based on his wanting supporters, donors and governments to stop funding the shelter. When pressed as to problems the shelter might present for the surrounding area, Robinson could cite no crime data, police reports or other empirical measures. Pressed further, he argued that the key was that African-Americans or "any ethnic group who are down on their luck in a public area or on the street in a great number, people aren't going to feel safe." Because shelter clients do not mass on the street, race and class have to be CAP's trigger issues.

Pressuring the Prominent

CAP worked politically to persuade the Tri-Jurisdictional Commission not to fund the task force. The commission is the regional conduit whose approval is required before the task force and other agencies and nonprofit groups serving the homeless can receive federal funding. Almost all government funding for homelessness is federal. The commission cut the task force's funding in 2008, which was observed as a notable occasion in a CAP email to its members.

CAP also pressured prominent Atlantans who had donated to the task force. These targets included Dan Cathy, president of Chick-fil-A and son of the company's founder; executives at Whole Foods Market; and B. Wardlaw of the

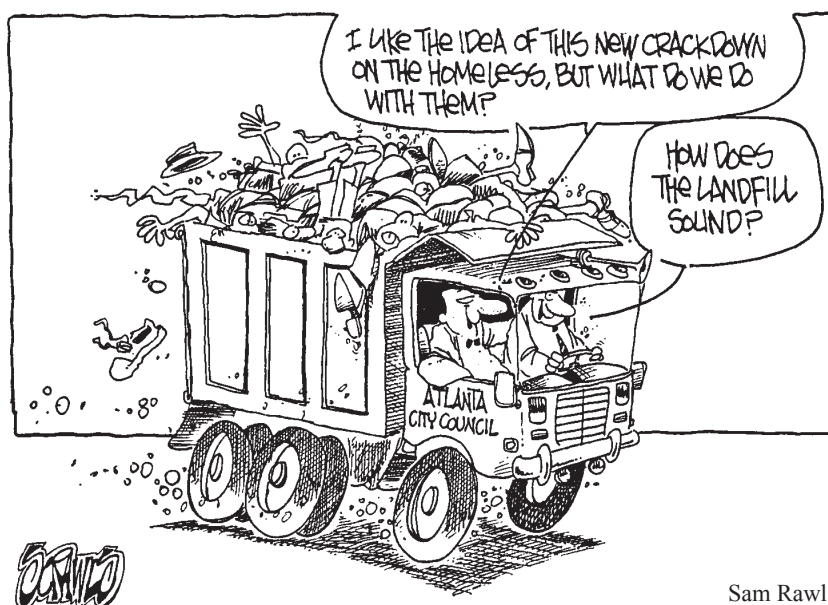
Gertrude Wardlaw Fund and the William Wardlaw Fund, whose \$1.4 million donation enabled the task force to purchase its interest in the Peachtree-Pine building in 1997. The effort to dissuade Cathy culminated in a meeting on July 3, 2007, in which Robinson, Orr and a bevy of other powerful business leaders evidently succeeded in persuading him to limit his support. The efforts to undermine private support for the task force even extended to lobbying other clients of task force lawyers to disparage the lawyers' representation of the group.

But the worst tactics have involved both overt and secret attempts to foreclose on the task force's mortgage on the Peachtree-Pine building. The mortgage, from Mercy Housing, is for approximately \$400,000. CAP set up a corporate entity called "477 Peachtree" to use to purchase the note, had prestigious Atlanta law firm Troutman Sanders draw up a 25-page sale agreement, and at the beginning of 2009 approached Mercy Housing about buying the mortgage. But Mercy Housing said no.

Sam Rawls

CAP then recruited one of its members, Manny Failkow, to purchase the note. He was able to do so, and he then foreclosed on the task force. At this writing, the task force's threat to include Failkow in the fair housing lawsuit and court action has suspended the foreclosure.

Obviously, the long fight between CAP and the task force is not over. The task force is seeking triple damages, and CAP wants to put the task force off of Peachtree Street and out of business. Stay tuned. ♣



Atlanta Ballet practice facility in 1997. It wants to replace the shelter with a much smaller 16-bed facility to the east, which would refer homeless people to a network of shelters far from downtown.

Not all of the tactics and strategies CAP has used in its 13-year campaign against the homeless shelter are publicly accessible, but the task force's lawsuit has revealed some of them. CAP has colluded with its members and city officials to:

- ♦ Undermine both public and private funding for the task force.
- ♦ Enlist the city's main newspaper, The Atlanta Journal-Constitution, in a propaganda campaign against the task force.
- ♦ Attempt to purchase the shelter's mortgage.
- ♦ Orchestrate a third-party purchase and foreclosure by one of its members when the mortgage holder refused to sell.