



Read twice by title, ordered printed and laid on the table.

Board of Education

December 12, 1949.

To the Honorable, the Common Council:

Gentlemen—The Board of Education requests your Honorable Body for necessary authority to permit the McGraw Electric Company, electrical contractors for the McColl School, to install two three-inch conduits beneath Cathedral Avenue in order to provide telephone and fire alarm services for this school.

Attached herewith please find three drawings indicating the proposed work in order to provide these services.

Very truly yours,

EDWARD M. LANE,
Secretary.

By Councilman Garlick:

Resolved, That the Dept. of Public Works be and it is hereby authorized and directed to issue permit to the Board of Education to install two, 3 in. conduits underground and across Cathedral Ave. at a point approximately 120 ft. east of Patton Ave., to provide telephone and fire alarm services for the McColl School, north side of Cathedral Ave. between Patton and Fielding Aves.

Provided, Same are installed at least 3 feet below the top grade of the street, and the work is performed under the supervision of the Dept. of Public Works, Dept. of Buildings & Safety Engineering and the Public Lighting Commission, and in accordance with plans submitted to and approved by those departments, and further

Provided, That no rights in the public streets, alleys or other public places shall be considered waived by this permission, which is granted expressly on the condition that said utility lines, and all obstructions in connection therewith shall be removed at the expense of the grantee at any time when so directed by the Common Council, and that the public property affected shall be restored to a condition satisfactory to said Department by said grantee at its expense, and further

Provided, That said permit issued by the Department of Public Works, is granted with the distinct understanding that in the event of the Charter of the City of Detroit being amended in such manner as will provide for the levying of a fee, charge or rental, to be hereafter determined upon, or in the event of an ordinance or resolution being enacted providing for an annual charge or rental for the occupancy of public streets, alleys or other public places, that the grantee will pay said fee, charge or rental provided for in said Charter, or ordinance or resolution, and that said grantee does hereby bind himself thereunto and to accept said permit on the conditions hereby imposed, and in the event of the said grantee contesting the validity of said Charter amendment, ordinance or resolution or of said fee, charge or rental, or upon refusal to pay same, this permit shall immediately become void, and further

Provided, That this resolution is revocable at the will, whim or caprice of the Common Council and grantee hereby expressly waives any right to claim damages or compensation for property constructed hereunder or for the removal of same, and further, that grantee acquires no implied or other privileges hereunder, not expressly stated herein.

Adopted as follows:

Yeas—Councilmen Connor, Edgecomb, Garlick, Kronk, Miriani, Smith and the President—7.

Nays—None.

Detroit Housing Commission

December 12, 1949.

To the Honorable, the Common Council:

Gentlemen—I am submitting herewith a report covering interviews held with housing officials of four life insurance companies on December 5, 6, and 7. Appointments were arranged with these companies with the purpose of interesting them in the purchase of the "Detroit Plan" area and also to discuss the possibility of insurance company housing for Detroit on other sites. At three of the four

conferences I was accompanied by Assistant Corporation Counsel Vance G. Ingalls.

We sent letters asking for these conferences to six life insurance companies in New York that have in the past developed and operated rental housing projects. The housing officials of four of these six firms agreed to talk with us. They were: C. J. Faherty, General Manager of the real estate investment division of the Prudential Life Insurance Company; John H. Muller, Second Vice-President, Equitable Life Assurance Society; George Gove, Third Vice-President, Metropolitan Life Insurance Company; and O. L. Nelson, Vice-President, New York Life Insurance Company.

Mr. Gove of the Metropolitan, Mr. Faherty of the Prudential, and Mr. Muller of the Equitable stated flatly that their companies were not planning to construct any new rental housing either in Detroit or any other city in the country. They stated that present day construction costs made it impossible for them to serve any group other than the highest income group and that this group was being adequately served at the present time. They emphasized the importance of guarding the interests of their policy holders and added that in their opinion investments other than housing offered a sounder use of their policy holders' funds.

Mr. Gove of the Metropolitan was particularly emphatic in stating that many aspects of the Stuyvesant Town operations were unsatisfactory because of the quasi public character of that development which enjoys a substantial tax subsidy from the City of New York. He cited the bitter dispute which has been carried on over the question of opening up Stuyvesant Town to the members of all races, a dispute which is now before the United States Supreme Court. He added that, if in the future, the Metropolitan Life embarks on any more housing developments, it will be on vacant land sites and on a completely unsubsidized basis. He feels that this is the only way that his company can maintain complete control over tenant selection, rent charges and other aspects of management.

Mr. Gove pointed out that, although his company is fighting Negro occupancy in Stuyvesant Town, which is now an all-white development, that they have had excellent operating experience at their Riverton project which is almost 100 percent Negro. The public housing projects in New York operate on a non-segregated basis and there has naturally been a great deal of pressure on the Metropolitan to apply the same formula to Stuyvesant Town because it is