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AMERICAN BAR ASSOCIATION

MONTREAL, CANADA

AUGUST 13, 1975

MY INVITATION TO ADDRESS YOU TODAY OFFERED ME THE CHANCE TO SELECT MY OWN TOPIC.

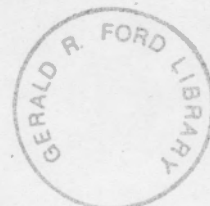
SO I DECIDED TO TAKE YOU ON A FLIGHT OF FANTASY INTO THE THIRD CENTURY TO A PLACE THAT'S LIGHT YEARS FROM THE MOON. IT'S CALLED "HOME".

NOT "HOME" AS IN "HOMELAND". I MEAN HOME WHERE YOU TAKE YOUR SHOES OFF; WHERE YOU LET YOUR HAIR DOWN AND CRY A BIT WHEN YOU PAY THE REPAIR BILLS.

THE FLIGHT MAY NOT BE AS THRILLING AS THE LINK UP OF APOLLO AND SOYUZ OR AS A VERBAL SHOOT OUT OF SALT -- BUT IT'S BOUND TO GET YOU WHERE YOU LIVE -- NO PUN INTENDED.

LAST WEEK THE WASHINGTON POST TOOK A DOOMSDAY LOOK AT THE PRICE OF AN AVERAGE HOUSE AND THUNDERED

"TWENTY-FIVE YEARS AGO TWO OUT OF THREE FAMILIES COULD AFFORD TO BUY A MEDIUM PRICED NEW HOME. TODAY FEWER THAN ONE OUT OF FIVE CAN. WHAT IS GOING ON?"



IN APRIL, SENATOR HUBERT HUMPHREY, CHAIRMAN OF THE JOINT ECONOMIC COMMITTEE, DELIVERED A CONCLUSION WHICH MR. AVERAGE HOMEOWNER HAD CONCLUDED SOME TIME AGO: THAT INITIAL COSTS, INTERESTS RATES, AND ESCALATING UTILITY BILLS WERE DRIVING MIDDLE-INCOME AMERICA OUT OF THE HOUSE AND OUT OF THE HOUSING MARKET.

OBVIOUSLY, I DID NOT TRAVEL ALL THE WAY TO MONTREAL TO DO BATTLE WITH THE WASHINGTON POST OR THE DISTINGUISHED SENATOR FROM MINNESOTA. BUT, IF THEY ARE RIGHT, THIS NATION WILL CELEBRATE ITS ENTRY INTO THE THIRD CENTURY WITH THE ENDING OF AMERICA'S MOST CHERISHED DREAM: HOMEOWNERSHIP.

THAT WAS THE DREAM THAT DROVE THE CONESTOGA WAGONS ACROSS THE DUSTY PLAINS AND THE DREAM THAT DRIVES TODAY'S YOUNG COUPLES FROM APARTMENTS TO HOMES.

IF THE DREAM OF HOMEOWNERSHIP IS REALLY DYING, THEN ALL THE SOUND AND FURY THAT WENT INTO THE MAKING OF AMERICA THE BEAUTIFUL, AMERICA THE FREE, AND AMERICA THE STRONG WAS A BIG WASTE OF ENERGY AND TIME.



AND THAT BRINGS ME TO THE POINT OF MY REMARKS TODAY. HOW SERIOUS IS THE THREAT TO THIS DREAM? WHAT ARE WE AS A GOVERNMENT DOING ABOUT THE THREAT? AND, WHAT MORE CAN WE DO?

I SUGGEST THAT WE APPROACH THESE PROBLEMS IN A LAWYER-LIKE FASHION, BOTH AS LAWYERS WHO REPRESENT PEOPLE WHO LIVE IN HOUSES, AND AS PEOPLE WHO ARE IN SOME WAY INVOLVED IN BUILDING, SERVICING, OR FINANCING THOSE HOUSES. THAT INCLUDES JUST ABOUT THE ENTIRE POPULATION OF THE UNITED STATES.

BUT MIND YOU I DID NOT COME HERE TO SPEAK TO YOU AS A LAWYER. AS YOU MAY HAVE HEARD, ONE OF MY CRITICS DURING MY SENATE CONFIRMATION HEARINGS, INFERRED RATHER UNFLATERINGLY, THAT I COULD NOT KNOW ANYTHING ABOUT HOUSING SINCE I HAD BEEN A LAWYER ALL OF MY ADULT LIFE.

