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FINAL

NATIONAL ASSOCIATION OF REGIONAL COUNCILS

BOSTON, MASSACHUSETTS

MAY 28, 1975

I AM VERY HAPPY TO BE HERE TODAY. YOU ARE MY PARTNERS IN A CHALLENGING AND DIFFICULT ENDEAVOR -- THE IMPLEMENTATION OF THE 1974 HOUSING AND URBAN DEVELOPMENT ACT.

THAT STATUTE REPRESENTS A MAJOR SHIFT IN FEDERAL INVOLVEMENT IN HOUSING AND URBAN DEVELOPMENT. THE EMPHASIS HAS CHANGED FROM HOUSING PRODUCTION FOR PRODUCTION SAKE, TO PLANNED URBAN PRESERVATION AND COMMUNITY DEVELOPMENT. YOU PLAY A CRUCIAL ROLE IN ACHIEVING THAT STATUTORY PURPOSE OF PLANNED DEVELOPMENT.

OUR NEW LEGISLATION EMPHASIZES LOCAL GOVERNMENT DECISION-MAKING.

LOCAL GOVERNMENTS ARE AFFORDED SUBSTANTIAL FLEXIBILITY IN UTILIZING THEIR COMMUNITY DEVELOPMENT FUNDS. SIMILARLY, LOCAL COMMUNITIES ARE GIVEN BROAD DISCRETION IN DECIDING THE MIX OF NEW, REHABILITATED AND EXISTING HOUSING BEST SUITED TO MEETING THE NEEDS OF THEIR LOWER-INCOME FAMILIES.



BUT, WITH THIS NEW EMPHASIS ON LOCAL DECISION-MAKING COMES INCREASED LOCAL RESPONSIBILITY FOR RATIONAL PLANNING.

AS A CONDITION TO RECEIVING COMMUNITY DEVELOPMENT GRANTS, A CITY MUST SUBMIT A COMPREHENSIVE PLAN ASSESSING ITS NEEDS, RESOURCES, PRIORITIES AND ULTIMATE GOALS IN COMMUNITY DEVELOPMENT.

IT MUST ALSO SUBMIT A HOUSING ASSISTANCE PLAN. THAT HOUSING ASSISTANCE PLAN, WHICH WE CALL A HAP, MUST ASSESS:

1. THE CONDITION OF THE COMMUNITY'S EXISTING HOUSING STOCK; AND
2. THE HOUSING NEEDS OF THE LOWER-INCOME PERSONS RESIDING OR EXPECTED TO RESIDE IN THE COMMUNITY.

ON THE BASIS OF THIS ASSESSMENT, THE COMMUNITY MUST SPECIFY ITS PLANS FOR MEETING THE IDENTIFIED NEEDS OF ITS LOWER-INCOME FAMILIES.



IN MEETING THOSE NEEDS, THE COMMUNITY MUST SEEK TO PRESERVE OR REVITALIZE EXISTING NEIGHBORHOODS, PROMOTE GREATER HOUSING CHOICES FOR LOWER-INCOME FAMILIES, AND AVOID UNDUE CONCENTRATIONS OF POOR PEOPLE.

THUS, ALTHOUGH LOCAL COMMUNITIES ARE GIVEN GREAT FLEXIBILITY IN USING FEDERAL HOUSING AND DEVELOPMENT FUNDS, THEY ARE ALSO GIVEN RESPONSIBILITY TO PLAN FOR THE USE OF THOSE FUNDS.

MANY OF THE PROBLEMS WHICH COMMUNITIES MUST ADDRESS IN THEIR COMMUNITY DEVELOPMENT AND HOUSING ASSISTANCE PLANS EMANATE FROM BEYOND THEIR OWN BORDERS.

A METROPOLITAN AREA MAY INCLUDE MANY SMALL TOWNSHIPS, CITIES, OR COUNTIES. THE PROCESS OF ITS GROWTH AND DEVELOPMENT MAY IGNORE THE ARTIFICIAL LINES ON A MAP DELINEATING THE CONSTITUENT COMMUNITIES. COMMERCIAL ACTIVITY IN ONE TOWN MAY CREATE INCENTIVES FOR PARTICULAR RESIDENTIAL OR COMMERCIAL USES AT THAT TOWN'S PERIPHERY. A NEW PLANT IN ONE LOCALITY MAY CREATE HOUSING NEEDS IN NEARBY COMMUNITIES. THE UNDUE CONCENTRATIONS OF POOR PEOPLE IN A CENTRAL CITY MAY ONLY BE CAPABLE OF MITIGATION ON A REGION-WIDE BASIS.



