

The original documents are located in Box 1, folder “7/8/75 - United States Conference of Mayors” of the Carla A. Hills Speeches at the Gerald R. Ford Presidential Library.

Copyright Notice

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Gerald Ford donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

FINAL

UNITED STATES CONFERENCE OF MAYORS

BOSTON, MASSACHUSETTS

JULY 8, 1975

RECENTLY WE HAVE BEEN FORCED TO CONCEDE THAT WE ARE A WASTEFUL PEOPLE. THE OIL CRISIS TAUGHT US THAT WE WASTED ENERGY. THE ENVIRONMENTALISTS HAVE TAUGHT US THAT WE ARE WASTING THE AIR AND WATER RESOURCES UPON WHICH WE DEPEND FOR SURVIVAL. OUR COLLECTIVE EXISTENCE HAS BEEN ONE OF CONSUMPTION. WE HAVE BEEN, LIKE A SPOILED CHILD, USED TO ABUNDANCE.

NOW WE KNOW THAT THE CORNUCOPIA CAN BE EMPTIED. ABUNDANCE HAS BECOME SCARCITY. THE COST OF OUR NATIONAL OVERINDULGENCE WEIGHS HEAVILY UPON US ALL. ENERGY SHORTAGES ARE ALREADY A WAY OF LIFE, AND SHORTAGES OF OTHER ESSENTIALS ARE NO LONGER DIMLY PERCEIVED DANGERS OF A FAR DISTANT FUTURE.

BUT, IN ALL OF OUR PRESENT CONCERN ABOUT SHORTAGES, I BELIEVE THAT THE LEVEL OF WASTE WHICH WE ACCEPT IN OUR CITIES IS THE MOST TRAGIC AND FAR REACHING FOR OUR SOCIETY.



THE CITIES HOLD IRREPLACEABLE RESOURCES. GREAT MASSES OF INVESTED WEALTH AND PRODUCTIVE CAPACITY AS WELL AS HISTORY AND BEAUTY CAN BE FOUND THERE. A LARGE PROPORTION OF OUR HOUSING STOCK IS SITUATED THERE ALONG WITH NEEDED WATER AND SEWER LINES, FACTORIES, ROADS, SCHOOLS, TRANSPORTATION SYSTEMS, AND UTILITIES. YET WITH ALL OF OUR WORRY ABOUT WASTE, WE, AS A NATION, ARE EITHER ABANDONING OR UNDERUTILIZING ALL OF THESE ASSETS TO A SHOCKING DEGREE.

WE FORGET TOO EASILY THAT WHEN WE ABANDON A HOUSING UNIT IN A CITY, WE ARE ALSO ABANDONING A PART OF ALL THESE SUPPLEMENTARY ASSETS. JUST THINK THAT IN NEW YORK CITY ALONE 35,000 UNITS OF HOUSING ARE ABANDONED EACH YEAR.

OUR YEARS OF ABUNDANCE SOMEHOW FOSTERED THE DISASTROUS NOTION THAT CITIES COULD BE DISCARDED AND REPLACED. AS OUR CENTER CITIES GREW OLD, THOSE WHO COULD, FLED THE URBAN CORE FOR THE NEWLY-BUILT SUBURBS. GOVERNMENT POLICIES ENCOURAGED THIS SUBURBAN SPRAWL AND THE OUTWARD DISPERSION OF PUBLIC AND PRIVATE INVESTMENTS.



THOSE SUBURBS HAVE NOW CONSUMED THOUSANDS OF SQUARE MILES, THREATENING TO DEPRIVE US OF OUR RAPIDLY DIMINISHING OPEN SPACES. AND, SUBURBAN SPRAWL HAS BROUGHT SERIOUS ENVIRONMENTAL AND SOCIAL COSTS, INCLUDING AN EXCESSIVE DEPENDENCE ON THE AUTOMOBILE.

