

MEETING OF TASK FORCE ON CITIES

Washington, October 28, 1966

Rough Notes taken by Paul Ylvisaker

Distribution:-

Dr. Julian Levi
Honorable Ivan Allen
Mr. Ben Alexander
Mr. Edwin C. Berry
Mr. Stuart Chapin
Mr. Anthony Downs
Professor John Dunlop
Mr. Ezra Ehrenkrantz
Mr. Ralph Helstein
Dr. Theodore Sizer

Mr. ArDee Ames

Notes taken at meeting with Joe Califano, White House, Saturday, October 22, 1966

Mr. Califano

The Task Force is to have a short and long-range agenda with respective deadlines being December 1 and June 1. For the short-range the questions:-

- (1) Should we encourage home-ownership in the slums and if so by what methods?
- (2) Does the idea of an urban development corporation for rehabilitation make sense?
- (3) How can we honor the Presidential pledge to provide legal services for tenants in the ghetto?
- (4) How can we honor the Presidential pledge for neighborhood service centers?
- (5) What about the proposed metropolitan expediter?

Task Force should proceed without constraints of costs and politics. We should keep in mind several other task forces operating in areas close to ours. For example, the "In-House" task force under Shriver to develop more permanent answers to the hot summer problem. Another headed by Bill Carmichael on personnel for the Great Society.

The subject of transportation is currently being thoroughly examined with a view towards setting up a new Department of Transportation; to that extent it's not a subject on our task force's agenda.

Two Congressional committees having the same personnel will be holding hearings during our tenure. One chaired by Senator Muskie, exploring the proposal for a domestic security council. The second chaired by Senator Ribicoff which will resume in December will not call government witnesses for a while. It will concentrate first on non-governmental experts, beginning with the problems of data and areal power arrangements.

Meeting with Secretary Weaver

Concerned with:-

- (1) the development of national urban policy respecting migration and location of the national population;
- (2) encouraging a more positive role by the states in urban policy development;
- (3) metropolitan organization.

Robert C. Wood
Under Secretary
Department of Housing and Urban Development

HUD is now concerned with several major problems:-

- (1) working at scale: for example, they now have \$2 billion of urban renewal applications with only \$200 million available;
- (2) building up the staffing capabilities of the Department;
- (3) general reorganization;
- (4) de-centralization of HUD operations -- better information systems are needed if de-centralization is to be carried out.

The new programs occupying HUD's attention of late: "model" cities; new communities; expediter; metropolitan desks; metropolitan planning.

HUD has been proceeding on the strategy of open options; the expansion of free choice for the individual; model for neighborhood facilities; home ownership & jobs in the ghetto; provide counterparts for the public sector.

Wood's advice to the Task Force:-

- (1) Address ourselves to thoughts about cities; not only response to them and their needs.
- (2) Concentrate on the infra-structure in research & training. Real constraint has been manpower.

M. Carter McFarland
Assistant Commissioner for Programs
FHA

Has been working closely with Henry Schechter since they were assigned to check out the idea of indigenous ownership of slum property. They have begun with as sympathetic an outlook as possible. At the very least they are convinced there is no single panacea; I detected more of a grain of cynicism than he tried to allow in his discussions.

They start from a few basic statistics: 9 million sub-standard dwelling units nationwide; of which 48% are owner-occupied and 52% rented. However, a great variance between central city and suburb. In the slums: 21% owner-occupied and 79% rented -- in the suburbs: 52% owner-occupied and 48% rented.

It is their impression that absentee owners are less responsive to maintenance efforts than owners who occupy. Also that absentee ownership is increasing and getting "less desirable."

They feel that ownership hasn't been stressed as part of urban renewal and OEO operations.

- Some proposals:
- (1) tie in any program with the model cities program which offers supporting services;
 - (2) use the urban development corporation if legislated;
 - (3) allow for several forms of ownership ranging from individual ownership to cooperative.

Task Force questions included:-

- (1) Are there other and more effective techniques for getting the desired results other than encouraging ownership?
- (2) Can you use old and new techniques for driving down the costs of property in the slum areas? These costs are now being sustained by present governmental programs.
- (3) What can we say about the possibility of "steady state" maintenance?
- (4) Aren't we trying to eliminate slums and how does slum ownership fit into that objective?

William D. Carey
Assistant Director
Bureau of the Budget

So far no comprehensive strategy has been arrived at in the federal government replying to varying proposals for the neighborhood information service centers. During the summer several agencies produced "talking documents" for the Cabinet Committee. Then the President's Syracuse speech "overtook" the Task Force with a "get cracking" order. There emerged a service group for the facilities approach of HUD, the latter focusing on recreation, etc. They were then talking about \$50 million drawn from "pooled" program monies.

Presently they are thinking of experiments in 14 cities of 3 classes -- the sponsoring coalition would be OEO, HUD, Labor and HEW. The purpose would be to provide one-stop social services to use 3 different models. Physical facilities would not be the primary emphasis. The key would be to bring together all services and clients and evaluate the experiments.

Ralph Taylor
Assistant Secretary for Demonstrations and Intergovernmental Relations
HUD

If model cities program is to succeed, need a rehabilitation industry of a scale that hasn't yet emerged. Industry, large contractors and labor are skittish. The proposed UDC approach using low interest rates and much volume as levers, hopefully might break through. The question remains whether the UDC would have its own R&D or let industry do this according to performance standards that UDC would set. Major questions have to do with the market. Another question has to do with local mechanisms. Indigenous cooperatives might be one answer.

As for the proposed expediter -- it's now being called a representative. It should not be confused with the idea of the metropolitan coordinator which is dead. The representative is to be the federal "presence" -- housed in HUD but

available to all agencies. It would be a source of information on federal programs; clearing house; liaison; feedback; facilitator. HUD is ready to go in six experimental cities not necessarily the model cities and concentrating on state capitals.

Martin Richman
Office of Legal Counsel
Department of Justice

The Attorney General's work with landlord-tenant relations has taken its marching orders from the Syracuse speech. It will be calling a conference in early December. They will be apparently concerned with tax incentives, though they are not dealing directly with the question of reducing local property taxation.

Comments from Task Force

Mayor Allen

Naturally and necessarily is concerned with immediate problems especially the need for public housing and the problems of race and minorities.

Mr. Helstein

Agrees that the most pressing problem is that of the ghetto.

Mr. Downs

Disagrees with Secretary Wirtz if it means forgetting the immediate problems of the ghetto and race.

Dr. Chapin

Especially concerned with three subjects:

- (1) Impact on living patterns of the shorter work week.
- (2) Emerging urban form; concentrating on the inner-city and regional arrangements necessary to get linear development.
- (3) The dynamite of the central city -- wondering if there isn't a General Gavin idea of enclaves of development.

Mr. Ehrenkrantz

Two matters on his mind: (1) urban development corporation
(2) developing the data systems and inventory we need on an accumulating basis.

Mr. Alexander

Impressed with the fundamental outline of the urban problem. We have neither a theory on which to operate nor criteria by which to measure purpose.