REGIONAL DEVELOPMENT, LIKE THE LAW, IS A SEAMLESS WEB. THE ACTION OF ONE COMMUNITY NECESSARILY AFFECTS ITS NEIGHBORS, AND THE NEIGHBORS' RESPONSE NECESSARILY AFFECTS THE INDIVIDUAL COMMUNITY.

IT IS CLEAR THAT A COMMUNITY'S PLAN, DRAWN WITHOUT REFERENCE TO REGIONAL PLANNING, IS A PROGRAM DRAWN IN A VACUUM, BOUND FOR DISASTER IN A REAL WORLD.

THE 1974 ACT TAKES ACCOUNT OF THIS REALITY WITH THE A-95 REVIEW OF LOCAL COMMUNITIES' APPLICATIONS BY AREA-WIDE AGENCIES SUCH AS YOURS. THIS IS AN ESSENTIAL ELEMENT OF THE REQUIRED PLANNING PROCESS.

A COMMUNITY'S DEVELOPMENT PLAN MUST BE CONSTRUCTED "IN ACCORDANCE WITH AREA-WIDE PLANNING POLICIES". AND, BEFORE A GRANT CAN BE MADE TO A COMMUNITY, ITS COMMUNITY DEVELOPMENT PLAN AND ITS HAP MUST BE SUBMITTED FOR REVIEW AND COMMENT TO AN AREA-WIDE AGENCY. ANY OBJECTION BY THAT AREA-WIDE AGENCY REQUIRES RESPONSE BY THE APPLICANT COMMUNITY.



THUS, THE ACT ITSELF EMBODIES A CONCEPT OF REGIONALISM, NECESSITATED BY THE MODERN REALITIES OF REGIONAL GROWTH AND DEVELOPMENT.

THIS REGIONAL PLANNING AND REVIEW ELEMENT HAS CREATED SOME PRACTICAL PROBLEMS. FOR EXAMPLE, WHEN WE WERE NEGOTIATING THE 45-DAY PERIOD FOR AREA-WIDE REVIEW OF COMMUNITY DEVELOPMENT APPLICATIONS, WE WERE FACED WITH WHAT SEEMED TO BE A HOBSON'S CHOICE.

WE FELT THAT BOTH THE LAW AND THE PRACTICAL NECESSITY FOR COORDINATED REGIONAL PLANNING NECESSITATED STRICT ADHERENCE TO THE REQUIREMENT THAT NO APPLICATIONS BE ACCEPTED WITHOUT A-95 COMMENTS ATTACHED.

ON THE OTHER HAND, WE ALSO KNEW THAT THE NEWNESS OF THE PROGRAM, THE REQUIREMENTS OF CITIZEN PARTICIPATION, THE CITY ENVIRONMENTAL RESPONSIBILITIES, AND THE HAP REQUIREMENT MADE IT VERY DIFFICULT FOR CITIES TO MEET OUR DEADLINE FOR FILING APPLICATIONS EVEN WITH THE RELATIVELY SHORT 45-DAY MAXIMUM A-95 REVIEW PERIOD WE WERE NEGOTIATING.



IT WAS INEVITABLE THAT MANY CITIES WOULD ASK YOU FOR AN EVEN SHORTER TURN-AROUND PERIOD.

ALL OF YOU CAME THROUGH SPLENDIDLY IN MEETING THAT DIFFICULT DEADLINE. NOT ONE ENTITLEMENT CITY MISSED ITS DEADLINE. OF THE VERY FEW EXTENSIONS GRANTED, NONE INVOLVED AN A-95 DELAY. YOUR PERFORMANCE DEMONSTRATES THE MAGNIFICENT CAPACITY OF YOUR ORGANIZATIONS TO PROVIDE AN ESSENTIAL SERVICE TO YOUR COMMUNITIES ON A VERY SHORT TIME FRAME.

BUT, THE SHORT TIME AFFORDED FOR A-95 COMMENT THIS YEAR SHOULD NOT BE TAKEN AS MINIMIZING THE CRUCIAL ROLE WHICH THAT PROCESS PLAYS IN OUR REVIEW OF GRANT APPLICATIONS AND HAP'S UNDER THE NEW LAW.

DURING THIS FIRST YEAR WE FOUND THAT FEW OF US WERE PERFECT. MOST OF YOU DID MORE THAN THE ABSOLUTE MINIMUM OF SAYING "WE LIKE THE APPLICATIONS OF ALL THE CITIES IN OUR REGION".