HUD'S RECENT STUDY OF THE COSTS OF SPRAWL DEMONSTRATES THAT RECYCLING CITIES IS FAR LESS COSTLY THAN SUBURBAN DEVELOPMENT IN TERMS OF CAPITAL, LAND, ENERGY AND ECOLOGICAL EXPENDITURES. URBAN DEVELOPMENT MAY CONSUME AS LITTLE AS 50 PERCENT LESS LAND, REQUIRE 55 PERCENT LESS CAPITAL INVESTMENT, CREATE 45 PERCENT LESS AIR POLLUTION, AND CONSUME 44 PERCENT LESS ENERGY THAN SUBURBAN SPRAWL.

AS PEOPLE FLEE THE CENTER CITY, OLD INVESTMENTS ARE ABANDONED FOR NEW -- WHICH COST MORE -- AND REPLACING THE OLD INVESTMENTS REQUIRES THE ADDITIONAL AND UNNECESSARY CONSUMPTION OF LAND, BUILDING MATERIALS, AND FINANCIAL RESOURCES.



IT IS NOW CLEAR THAT WE CAN NO LONGER TOLERATE POLICIES WHICH ENCOURAGE THE ABANDONMENT AND WASTE OF THE CENTRAL CITY. JUST AS WE MUST STOP WASTING OUR AIR, WATER, AND ENERGY RESOURCES, WE MUST ALSO STOP WASTING OUR CITIES.

THIS MEANS THAT SUBURBAN SPRAWL CAN NO LONGER COMMAND THE SAME PROPORTION OF CAPITAL IN THE NAME OF HOUSING GROWTH. WE CAN NO LONGER ENCOURAGE THE BUILDING OF RING UPON RING OF HOUSING AROUND THE CENTRAL CITY WHERE IT RESULTS IN FURTHER STRANGULATION OF THE INNER CORE.

ON "MEET THE PRESS" SUNDAY, MAYOR WHITE CALLED FOR A NATIONAL DECISION ON THE FUTURE OF OUR CITIES. IF I MAY, I WILL SUGGEST AN ANSWER THAT MUST BE SELF-EVIDENT TO MANY, IF NOT MOST OF YOU.

OUR POLICIES TODAY MUST SEEK TO RECYCLE AND CONSERVE OUR CITIES AND THE HUMAN AND PHYSICAL RESOURCES THEY CONTAIN.



FORTUNATELY, THE VERY FORCES WHICH NOW REQUIRE US TO CONSERVE OUR URBAN ASSETS ALSO GIVE US THE OPPORTUNITY AND INCENTIVE TO REVITALIZE THEM. SCARCITY AND RESULTANT HIGH COST OF LAND, RAW MATERIALS, AND ENERGY ARE MAKING URBAN LIVING A MORE ATTRACTIVE ALTERNATIVE FOR MANY.

ALREADY, SOME CHILDREN OF THE GENERATION THAT FLED TO THE SUBURBS ARE RETURNING TO THE CITIES. AREAS THAT WERE ONCE SLUMS HEADING FOR ABANDONMENT ARE NOW BEING RESTORED BY FAMILIES NO LONGER WILLING TO BEAR THE COSTS AND INCONVENIENCES OF SUBURBAN LIFE.

WE ARE IN AN ERA WHEN WE MUST FACE THE HARD REALITIES OF LIMITED RESOURCES, BUT IT IS ALSO AN ERA WHEN OUR CITIES HAVE A UNIQUE OPPORTUNITY TO REGAIN THEIR LUSTER AND REBUILD THEIR KEY ECONOMIC, HISTORIC, CULTURAL AND SOCIAL LINKAGES.

THIS IS TRULY A TIME OF GREAT CHALLENGE FOR OUR CITIES AND FOR ALL OF US WHO CARE ABOUT THEM. TO BORROW FROM DICKENS, IT IS INDEED "THE BEST OF TIMES AND THE WORST OF TIMES FOR OUR CITIES".



THE CITIES' PROBLEMS ARE UNQUESTIONABLY SERIOUS. THEIR CURRENT FISCAL PLIGHT IS PROFOUND. IN SOME COMMUNITIES, THE FISCAL INTEGRITY OF LOCAL GOVERNMENT IS QUESTIONED. BUT, THE CRISIS OF THE CITIES WILL NOT BE SOLVED BY MAKING THEIR DEFICITS PART OF A RAPIDLY GROWING FEDERAL DEFICIT.