FELLOW HOUSING EXPERTS:

IS THE PROBLEM AS CRITICAL AS DEPICTED BY THE WASHINGTON POST AND SENATOR HUMPHREY?



WELL, AS ANYBODY IN THE BUSINESS CAN TELL YOU, HOUSING HAS A SEVERE CASE OF CONTAGIOUS INFLATION. FROM THE FIRST QUARTER OF 1971 TO THE FOURTH QUARTER OF 1974:

- LAND COSTS WENT UP 62 PERCENT;
- CONSTRUCTION FINANCING 148 PERCENT;
- LABOR COSTS 39 PERCENT;
- MATERIALS 36 PERCENT;
- OVERHEAD 54 PERCENT; AND
- MARKETING COSTS 73 PERCENT.

PUT ALL OF THESE FIGURES IN THE HOPPER, SIFT IN THE LEVELER OF COMPETITION, AND PRICES OF NEW HOMES HAVE RISEN 33 PERCENT IN THESE THREE YEARS.

IF YOU OWNED A HOME OF ANY KIND -- OLD OR NEW -- YOUR 1974 RUNNING COSTS WOULD HAVE JUMPED MORE THAN 50 PERCENT SINCE 1965 IN EVERY CATEGORY.



- MAINTENANCE REPAIR UP 105 PERCENT;
- MORTGAGE INTEREST 56 PERCENT;
- FUEL AND UTILITIES 70 PERCENT; AND
- PROPERTY TAXES 70 PERCENT.

MEANWHILE REAL DISPOSABLE INCOMES HAVE INCREASED FAR MORE SLOWLY.

AS YOU MAY KNOW, THE MEDIAN FAMILY INCOME TODAY IS \$13,000 WHICH BY RULE OF THUMB TELLS YOU THAT THE MEDIAN AFFORDABLE HOUSE SHOULD COST NO MORE THAN \$32,500. IN TRUTH THE MEDIAN NEW HOME TODAY ACTUALLY COSTS \$39,000, AND THE MEDIAN EXISTING HOME IS PRICED AT OVER \$35,000.

LOOKING BACK A DECADE, IN 1955, PRIOR TO THE CURRENT INFLATIONARY SPIRAL, 44 PERCENT OF AMERICAN FAMILIES HAD SUFFICIENT INCOME TO PURCHASE A NEW HOME AS COMPARED WITH 31 PERCENT TODAY, AND 46 PERCENT COULD BUY AN EXISTING HOME AS COMPARED WITH 32 PERCENT TODAY.



ONE OF THE NIGHTMARES THAT HAS INVADDED AMERICA'S DREAM OF HOMEOWNERSHIP IS THE HEAD-ON COLLISION OF HOUSING DEVELOPMENT WITH THE ENVIRONMENT.

THE RESULT HAS BEEN HIGHER COSTS THROUGH INCREASINGLY COMPLEX AND RESTRICTIVE LOCAL BUILDING CODES AND ENVIRONMENTAL IMPACT REQUIREMENTS. IN MANY COMMUNITIES HOUSING CONSTRUCTION IS STRAPPED BY NO-GROWTH POLICIES, SEWER MORATORIA, AND RESTRICTIVE ZONING.

I DO NOT ARGUE THE NEED FOR SUCH REQUIREMENTS -- FAR FROM IT. ALL OF US HAVE VIEWED WITH SOME HORROR EXAMPLES OF SHODDY HOUSING DEVELOPMENTS -- TURNED SLUMS; AND, OF LAND USE ABUSE THAT BORDERS ON THE CRIMINAL.

I MENTION THIS ONLY TO POINT OUT THAT OUR AWAKENED ENVIRONMENTAL INTERESTS HAVE NOT ONLY STOPPED SOME HOUSING GROWTH BUT HAVE CONTRIBUTED TO THE INCREASED COSTS OF THAT WHICH CONTINUES.



YOU DO NOT NEED MY STATISTICS TO KNOW THAT THE SITUATION ISN'T HEALTHY. JUST CHECK WITH ANYONE IN THE HOMEBUILDING INDUSTRY.

HOUSING PRODUCTION IS CURRENTLY LESS THAN HALF THE PEAK RATE OF 1973, AND SINGLE-FAMILY HOUSING STARTS, ALTHOUGH RECENTLY IMPROVED, ARE STILL RUNNING ABOUT 14 PERCENT BEHIND LAST YEAR.