AND, SOME OF YOU DID AN EXCELLENT JOB, EVEN ON SHORT NOTICE, OF GATHERING A RANGE OF COMMENTS AND PROVIDING A GOOD ANALYSIS OF LOCAL APPLICATIONS.

BUT THE ACT REQUIRES EVEN MORE. YOU HAVE BEEN GIVEN A DIFFICULT CHARGE WHICH YOU MUST MEET IF THE PLANNING ELEMENT OF THAT LEGISLATION IS TO BE EFFECTIVE.

I KNOW THAT THERE MAY BE A TEMPTATION AT TIMES TO ADOPT A "LIVE AND LET LIVE" ATTITUDE ON LOCAL APPLICATIONS FOR FEDERAL GRANTS. IT MAY SEEM EASIER FOR EACH COMMUNITY REPRESENTED IN AN A-95 AGENCY TO PROTECT ITS OWN APPLICATION BY FAVORING A POLICY OF NOT CRITICIZING THE APPLICATION OF ITS NEIGHBORS.

TO DO SO, HOWEVER, WOULD ONLY CHEAT YOURSELVES. THE 1974 ACT AFFORDS YOU THE OPPORTUNITY TO UNDERTAKE COMPREHENSIVE COMMUNITY DEVELOPMENT. FOR LOCAL DEVELOPMENT PROGRAMS TO BE EFFECTIVE, THEY MUST BE PART OF A REGIONALLY COORDINATED APPROACH. A CRAZY QUILT OF CONFLICTING LOCAL DEVELOPMENT PLANS WITHIN AN INTEGRATED METROPOLITAN AREA WILL BRING WITH IT CONFUSION, DUPLICATION, AND WASTE, AND FRUSTRATE ANY HOPE OF RATIONAL COMMUNITY DEVELOPMENT.





NEXT YEAR WE WILL BE LOOKING LARGELY TO YOU TO IMPLEMENT OUR LEGISLATION'S EMPHASIS ON REGIONAL PLANNING.

IF ANY OF YOU ARE CONCERNED THAT THE A-95 PROCESS IS VIEWED LIGHTLY BY HUD, LET ME DISABUSE YOU OF THAT NOTION RIGHT NOW. WASHINGTON LOOKS HARD AT YOUR COMMENTS IN JUDGING THE LOCAL PLANS AGAINST THE REALITIES OF REGIONAL DEVELOPMENT.

AND, IF ANY OF YOU VIEW YOUR FUNCTION MORE AS LEGISLATIVE LOG-ROLLING THAN SUBSTANTIVE AREA-WIDE PLANNING, YOU HAVE SERIOUSLY MISCONCEIVED THE VERY IMPORTANT ROLE THRUST UPON YOU BY THE 1974 ACT.

LET ME GIVE YOU AN IMPORTANT EXAMPLE OF YOUR ROLE IN THE PROCESS OF REVIEW OF GRANT APPLICATIONS AND IN THE ALLOCATION OF SECTION 8 LOW INCOME HOUSING ASSISTANCE.

AS YOU KNOW A HAP IS A REQUIREMENT BOTH FOR A DEVELOPMENT GRANT APPLICATION, AND IN THE ALLOCATION OF SECTION 8 HOUSING ASSISTANCE PAYMENTS.

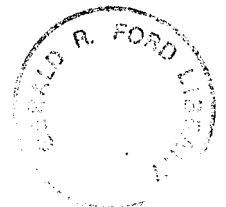


THE STATE OF THE ART IN WRITING HOUSING ASSISTANCE PLANS COULD NOT HAVE BEEN EXPECTED TO BE PERFECT THE FIRST YEAR. AND, MANY OF THE HAPs SUBMITTED WERE FAR LESS THAN PERFECT. NOR WAS HUD'S REVIEW PERFECT. OUR PERFORMANCE WILL BENEFIT FROM A YEAR'S EXPERIENCE UNDER THE NEW PROGRAM.

MANY UNEXPECTED ISSUES SURFACED.

ONE OF THOSE ISSUES CONCERNS COMMUNITIES' ASSESSMENTS OF THE HOUSING NEEDS OF THEIR LOWER-INCOME FAMILIES. THE HAP REQUIRES CITIES TO IDENTIFY THOSE NEEDS, THE RESOURCES AVAILABLE TO MEET THEM, AND THE GOALS OF THE COMMUNITY IN DOING SO.