TO THE EXTENT THAT ANY ADDITIONAL FEDERAL FUNDS COME WITH CATEGORICAL RESTRICTIONS ON THEIR EXPENDITURE, THE PROBLEMS OF MANY CITIES WOULD NOT BE ALLEVIATED. AND, TO THE EXTENT THAT SUCH RESTRICTED FUNDS LEAD TO A REDUCTION OF THE UNRESTRICTED FUNDS, THE PROBLEMS OF MOST CITIES WOULD BE WORSENERD.

THE FACTS ARE THAT IN THIS FISCAL YEAR, FEDERAL AID TO STATES AND LOCAL GOVERNMENTS WILL BE ABOUT \$56 BILLION. ALMOST 70 PERCENT OF THAT, OR \$39 BILLION, WILL BE SPENT IN OR DIRECTLY AFFECT THE 265 STANDARD METROPOLITAN STATISTICAL AREAS. THAT IS A 94 PERCENT INCREASE FROM JUST SIX YEARS AGO.

THE POINT OF MY REMARKS HERE IS NOT TO ARGUE WHETHER THE LEVEL OF FEDERAL ASSISTANCE SHOULD BE RAISED TO MEET TODAY'S CRISIS. RATHER, I WISH TO PRESS THE OBVIOUS.



TO BANDAGE OVER THE FISCAL CRISIS OF THE CITIES WITH ADDITIONAL INFUSIONS OF FEDERAL FUNDS WOULD CERTAINLY CREATE NEW INFLATIONARY PRESSURES, WHICH SO BADLY HURT THE CITIES, BUT WOULD NOT CURE THE UNDERLYING CAUSES. WE NEED LONG-TERM SOLUTIONS.

THE CITIES ARE CAUGHT IN A VISE OF DECREASING REVENUES AND INCREASING COSTS. A PAINFUL RECESSION HAS EATEN AWAY AT MANY BASIC SOURCES OF PUBLIC REVENUES, AND THE PROPERTY TAX BASE HAS BEEN SERIOUSLY ERODED BY DEMOGRAPHIC AND ECONOMIC TRENDS.

THE MOST SERIOUS OF THESE TRENDS HAS BEEN THE MOVEMENT OF HIGHER INCOME GROUPS OUT OF THE CORE CITIES. THIS TREND ACCELERATED AS THE PERSONAL MOBILITY PROVIDED BY MASSIVE HIGHWAY CONSTRUCTION ACCOMMODATED SUBURBAN LIFESTYLE. SEVENTY PERCENT OF THE NATION'S POPULATION GROWTH BETWEEN 1960 AND 1970 OCCURRED IN THE SUBURBS.

THIS FLIGHT FROM THE CITIES DESTROYED THE STABILITY OF MANY URBAN NEIGHBORHOODS AND LEFT LARGE SEGMENTS OF THE CITIES TO THE POOR. PRIVATE DISINVESTMENT -- FOLLOWED. MANY ONCE PROUD NEIGHBORHOODS BECAME MARGINAL -- HEADED FOR ABANDONMENT.

TO ALL THIS WE ADD THE FACT THAT DOUBLE DIGIT INFLATION HAS PUSHED THE COST OF PROVIDING BASIC PUBLIC SERVICES TO STAGGERING HEIGHTS, AND UNEMPLOYMENT GENERATED BY RECESSION HAS CREATED EVER INCREASING DEMANDS FOR THOSE SAME SERVICES.

ANY EFFORT TO ANSWER THIS COMPLEX PROBLEM REQUIRES, ABOVE ALL, A NATIONAL COMMITMENT TO THE REVITALIZATION OF THE CITY. WE MUST RETURN THE RESOURCES OF THE CITIES TO PRODUCTIVE USE. ONLY THEN WILL LOCAL REVENUES INCREASE; ONLY THEN WILL THE BURDEN OF SOCIAL SERVICE COSTS BE LESSENED.

