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Office of the White House Press Secretary

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

I welcome the report from Secretary Hills and the President's Committee on Urban Development and Neighborhood Revitalization. This report reflects a realistic, common sense, practical assessment of the urban condition.

It is straight talk -- not vague or empty political promises.

This report clearly shows that the plight of many older cities results from a combination of complex and inter-related forces: not enough jobs, too many needy and poor, crime and the fear of crime, and deteriorating housing and property values. These basic problems, in turn, have brought about declines in the tax base and higher costs of public services, which result in inadequate schools, less police and fire protection and overcrowded mass transportation. In many cases, conflicting Federal and State programs and red tape have contributed to the plight of cities by undermining effective local political leadership.

But the conclusion of the report is optimistic. Secretary Hills and her colleagues found that:

- There is a dynamic spirit of self-help at work in practically all American cities.
- The people of the cities are self-reliant and eager to come to grips with their own problems.
- Their leaders, for the most part, are looking for help in developing local solutions -- not for political promises of magic remedies from Washington.
- The people of urban neighborhoods are taking the initiative in solving their own problems under their own control.

Secretary Hills' report recommends ways we can better utilize the billions of dollars the Federal government invests in the cities each year. We will carefully study these proposals for inclusion in my legislative proposals to the new Congress.

Since I took office two years ago, my Administration has followed a clear urban policy: to provide the cities and their neighborhoods a fair share of Federal resources and the opportunity and flexibility to solve their own problems and manage their own growth and progress.

To carry out this policy, here are some of the things this Administration has done and will continue to do:

1. General Revenue Sharing. This is the most important program of Federal assistance to local governments in American history. Since 1972 we have returned to cities,

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counties, towns, communities and states \$30.2 billion to assist the people in meeting public needs. This program has already helped our cities immensely, and the General Revenue Sharing extension which I signed last week will provide \$25.6 billion more for these purposes over the next 3 3/4 years.

2. Community Development. Less than two weeks after I became President I was proud to sign the landmark Housing and Community Development Act of 1974. Through this Act we have provided \$8.6 billion in block grants to American communities for use as they see fit in meeting their local community development needs.

3. Housing. My goal is a home for every American family in a safe and clean environment. To reach that goal, I will continue economic policies to hold down inflation, allow interest rates to drop, and restrain pressures for increases in housing costs. Further evidence that these policies are succeeding is provided by the recently announced reduction in the interest rate on mortgage loans insured or guaranteed by the Federal Government. This rate is now lower than it has been since April 1975, making it easier for middle-income families to become homeowners. I have also recommended reductions in downpayment requirements on FHA-insured loans.

4. Transportation. There must be swift and convenient transportation within and into our cities and communities. We have provided several billion dollars in Federal funds as our part in the working partnership with State and local governments to provide urban transportation.

5. Crime. I am determined to lead a Federal, State, local and community effort to make the streets and homes of America safe for every man, woman and child. We must get the career criminals off the streets and into jails. We can do this with the certain sentences for Federal crimes I have proposed to Congress as a model for State and local governments. One of my top priorities in the first 100 days of the new term will be to rally all America behind Federal anti-crime legislation.

6. Jobs. I am dedicated to the principle that every American who wants a job can find a job. Millions of Americans have been trained through the CETA Program and other Federal programs; but we need to do more. Last January I proposed a job creation program in high unemployment areas, but Congress failed to act. We must also find a way to provide for young Americans the training and experience they need to practice a trade or a craft or a practical business skill. We must put all of America to work.

7. Education. The goal of my Administration is a quality education for every young American. We need reforms in Federal and State education procedures to make certain that teachers can spend more time teaching instead of filling out government forms. We need diversity and competition in education. We need to preserve our non-public schools and to make our public schools better.

8. Neighborhoods. My policy toward the cities recognizes and will build upon a great source of strength: the rich variety of urban neighborhoods -- neighborhoods where Americans

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have built family, personal, cultural, economic, religious and political relationships that form true communities. This is the American tradition at its best, and we will work with citizen groups throughout the country to preserve and improve the quality of life in these neighborhoods.

9. Vigorous Economy. Most of all, our cities and neighborhoods need a strong and growing economy, a healthy growth in useful productive jobs in private industry, and control of inflation. I will continue my commitment to combat inflation, to restore an orderly steady growth to the American economy.

Finally, our cities and their neighborhoods will not flourish nor fail because of what is done by Washington. Their success depends on what the people in the cities, and their leaders, do for themselves. They are succeeding and will continue to do so as long as honest and realistic solutions are arrived at locally, and supported nationally. I intend to see that this support is applied with wisdom, imagination and prudence, but, above all, with a conviction that our cities are irreplaceable resources which shall never be abandoned.

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