IT WILL BE THE RARE INSTANCE WHERE A COMMUNITY WOULD BE ABLE TO MEET ALL OF ITS PERCEIVED HOUSING NEEDS IN THE FIRST YEAR WITH SECTION 8 RENTAL ASSISTANCE. NONETHELESS, THE HAP STATEMENT OF NEEDS IS BY NO MEANS AN ACADEMIC EXERCISE. A REALISTIC ASSESSMENT OF LOWER-INCOME HOUSING NEEDS IS A NECESSARY PREREQUISITE NOT ONLY TO A FAIR ALLOCATION OF SECTION 8 RENTAL ASSISTANCE, BUT ALSO TO RATIONAL LOCAL AND REGIONAL PLANNING.



THE ACT REQUIRES A COMMUNITY TO INCLUDE IN ITS HAP THE HOUSING ASSISTANCE NEEDS OF LOWER-INCOME PERSONS "EXPECTED TO RESIDE IN THE COMMUNITY". THE LEGISLATIVE HISTORY OF THIS PROVISION MAKES IT CLEAR THAT THOSE "EXPECTED TO RESIDE" INCLUDE WORKERS IN PLANNED OR EXISTING EMPLOYMENT FACILITIES IN THE COMMUNITY. THE HOUSE REPORT STATES THAT "CLEARLY, THOSE ALREADY EMPLOYED IN THE COMMUNITY CAN BE EXPECTED TO RESIDE THERE."

THUS, A HAP MUST TAKE INTO ACCOUNT THE HOUSING NEEDS OF A PROPORTION OF LOWER-INCOME PERSONS ALREADY COMMUTING TO EXISTING PLACES OF EMPLOYMENT WITHIN THE COMMUNITY, AS WELL AS THOSE WHO MAY BE EXPECTED TO TAKE EMPLOYMENT IN JOBS YET TO BE CREATED THERE.

OBVIOUSLY, NOT EVERY LOWER-INCOME WORKER IN A TOWN CAN BE EXPECTED TO LIVE THERE.

ON THE OTHER HAND, THE ACT CREATES A CLEAR OBLIGATION ON THE PART OF COMMUNITIES TO PROVIDE REASONABLE RESIDENTIAL OPPORTUNITIES FOR THEIR OWN LOWER-INCOME WORKERS. THE ACT EXPRESSLY FAVORS A POLICY OF PROVIDING LOWER-INCOME FAMILIES WITH AN OPPORTUNITY TO LIVE WHERE THEY WORK.



A WIDE RANGE OF CONSIDERATIONS JUSTIFY THIS POLICY. THERE ARE HIGH ENERGY AND ENVIRONMENTAL COSTS TO MASS COMMUTING. AS MORE AND MORE INDUSTRIES AND COMMERCIAL FACILITIES LEAVE THE CORE CITIES FOR SUBURBAN LOCATIONS, THE JOBS AND HOMES OF LOWER-INCOME WORKERS ARE BECOMING INCREASINGLY DISTANT. COSTS OF SUCH MOVEMENTS ARE THUS IMPOSED DISPROPORTIONATELY ON THOSE WHO CAN LEAST AFFORD THEM.

THERE ARE OTHER INEQUITIES. TOO OFTEN, SUBURBAN COMMUNITIES ENJOY THE TAX ADVANTAGES OF EMPLOYMENT CENTERS WITHOUT BEARING THE SOCIAL AND FISCAL BURDENS OF PROVIDING HOUSING FOR THEIR LOWER-INCOME EMPLOYEES.

AND, THERE ARE THE STATED OBJECTIVES OF THE 1974 ACT -- TO PROVIDE GREATER CHOICES OF HOUSING OPPORTUNITIES TO LOWER-INCOME FAMILIES AND TO AVOID UNDUE GEOGRAPHICAL CONCENTRATIONS OF SUCH FAMILIES.

THUS, ALTHOUGH THE LEGISLATIVE PURPOSE IS CLEAR, WE MUST BE EQUALLY CLEAR IN INFORMING APPLICANTS OF THEIR OBLIGATIONS IN THIS REGARD.



WE ARE IN THE PROCESS OF TELLING COMMUNITIES WHOSE INDUSTRIES EMPLOY A SIGNIFICANT NUMBER OF LOWER-INCOME WORKERS, THAT THE HOUSING NEEDS OF SUCH WORKERS MUST BE ADDRESSED. WE HAVE JUST PROVIDED OUR FIELD STAFF WITH GUIDELINES ON HOW TO ASSESS AN APPLICANT COMMUNITY'S MEASUREMENT OF THE HOUSING NEEDS OF ITS LOWER-INCOME WORKERS. WE HAVE ALSO PROVIDED SOME GUIDANCE AS TO WHAT ARE THE AVAILABLE SOURCES OF DATA UPON WHICH TO MAKE THAT DETERMINATION.