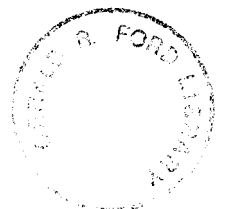
A CITY IS BUT THE SUM OF ITS PARTS -- ITS PEOPLE AND ITS NEIGHBORHOODS. PRESERVING THE CITY MEANS REVITALIZING THOSE NEIGHBORHOODS.



EVERY NEIGHBORHOOD IS A DYNAMIC PLACE -- SOME OF ITS RESIDENTS WILL ALWAYS BE MOVING FOR ONE REASON OR ANOTHER. ITS HOUSING STOCK IS IN A CONSTANT STATE OF DECLINE OR RENOVATION. TO REVITALIZE THE CITY REQUIRES POSITIVE INTERVENTION IN THAT PROCESS OF DYNAMIC CHANGE TO ENSURE THAT FUTURE CHANGES WILL BE FOR THE BETTER.

THERE ARE NO EASY OR ALL-PURPOSE NATIONAL ANSWERS TO THE DIFFICULT ISSUE OF URBAN DECAY. RATHER, THE PROBLEM IS SUSCEPTIBLE TO SOLUTION ONLY WHEN FEDERAL, STATE AND LOCAL GOVERNMENTS WORK TOGETHER WITH THE PRIVATE SECTOR. EACH LOCALITY WILL HAVE SPECIAL NEEDS, AND EACH SHOULD BE GIVEN A CHANCE TO DEVELOP ITS OWN MODEL FOR URBAN PRESERVATION.

WE HAVE LEARNED THAT ANY FEDERAL EFFORT TO RECYCLE CITY RESOURCES MUST BUILD UPON LOCALLY CONCEIVED AND DIRECTED PLANS. OUR PHILOSOPHY AT HUD TODAY IS TO SUPPORT LOCALLY DEVISED MEANS FOR COPING WITH THE PROBLEM OF URBAN DECLINE.



DURING THE PAST YEAR, HUD HAS TAKEN SEVERAL STEPS TO SUPPORT CITIES IN THEIR EFFORTS TO STOP URBAN DECLINE:

FIRST, WE ARE IMPLEMENTING THE COMMUNITY DEVELOPMENT GRANT PROGRAM, WHICH WILL PROVIDE LOCALITIES WITH \$2.6 BILLION IN FEDERAL FUNDS THIS YEAR. CONGRESS HAS AUTHORIZED A TOTAL OF \$8.3 BILLION FOR THE FIRST THREE YEARS OF THIS NEW PROGRAM.

CONSISTENT WITH OUR PHILOSOPHY, LOCAL OFFICIALS ARE ACCORDED WIDE LATITUDE IN USING THESE FUNDS. LOCAL COMMUNITIES DETERMINE THEIR PRIORITIES FOR THEIR COMMUNITY DEVELOPMENT, AND LOCAL COMMUNITIES DEVISE STRATEGIES AND TACTICS TO BEST UTILIZE THEIR AVAILABLE RESOURCES.

THESE FUNDS SHOULD PROVIDE YOUR COMMUNITIES WITH THE LEVERAGE TO ATTRACT GREATER PRIVATE AND PUBLIC INVESTMENTS IN COMMUNITY DEVELOPMENT AND PRESERVATION.



WE SEE OUR FIRST YEAR WITH COMMUNITY DEVELOPMENT GRANTS AS ONE OF CONSIDERABLE SUCCESS. SEVENTY-EIGHT PERCENT OF RECIPIENTS STATE THAT COMMUNITY DEVELOPMENT GRANTS SIGNIFICANTLY INCREASED THEIR ABILITY TO RESPOND EFFECTIVELY TO LOCAL PROBLEMS. EIGHTY PERCENT OF THE LOCAL OFFICIALS SURVEYED SAID THERE WAS A MARKED REDUCTION IN THE RED TAPE WHICH USED TO ATTEND FEDERAL ASSISTANCE. EIGHTY-FIVE PERCENT INDICATED A WELCOME DECREASE IN FEDERAL INTERVENTION IN THE LOCAL DECISION-MAKING PROCESS.