ALL THIS SOUNDS BAD, BUT AS LAWYERS, WE KNOW THAT ALL STATISTICS HAVE TWO SIDES. SO, BEFORE WE COLLAPSE UNDER THE WEIGHT OF THOSE FIGURES CITED, HERE ARE A FEW POSITIVE FACTS THAT THE KNELL RINGERS ALWAYS NEGLECT TO MENTION.

THE FACT IS THAT 63 PERCENT OF ALL AMERICANS ALREADY OWN THEIR OWN HOMES. AND OVER 30 PERCENT, NOT THE OFTEN QUOTED 15 PERCENT, OF AMERICANS CAN STILL AFFORD THE MEDIAN PRICED NEW SINGLE-FAMILY HOME. FORTHOEVER, NEW HOUSING PRODUCTION HAS NEVER MADE AVAILABLE MORE THAN 2 PERCENT OF TOTAL HOUSING UNITS IN ANY SINGLE YEAR.



AS I HAVE ALREADY NOTED, THE MEDIAN AFFORDABLE SINGLE-FAMILY DETACHED HOME TODAY COSTS \$39,000. BUT, HALF OF THE NEW HOMES SOLD BY DEFINITION COSTS LESS THAN THE MEDIAN PRICE. IN 1974, FOR EXAMPLE, ABOUT 20 PERCENT OF THE HOMES SOLD COST LESS THAN \$27,500, AND COULD BE AFFORDED BY 48 PERCENT OF AMERICAN FAMILIES.

MORE THAN THAT, THE MEDIAN PRICED SINGLE-FAMILY DETACHED HOUSE IS ONLY ONE KIND OF HOUSING ON THE AMERICAN MARKET -- SUITED NEITHER BY LIFE STYLE NOR PRACTICABILITY TO MANY AMERICAN FAMILIES. OTHER MODES OF HOMEOWNERSHIP, INCLUDING TOWNHOUSES, CLUSTER HOUSING, AND CONDOMINIUMS HAVE SIGNIFICANTLY BROADENED AFFORDABLE HOUSING CHOICES FOR MANY AMERICANS.

IN ADDITION, DEMOGRAPHIC CHANGES AS WELL AS TIGHTER POCKETBOOKS ARE CHANGING THE TYPES OF HOUSE BUYERS ARE DEMANDING.



THERE HAS BEEN A DRASTIC INCREASE IN SMALL, ADULT-ORIENTED HOUSEHOLDS. SINGLES, YOUNG MARRIED, CHILDLESS COUPLES AND THE ELDERLY ACCOUNTED FOR 82 PERCENT OF THE NET POPULATION GAIN BETWEEN 1970 AND 1973. SMALLER HOUSEHOLDS SEEK SMALLER HOUSING UNITS MORE OFTEN IN CLOSER PROXIMITY TO THE EMPLOYMENT AND CULTURAL OPPORTUNITIES.

THE PROPORTION OF WORKING WOMEN HAS INCREASED FROM 38 PERCENT IN 1960, TO 45 PERCENT IN 1973. AS HOUSEHOLDS INCREASE WHERE BOTH HUSBAND AND WIFE WORK SO DOES DEMAND FOR HOUSING CLOSER TO PLACES OF EMPLOYMENT.

AT THE SAME TIME POPULATION GROWTH HAS DECREASED. IN THE 1950'S POPULATION WAS GROWING AT A RATE OF 2.8 MILLION PER YEAR, IN THE 1960'S THE RATE SLOWED TO 2.4 MILLION, AND NOW IT IS ONLY 1.7 MILLION AND IS CONTINUING TO DECREASE.

METROPOLITAN AREAS HAVE BEGUN TO LOSE POPULATION. ONLY TWO METROPOLITAN AREAS HAD A NET DECREASE IN POPULATION BETWEEN 1960 AND 1970, AS OPPOSED TO 24 BETWEEN 1970 AND 1973.



PRIVATE INDUSTRY, AS HAS ALWAYS BEEN ITS GENIUS, IS ADAPTING TO CHANGING ECONOMIC CONDITIONS AS WELL AS CHANGES IN DEMAND. A NEW PRODUCT MIX IS EMERGING TO SATISFY THE DESIRE FOR HOMEOWNERSHIP.