OUR SUGGESTED FORMULA IS, HOWEVER, A ROUGH MEASURE, AND AT PRESENT CAN ONLY BE APPLIED IN CITIES WITH POPULATIONS EXCEEDING 50,000 IN THE LARGER SMSAs. ACCORDINGLY, AND BECAUSE OF THE LATENESS OF OUR FORMULATION, WE HAVE OFFERED COMMUNITIES THE OPTION OF USING OUR FORMULA, DEVISING THEIR OWN REASONABLE METHODOLOGY, OR, FOR THIS FIRST YEAR ONLY, INDICATING WHAT STEPS THEY WILL TAKE NEXT YEAR TO IDENTIFY A MORE APPROPRIATE NEEDS FIGURE.

THE REAL PROBLEM HERE IS THAT WE ARE ASKING EACH COMMUNITY TO GIVE AN ASSESSMENT NOT OF A PURELY LOCAL, BUT RATHER OF A REGIONAL PHENOMENA. COMMUNITIES ARE ASKED TO ASSESS EXPECTATIONS OF NEEDS THAT BY DEFINITION EXTEND TO THE COMMUTERS LIVING ELSEWHERE IN THE REGION.



THE TASK OF COORDINATING LOCAL ASSESSMENTS OF THOSE "EXPECTED TO RESIDE" IN EACH INDIVIDUAL COMMUNITY WITHIN AN INTERDEPENDENT REGION IS ONE TO WHICH AREA-WIDE AGENCIES LIKE YOUR OWN ARE PARTICULARLY SUITED.

UNLIKE THE FEDERAL GOVERNMENT, YOU CAN FINE TUNE THE DISTRIBUTION OF HOUSING NEEDS WITH DUE DEFERENCE TO AVAILABLE LAND RESOURCES, GROWTH RATES, REGIONAL PLANNING PRIORITIES, AND THE OTHER CHARACTERISTICS PECULIAR TO YOUR REGION.

UNLIKE THE LOCAL GOVERNMENTS, YOU CAN TACKLE A REGIONAL PROBLEM ON A REGIONAL BASIS. YOU HAVE GREATER RESOURCES AND A BROADER PERSPECTIVE THAN YOUR INDIVIDUAL CONSTITUENT COMMUNITIES. ALSO, YOU ARE NOT BOUND TO THE PAROCHIAL CONCERNS OF ANY ONE COMMUNITY, SUCH AS PROTECTING ITS TAX BASE OR EMPLOYMENT FACILITIES AT THE EXPENSE OF ITS NEIGHBORS.

ACCORDINGLY, THIS IS WHAT I WOULD LIKE TO SEE YOU DO. DRAW AN AREA-WIDE HOUSING PLAN FOR YOUR METROPOLITAN AREA WHICH IS FACTUALLY UNASSAILABLE IN ASSESSING THE HOUSING NEEDS OF WORKERS IN RELATION TO THE LOCATIONS OF THEIR EMPLOYMENT. THEN, USE YOUR METROPOLITAN PLAN AS THE A-95



STANDARD AGAINST WHICH TO MEASURE LOCAL HAPs. IF YOU CAN DO THIS, I CAN PROMISE YOU THAT HUD CAN AND WILL MAKE VERY GOOD USE OF YOUR A-95 COMMENTS ON THE SUBMISSIONS OF YOUR CONSTITUENT COMMUNITIES.

NEITHER OF OUR TASKS WILL BE EASY. THE PROBLEM OF REGIONAL PLANNING IS FRAUGHT WITH CONTROVERSY AND COMPLEXITY.

THERE WILL BE COMMUNITIES WHICH WILL STRONGLY OPPOSE EFFORTS TO PLACE THEIR INTERESTS IN THE LARGER MOSAIC OF OUR METROPOLITAN AREAS. STRONG OPPOSITION WILL MEET EFFORTS TO TAKE AWAY A TOWN'S ENJOYMENT OF THE BENEFITS OF ECONOMIC DEVELOPMENT WITHOUT SHARING ITS BURDEN OF HOUSING THE LOW-INCOME FAMILIES WHO ARE EMPLOYED BY ITS INDUSTRIES.

BUT RATIONAL METROPOLITAN DEVELOPMENT WILL BE FURTHERED, AND I THINK EVENTUALLY OUR EFFORTS WILL BE APPLAUDED. THE CHALLENGE IS OURS.

I HOPE YOU WILL JOIN ME IN MEETING IT.