COMMUNITIES HAVE DEDICATED MORE THAN 66 PERCENT OF THESE \$2.6 BILLION IN COMMUNITY DEVELOPMENT FUNDS FOR THE PHYSICAL PRESERVATION OF DECLINING AND BLIGHTED NEIGHBORHOODS AND FOR THE PUBLIC SERVICES NECESSARY TO SUPPORT THESE EFFORTS.

ALSO, WE ARE FINDING THAT OVER NINE PERCENT OF THESE FUNDS, OR ABOUT \$221 MILLION, IS NOW BEING USED BY RECIPIENT CITIES FOR REHABILITATION GRANTS AND LOANS.

IF THE RECIPIENT COMMUNITIES SUSTAIN THEIR FIRST YEAR LEVEL OF EFFORT, IN A MATTER OF YEARS WE WILL SEE THE END OF SUBSTANDARD HOUSING IN EVERY CITY ACROSS THE NATION.



SECONDLY AND RELATED, HUD WILL PROVIDE MORE THAN \$70 MILLION IN SECTION 312 LOW-COST FEDERAL REHABILITATION LOANS DURING THE COMING FISCAL YEAR. REHABILITATION FINANCING WITH COMMUNITY DEVELOPMENT FUNDS AND WITH SECTION 312 LOANS WILL TOTAL MORE THAN \$290 MILLION, WHICH IS TWICE THE AMOUNT OF SUCH FINANCING PROVIDED DURING ANY PREVIOUS YEAR.

THIRD, OUR NEW RENTAL ASSISTANCE PROGRAM -- SECTION 8 -- WILL PROVIDE \$1.6 BILLION IN HOUSING ASSISTANCE TO 400,000 LOWER-INCOME FAMILIES THIS FISCAL YEAR. THIS PROGRAM INCORPORATES A PROMISING AND FLEXIBLE NEW APPROACH, GIVING LOCAL COMMUNITIES CONSIDERABLE DISCRETION TO ADAPT FEDERAL HOUSING AID TO LOCAL CONDITIONS. LOCAL COMMUNITIES LARGELY DETERMINE TO WHAT EXTENT THE SUBSIDY WILL SUPPORT FAMILIES IN NEWLY CONSTRUCTED, REHABILITATED, OR EXISTING UNITS.

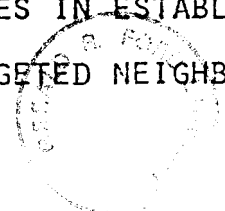
THE SUPPORT FOR NEW CONSTRUCTION PROVIDED BY OUR NEW RENTAL ASSISTANCE PROGRAM OFFERS THE CITIES A VALUABLE WAY TO PUT VACANT OR UNDER-UTILIZED URBAN LAND TO PRODUCTIVE USE.



AND, BY ALSO ALLOWING A CITY TO UTILIZE ITS EXISTING STOCK, WE HOPE TO ENCOURAGE AND ASSIST THE PRESERVATION OF URBAN NEIGHBORHOODS.

THIS NEW RENTAL SUBSIDY PROGRAM DID NOT GET COMPLETELY UNDER WAY UNTIL MAY OF THIS YEAR. BECAUSE OF THIS LATE START, IN APRIL WE PROJECTED THAT OUR COMMITMENTS WOULD BE ONLY ABOUT 40,000 UNITS FOR FISCAL YEAR 1975, WHICH ENDED JUNE 30TH. BUT, I AM HAPPY TO SAY THAT, AS OF THE END OF THE FISCAL YEAR, EIGHT DAYS AGO, WE HAD ACTUALLY COMMITTED FUNDS FOR OVER 95,000 UNITS -- BETTER THAN TWICE OUR ESTIMATE. WE ARE CONFIDENT THAT WE WILL MEET OUR COMMITMENT TO PROVIDE ASSISTANCE TO 400,000 UNITS IN THE FISCAL YEAR WE HAVE JUST COMMENCED.