TOWNHOUSES, FOR EXAMPLE, HAVE INCREASED THEIR SHARE OF THE HOUSING MARKET BY 67 PERCENT IN JUST THREE YEARS. BECAUSE THEY USE LESS LAND, MATERIALS, AND ENERGY, ACCORDING TO MANY BUILDERS, THE UNIT PRICE CAN BE AS MUCH AS \$10,000 LESS THAN A COMPARABLE SINGLE DETACHED HOME.

CONDOMINIUMS HAVE GROWN EVEN MORE DRAMATICALLY. IN 1970 THERE WERE ONLY 85,000 CONDOMINIUM UNITS NATIONWIDE. TODAY, THERE ARE OVER 1 MILLION. CONDOMINIUMS REPRESENT ANOTHER LOWER COST MEANS FOR PROVIDING OWNERSHIP OPPORTUNITIES.

EVEN THE TRADITIONAL SINGLE-FAMILY DETACHED DWELLING SEEMS TO BE UNDERGOING A METAMORPHOSIS. FOR THE PAST DECADE THE SINGLE-FAMILY HOME INCREASED IN SQUARE FOOTAGE AND BECAME LADENED WITH EXPENSIVE AMENITIES. TOW-CAR GARAGES, EXTRA BEDROOMS, LARGE FAMILY ROOMS, WALK-IN CLOSETS, AND EVERY CONCEIVABLE ELECTRICAL APPLIANCE BECAME ALMOST STANDARD.



JUST AS THE FUEL CRISIS MADE US QUESTION THE LARGE ENERGY CONSUMING VEHICLES WHICH WERE ONCE SYMBOLIC OF OUR NATIONAL LIFE STYLE, WE SEEM TO BE RETHINKING THE KIND OF HOME IN WHICH WE LIVE. THE BASIC "NO FRILLS" HOUSE WITHOUT MANY OF THE AMENITIES WHICH WE HAVE TAKEN FOR GRANTED IN RECENT YEARS IS STAGING A COMEBACK. BUILDERS WHO ELIMINATE GADGETS, LEAVE A ROOM UNFINISHED, REPORT THAT THEY CAN SLASH A \$30,000 PRICE TO \$17,000.

ALL RIGHT, SO WHERE DOES ALL OF THAT LEAVE US? IT DOES SUGGEST THAT MAYBE WE SHOULD START LOOKING AT THE OLD AMERICAN DREAM THROUGH A PAIR OF NEW AMERICAN EYE GLASSES.

BUT, THE REAL QUESTION IS WHETHER HOMEOWNERSHIP IS A NATIONAL GOAL TO BE PURSUED OR, TO PUT IT ANOTHER WAY, WHAT HARM WOULD COME TO OUR SOCIETY IF WE WERE TO BECOME A NATION OF RENTERS?

TO BE SELFISH ABOUT IT, AS LONG AS WE OWN OUR OWN HOME, DO WE REALLY CARE IF THE REST OF THE NATION BUYS OR RENTS?



YES, WE DO. THE FAMILY WHO OWNS ITS OWN HOME, NOT ONLY HAS AN INVESTMENT IN A HOUSE, IT HAS AN INCENTIVE TO TAKE AN ACTIVE ROLE IN THE DECISIONS WHICH SHAPE ITS NEIGHBORHOOD, ITS COMMUNITY, ITS SCHOOLS, AND CHURCHES. BECAUSE THE FAMILY HAS A REAL INVESTMENT IN A STRUCTURE, IT ALSO HAS AN INVESTMENT IN ITS ENVIRONMENT.

THOSE SAME FAMILY MEMBERS AS RENTAL TENANTS MIGHT STILL CLASSIFY AS "GOOD NEIGHBORS", BUT OTHER THAN SOCIAL PRESSURE, THEY HAVE NO PERMANENT INCENTIVE TO BE SUCH.

IT IS AXIOMATIC THAT WHEN NEIGHBORHOODS TURN FROM "OWNER" TO "RENTAL" PROPERTIES, EVIDENCE OF NEGLECT BEGINS TO SHOW ALMOST IMMEDIATELY. THE REVERSE IS ALSO TRUE. A TOOL TO IMPROVE THE URBAN NEIGHBORHOOD IS TO ENCOURAGE A CORE OF HOMEOWNERS.