FOURTH, HUD LAST MONTH STARTED TO IMPLEMENT A DEMONSTRATION URBAN HOMESTEADING PROGRAM, AFTER CONVENING A CONFERENCE OF LOCAL OFFICIALS TO ASK THEIR ADVICE ABOUT THE DESIGN AND IMPLEMENTATION OF THE PROGRAM. THE FEDERAL GOVERNMENT WILL NOW SUPPORT A LIMITED NUMBER OF LOCALLY DESIGNED HOMESTEADING PROGRAMS BY PROVIDING PARTICIPATING CITIES WITH HUD-HELD PROPERTIES OF POSITIVE VALUE AND REHABILITATION FINANCING. HUD WILL BE WORKING WITH THE PARTICIPATING CITIES IN ESTABLISHING AN OVERALL STRATEGY FOR THE PRESERVATION OF TARGETED NEIGHBORHOODS.



FIFTH, HUD HAS IMPLEMENTED A PROPERTY DISPOSITION PROGRAM, WHEREBY CITIES CAN RECEIVE, AT NO COST, HUD-HELD PROPERTIES. THIS PROGRAM PROVIDES ANOTHER RESOURCE FOR INNOVATIVE COMMUNITY USE.

SIXTH, HUD IS EXPERIMENTING WITH LEASE-PURCHASE AGREEMENTS, AS ANOTHER MEANS OF DEALING WITH ITS INVENTORY OF FORECLOSED HOMES. THE EXPERIMENTAL PROGRAMS IN TAYLOR, MICHIGAN AND DALLAS, TEXAS INVOLVE LEASES OF ACQUIRED PROPERTIES TO LOWER-INCOME FAMILIES FOLLOWED BY OPPORTUNITIES FOR THOSE FAMILIES TO ASSUME HOMEOWNERSHIP.

IN THE FUTURE, WE WILL SEEK TO COORDINATE HUD'S PROPERTY DISPOSITION TECHNIQUES MORE CAREFULLY WITH THE COMMUNITY DEVELOPMENT PROGRAMS OF THE AFFECTED LOCALITY. BOTH THE HOUSING ASSISTANCE AND COMMUNITY DEVELOPMENT PLANS, WHICH THE CITY MUST FILE TO OBTAIN FEDERAL ASSISTANCE, SHOULD ADDRESS THE PROBLEM OF DISPOSING OF HUD AND CITY OWNED PROPERTIES. THOSE HOUSING ASSETS MUST BE CONSIDERED.



SEVENTH, HUD IS CO-SPONSORING WITH THE FEDERAL HOME LOAN BANK AN URBAN REINVESTMENT TASK FORCE. RECENTLY THE FEDERAL DEPOSIT INSURANCE CORPORATION, THE CONTROLLER OF THE CURRENCY AND THE FEDERAL RESERVE BOARD AGREED TO BECOME MEMBERS OF THIS TASK FORCE. THE TASK FORCE HAS DEVELOPED A NUMBER OF DEMONSTRATION NEIGHBORHOOD PRESERVATION PROGRAMS, WHICH ILLUSTRATE HOW THE FINANCIAL COMMUNITY CAN BE VERY USEFULLY INVOLVED IN LOCAL CONSERVATION PROJECTS.

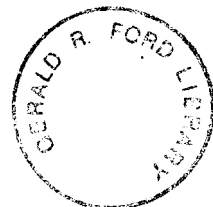
IN ADDITION, THE TASK FORCE HAS NEIGHBORHOOD HOUSING SERVICE PROGRAMS OPERATING IN 11 CITIES. IT BRINGS TOGETHER THE CITY, COMMUNITY RESIDENTS, LOCAL FINANCIAL INSTITUTIONS AND THE TASK FORCE MEMBERS TO PROVIDE A CONCENTRATED EFFORT TO IMPROVE A SPECIFIED NEIGHBORHOOD. IN MOST CASES, THE CITY AGREES TO PROVIDE CODE ENFORCEMENT AND IMPROVED PUBLIC SERVICES, THE FINANCIAL INSTITUTIONS AGREE TO MAKE LOANS, PRIVATE AND TASK FORCE FUNDS PROVIDE MONIES FOR A HIGH RISK LOAN FUND, AND LOCAL CITIZENS GROUPS PROVIDE THE NECESSARY INVOLVEMENT AND ENTHUSIASM.