HOMEOWNERSHIP PROVIDES A SENSE OF IDENTITY, OF ROOTS AND OF SECURITY, WHICH IS THE STUFF FROM WHICH NEIGHBORHOODS ARE MADE AND WHICH PROTECT AGAINST SOCIAL ALIENATION.



FINALLY, HOMEOWNERS HAVE IN EFFECT A FORCED INVESTMENT, AND PERHAPS THEIR ONLY ONE. THEY ALSO HAVE A SHARE IN THE NATION'S ECONOMIC GROWTH, AND HENCE A HEDGE AGAINST INFLATION IN THE FORM OF APPRECIATION THAT HOMEOWNERSHIP HAS GIVEN MIDDLE AMERICA.

IF HOMEOWNERSHIP IS SO IMPORTANT, WHAT ARE WE DOING TO MAINTAIN AND TO INCREASE ITS AVAILABILITY?

FIRST WE MUST REMEMBER THAT THE PRINCIPAL CAUSE OF THE CURRENT CRISIS IS THAT AS RAMPANT INFLATION PUSHED UP THE COST OF HOUSING, A RECESSION DECREASED REAL PURCHASING POWER. THUS, ONE ABSOLUTE PRE-REQUISITE OF A REGENERATION OF THIS AMERICAN DREAM IS A GENERAL ECONOMIC RECOVERY, WHICH WILL HALT INFLATION AND REDUCE THE DISPARITY BETWEEN HOUSING COSTS AND INCOME.

SOME SIGNS OF RECOVERY ARE APPEARING IN BOTH THE GENERAL ECONOMY AND IN THE HOUSING INDUSTRY.



IN HOUSING, EXISTING HOMES ARE SELLING AT THEIR HIGHEST LEVELS IN 15 MONTHS. SALES OF NEW HOMES ROSE 24 PERCENT IN APRIL AND ANOTHER 5 PERCENT IN MAY TO REACH THEIR HIGHEST LEVEL SINCE 1973. THERE HAS BEEN A 22 PERCENT IMPROVEMENT IN THE LEVEL OF ALL HOUSING STARTS SINCE THE FIRST OF THE YEAR AND A 26 PERCENT IMPROVEMENT IN SINGLE-FAMILY STARTS.

IT IS ALWAYS FASHIONABLE TO "BLAME WASHINGTON" WHEN NOBODY ELSE SEEMS TO HAVE THE RIGHT ANSWERS. WELL, IN THIS INSTANCE THE ADMINISTRATION HAS MOVED FORCEABLY TO ATTACK THE PROBLEM AT THE CORE -- IN THE MORTGAGE MARKET. THAT IS WHERE MR. HOMEOWNER MUST WORK IT OUT BEFORE HE CALLS THE MOVERS.

OVER THE PAST 18 MONTHS, THE GOVERNMENT NATIONAL MORTGAGE ASSOCIATION, A PART OF HUD, HAS PROMISED MORE THAN \$13.5 BILLION TO PURCHASE FROM LENDERS ALMOST 450,000 MORTGAGES BEARING BELOW MARKET INTEREST RATES, NOW 7-1/2 PERCENT.



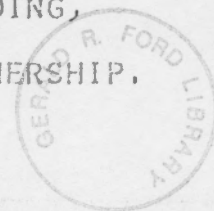
HUD SELLS THE MORTGAGE IN THE MARKETPLACE AT A DISCOUNT AND ABSORBS THE DIFFERENCE BETWEEN THE PURCHASE AND THE SALES PRICE AS A SUBSIDY.

FROM THE CONSUMERS VIEW HERE'S HOW IT WORKS. A FAMILY PURCHASES SAY A \$39,000 HOME AND NEEDS A \$35,000 MORTGAGE. BY OBTAINING A MORTGAGE BEARING 7-1/2 PERCENT INTEREST, INSTEAD OF 9 PERCENT, THE FAMILY SAVES ABOUT \$9,500 OVER THE LIFE OF THE MORTGAGE AND ABOUT \$20 ON ITS MONTHLY PAYMENTS. THIS INCREASES HOMEOWNERSHIP OPPORTUNITIES.

THIS PAST JUNE 24, PRESIDENT FORD DIRECTED THE RELEASE OF AN ADDITIONAL \$2 BILLION IN MORTGAGE PURCHASE AUTHORITY WHICH WILL ASSIST ANOTHER 65,000 HOMEBUYERS.