FOR THE FUTURE, HUD IS TAKING A HARD LOOK AT FORECLOSURES AND THE RESULTING COSTS TO CITIES AND THEIR NEIGHBORHOODS. THE EMERGENCY HOUSING ACT OF 1975 SIGNED BY THE PRESIDENT LAST WEEK GIVES US NEW AUTHORITY TO DEAL WITH THE DIFFICULT PROBLEMS OF DEFAULTS AND FORECLOSURES.

FINALLY, HUD IS ACTING AS A CLEARINGHOUSE TO ASSIST LOCAL COMMUNITIES IN THEIR PRESERVATION ACTIVITIES. WE RECENTLY PUBLISHED A NEIGHBORHOOD PRESERVATION CATALOGUE, DESCRIBING 100 OF THE MOST INNOVATIVE AND SUCCESSFUL PRESERVATION INITIATIVES WHICH THE CITIES HAVE DEVELOPED. I DO NOT WANT TO BREAK IN AT THIS POINT WITH A FULL-BLOWN COMMERCIAL, BUT I STRONGLY RECOMMEND THAT EACH OF YOU SECURE A COPY OF THIS PUBLICATION.

WE HAVE SCHEDULED A SERIES OF 10 REGIONAL PRESERVATION STRATEGY WORKSHOPS, TO BE ATTENDED BY THE DIRECTORS OF MANY OF THE PROGRAMS IDENTIFIED IN THE CATALOGUE. THESE STEPS SHOULD GIVE LOCAL COMMUNITIES ADDITIONAL TOOLS FOR CONSTRUCTING WORKABLE APPROACHES TO URBAN PRESERVATION.



IN ADDITION TO HUD'S EFFORTS, THE PRIVATE SECTOR IS BEGINNING TO SUPPORT URBAN REVITALIZATION. MORE AND MORE PRIVATE LENDERS ARE PARTICIPATING, WITH THE ENCOURAGEMENT OF CITY FATHERS, TO CREATE REVOLVING LOAN FUNDS FOR INNER CITY REHABILITATION.

OF SUBSTANTIAL POTENTIAL IMPORTANCE IS THE RECENT AFL-CIO AGREEMENT THAT A LOWER WAGE RATE SHOULD APPLY TO REHABILITATION WORK THAN TO NEW CONSTRUCTION.

ALL OF THESE ACTIONS SHOW A GROWING PUBLIC AWARENESS OF THE NEED TO USE PRODUCTIVELY THE RESOURCES OF OUR CITIES.

UNDENIABLY, FEDERAL RESOURCES ARE IMPORTANT. BUT THE FEDERAL GOVERNMENT CANNOT ASSUME THE ENTIRE BURDEN. THERE MUST BE A COORDINATED EFFORT TO REVITALIZE THE URBAN ENVIRONMENT BY ALL PARTIES, PRIVATE AND PUBLIC, HAVING A STAKE IN THE HEALTH OF OUR URBAN CENTERS.

EACH LEVEL OF GOVERNMENT MUST PARTICIPATE ACCORDING TO ITS CAPACITIES.



THE STATES HAVE A MOST IMPORTANT ROLE IN THE PROCESS OF URBAN REVITALIZATION. STATE GOVERNMENTS HAVE A FAR GREATER VARIETY OF INCOME GENERATING DEVICES AT THEIR COMMAND THAN DO THE CITIES. THIS CAPACITY TO GENERATE REVENUE AND TO TAP SUBURBAN WEALTH PROVIDES THE STATES WITH THE FINANCIAL CAPACITY TO AID LOCAL COMMUNITY DEVELOPMENT.

OUR 1974 ACT REQUIRES THAT COMMUNITIES, AS A CONDITION TO OBTAINING FEDERAL FUNDS, SUBMIT BOTH COMMUNITY DEVELOPMENT AND HOUSING ASSISTANCE PLANS. THAT REQUIREMENT PROVIDES AN OBVIOUS MECHANISM FOR THE ALLOCATION OF STATE COMMUNITY DEVELOPMENT FUNDS TO SUPPLEMENT THOSE OF THE FEDERAL GOVERNMENT. A FEW STATES ARE ALREADY PROVIDING SUCH SUPPLEMENTARY FUNDING. MORE MIGHT BE ENCOURAGED TO DO SO BY THE BLOCKS OF VOTERS THAT YOUR CITIES REPRESENT.

BUT, THE KEY ELEMENT IN THE PROCESS OF URBAN REVITALIZATION IS THE CITY. AS MAYOR CARVER SAID SUNDAY, "THE FEDERAL GOVERNMENT . . . CANNOT SOLVE ANY OF THE PROBLEMS OF URBAN AMERICA UNLESS IT HAS THE FULL AND COMPLETE COOPERATION OF THE CITIES."



HUD'S STRATEGY FOR URBAN PRESERVATION REQUIRES LOCAL GOVERNMENT TO BE THE CATALYST TO AGGREGATE AN EFFECTIVE MASS OF FUNDS AND RESOURCES.

IT IS THE CITY THAT MUST COORDINATE THE USE OF AVAILABLE RESOURCES -- FEDERAL, STATE, AND LOCAL AND PRIVATE -- IN A CAREFULLY THOUGHT-OUT PLAN FOR NEIGHBORHOOD AND COMMUNITY PRESERVATION. IT IS THE CITY THAT IS MOST CAPABLE OF LEVERAGING PUBLIC FUNDS TO PROMOTE PRIVATE REINVESTMENT IN THE URBAN CORE.

THESE RESPONSIBILITIES REQUIRE AN ECONOMIC PLANNING CAPACITY. FOR THAT REASON, THIS PAST YEAR, HUD SPONSORED IN NEW ORLEANS AND SAN FRANCISCO, COMPREHENSIVE ECONOMIC PLANNING EXPERIMENTS. THESE EXPERIMENTS DEMONSTRATED THE USEFULNESS OF ECONOMIC PLANNING CAPACITY TO LOCAL DECISION-MAKING. THE NEED FOR SUCH ECONOMIC ANALYSIS OF PUBLIC INVESTMENT DECISIONS HAS BECOME INCREASINGLY IMPORTANT WITH THE WIDE LATITUDE AFFORDED LOCALITIES UNDER THE COMMUNITY DEVELOPMENT GRANT PROGRAM.



HUD HAS MADE OTHER EFFORTS TO STRUCTURE ITS COMMUNITY DEVELOPMENT ACTIVITIES TO BE SUPPORTIVE OF THE LOCAL DECISION-MAKING PROCESS. FOR INSTANCE, NEXT YEAR WE WILL PERMIT GREATER COORDINATION BETWEEN THE TIMING OF OUR DISBURSEMENT OF FEDERAL COMMUNITY DEVELOPMENT FUNDS AND YOUR LOCAL BUDGETING PROCESS. THIS SHOULD MAKE YOUR LEVERAGING STRATEGIES MORE SUCCESSFUL.

THE FEDERAL GOVERNMENT CAN ADOPT A NATIONAL POLICY TO ENCOURAGE URBAN CONSERVATION AND RECYCLING OF OUR CITIES. WE CAN MAKE DECISIONS CAREFULLY SO AS NOT TO ENCOURAGE SUBURBAN SPRAWL OR CITY DECAY.

BUT IN THE FINAL ANALYSIS, THE SUCCESS OF URBAN CONSERVATION WILL BE DETERMINED BY THE EFFECTIVENESS OF LOCAL DECISION-MAKERS IN DEVISING PRESERVATION STRATEGIES SUITED TO THE NEEDS OF THEIR OWN COMMUNITIES.

NO CHALLENGE DURING THE NEXT DECADE IS GREATER THAN THE REVITALIZATION OF URBAN AMERICA. HUD STANDS READY TO JOIN WITH YOU IN MEETING THAT CHALLENGE.