ON JULY 2, THE PRESIDENT SIGNED THE EMERGENCY HOUSING ACT OF 1975, WHICH GIVES HUD DISCRETIONARY AUTHORITY TO PURCHASE UP TO \$10 BILLION OF ADDITIONAL MORTGAGES WHICH IS ENOUGH TO ASSIST 300,000 MORE HOMEBUYERS.

STILL, SOME CRITICS OF CURRENT HOUSING POLICY HAVE CONTENDED THAT THE GOVERNMENT SHOULD SUBSIDIZE AN ALL-OUT PRODUCTION EFFORT TO PRIME THE ECONOMY AND IN SO DOING, IT IS ARGUED, WILL EXPAND OPPORTUNITIES FOR HOMEOWNERSHIP.



BUT WOULD IT? AND, AT WHAT COST TO COMPETING NATIONAL PRIORITIES?

IF WE ENGAGE IN AN ALL-OUT GOVERNMENT SUBSIDIZED PRODUCTION PROGRAM, WE WILL NECESSARILY FORCE GREATER TREASURY BORROWING WHICH WILL AGAIN DRIVE UP THE COST OF MONEY AND WITH IT MORTGAGE INTEREST RATES. THUS, HOMEOWNERSHIP WILL BE PUSHED BEYOND THE REACH OF EVEN A GREATER SEGMENT OF AMERICANS.

AND, THIS IS THE REAL RUB. BECAUSE IF WE SET POLICIES THAT REFLAME THE INFLATION -- IF WE WIDEN THE GAP BETWEEN REAL INCOME AND HOUSING COSTS, WE WILL HAVE LOST THE WAR WE MEANT TO WIN.

BUT WHAT ABOUT THE OTHER COSTS?

IN THE PAST THE FEDERAL GOVERNMENT HAS SUBSIDIZED THE CONSTRUCTION COSTS OF THOUSANDS OF HOUSES, ENTICING HOMEOWNERS TO LEAVE CITIES FOR NEWLY BUILT SUBURBS. OUR YEARS OF ABUNDANCE SOMEHOW FOSTERED THE DISASTROUS NOTION THAT CITIES COULD BE DISCARDED AND REPLACED.



OUR CITIES HOLD A LARGE PROPORTION OF OUR EXISTING HOUSING STOCK, ALONG WITH NEEDED WATER AND SEWER LINES, FACTORIES, ROADS, SCHOOLS, TRANSPORTATION SYSTEMS, AND UTILITIES. YET WE, AS A NATION, ABANDON OR UNDER-UTILIZE ALL OF THESE ASSETS TO A SHOCKING DEGREE.

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

IT IS CLEAR THAT IN TODAY'S ECONOMY WE CAN NO LONGER TOLERATE WASTEFUL POLICIES WHICH UNDERUTILIZE THE ASSETS OF OUR CENTRAL CITIES, WHILE BUILDING NEW ONES AT ITS OUTER FRINGE.

SUBURBAN SPRAWL ALSO IMPOSES 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.

AT A TIME WHEN SOME OF OUR CITIES CAN NO LONGER AFFORD TO COLLECT THE GARBAGE OR PROVIDE OTHER BASIC SERVICES, CAN WE AFFORD THESE COSTS?

TO SUM UP ALL OF THIS, WE DO NOT INTEND TO PERMIT THE DREAM OF HOMEOWNERSHIP TO END. BUT WE WILL NOT MINDLESSLY SPARK A MASSIVE SUBSIDY OF HOUSING PRODUCTION THAT WILL DEFECT THE VERY GOALS WE HAVE SET OUT TO ACCOMPLISH.

POLICIES THAT REFLECT THE ECONOMIC AND SOCIAL REALITIES OF TODAY WILL DO FAR MORE TO PROTECT THE AMERICAN DREAM THAN RENEWAL OF MASSIVE PRODUCTION POLICIES WHICH HAVE CONTRIBUTED TO OUR CURRENT DIFFICULTIES.

THIS IS AFTERALL THE LAND WHERE MORE HOMES OF BETTER QUALITY ARE OWNED BY A HIGHER PERCENTAGE OF PEOPLE THAN ANY WHERE ELSE IN THE WORLD. WE INTEND TO KEEP IT THAT WAY.

