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NATIONAL URBAN LEAGUE

AUGUST 2, 1976

IT IS A SPECIAL HONOR FOR ME TO PARTICIPATE IN YOUR BICENTENNIAL CONFERENCE WHOSE THEME IS "TOWARD: A NEW BILL OF RIGHTS".

THE IDEAL OF AN EVER-NEW BILL OF RIGHTS WITH PLAIN TALK ABOUT THE OBLIGATIONS AND OPPORTUNITIES IT IMPOSES ON ALL OF US TO MAKE IT WORK FOR EVERY AMERICAN -- AND, PARTICULARLY, FOR THOSE AMERICANS IN OUR CENTER CITIES -- IS A NOBLE BICENTENNIAL THEME.

IT WOULD BE NAIVE FOR ME TO STAND HERE BEFORE YOU ON AUGUST 2ND, 1976 -- AND PRETEND THAT THIS AUDIENCE -- ALONG WITH THE REST OF THE NATION -- IS NOT AT LEAST SOMEWHAT DISTRACTED BY THE BALLOTING THAT WILL OCCUR EXACTLY THREE MONTHS FROM TODAY.

I READILY CONFESS I HAVE A STRONG BIAS.

BUT, I AM HERE TO TALK PRAGMATICS, NOT POLITICS -- BECAUSE, THERE IS SO MUCH WORK TO BE DONE. THE URGENT NEEDS OF OUR CITIES DO NOT ALLOW ANY OF US THE LUXURY OF A RECESS PENDING NOVEMBER'S DECISION.



IN TRUTH, THE INTRUSION OF POLITICS IN THIS CRITICAL RECOVERY YEAR POSES A GREATER BURDEN ON ALL OF US -- AND CALLS ON EACH OF US TO WORK HARDER TO HOLD ON TO THE GAINS WE HAVE ALREADY ACHIEVED.

SO, LET US START BY TAKING STOCK.

WHERE WERE WE A YEAR AGO? WHAT HAVE WE DONE ABOUT IT? WHAT HAVE WE LEARNED? WHERE CAN WE GO?

NONE OF US WILL FORGET THAT IN AUGUST 1975, THE MAJOR QUESTION-MARK WAS WHETHER OUR NATIONAL ECONOMY WOULD SUSTAIN THE FORWARD MOMENTUM WHICH WAS THEN ON THE CUSP OF A POSITIVE TURN-AROUND FROM THE BLEAK AND DEPRESSING 12-MONTH PERIOD OF A TERRIFYING RECESSION COMPOUNDED BY UNCEASING INFLATION.

FOR SURELY, IF AMERICA WAS TO DO ANYTHING TO STEM THE DETERIORATION AND DISINTEGRATION OF ITS URBAN CENTERS, IT FIRST NEEDED A ROBUST ECONOMY TO SUPPORT THAT EFFORT.



URBAN TAX REVENUES WERE WAY DOWN, VOTERS WERE TURNING DOWN BOND ISSUES AT A CHILLING RATE, NEW YORK AND OTHER CITIES WERE ON THE BRINK OF FINANCIAL FAILURE, ONE OF HUD'S MOST VISIBLE CONTRIBUTIONS SEEMED TO BE 51,000 ABANDONED HOMES, AND HUD'S NEW RENTAL SUBSIDY PROGRAM WAS BARELY OFF THE GROUND -- WITH THE "EXPERTS" SAGELY PREDICTING THAT WE COULDN'T POSSIBLY MEET OUR GOAL OF RESERVING FUNDS FOR 400,000 FAMILIES BEFORE THE NEXT FISCAL YEAR.

SO, HERE WE ARE -- ONE YEAR LATER.

THE NATION AND ITS ECONOMY SURVIVED -- IN SPITE OF THE DOOMSAYERS -- AND THE DELICATE HEALTH OF THE ECONOMIC UPTURN, WHICH WE WATCHED SO FRETFULLY A YEAR AGO, HAS BECOME STRONGER WITH EACH PASSING MONTH. TAX REVENUES OF STATE AND LOCAL GOVERNMENTS ARE MORE THAN 12 PERCENT ABOVE LAST YEAR'S LEVEL. HUD'S INVENTORY OF UNSOLD HOMES HAS BEEN REDUCED BY A THIRD. WE HAVE ALREADY CONTRACTED TO ASSIST OVER 300,000 RENTAL UNITS, AND WILL CLEARLY MEET OUR 400,000 GOAL BEFORE OCTOBER 1 -- WHEN FISCAL 1977 COMMENCES.

I'M NOT ABOUT TO STAND HERE AND TRY TO TELL THIS AUDIENCE, THAT THE HARD-FOUGHT UPTURN IN THE NATIONAL ECONOMY HAS MADE EVERYTHING COME UP ROSES FOR OUR INNER CITIES. BUT, YOU KNOW, AND I KNOW, THAT THE POOR ARE ALWAYS "FIRST IN AND LAST OUT" -- WHETHER THE DOWNWARD DIP IS A LOCAL OCCURRENCE OR A NATIONAL PHENOMENON. THERE CAN BE OPPORTUNITY AND PROMISE FOR OUR POOR IN A GROWING ECONOMY. THERE CAN BE NONE WHEN THE ECONOMY IS DEPRESSED OR STAGNANT.

MORE THAN THAT -- THERE IS GREATER COMPASSION FOR THE POOR IN A NATION THAT IS NOT STRAPPED BY INFLATION THAT ROBS ALL TAXPAYERS OF THEIR CONFIDENCE AND CAPACITY FOR CONCERN.

WHAT HAVE WE LEARNED?

IN MY VIEW THE PRESIDENT NOT ONLY PROVED THE SOUNDNESS OF HIS ECONOMIC COURSE. HE SET THE TONE FOR A NEW NATIONAL AWARENESS, THAT AMERICA'S WISDOM DOES NOT RESIDE ENTIRELY IN THE CORRIDORS OF CONGRESS OR WITH THE FEDERAL FORM MAKERS. -- THAT THE COMMUNITIES ACROSS OUR DIVERSE LAND VERY OFTEN CAN DEVISE BETTER SOLUTIONS FOR THEIR INDIVIDUAL PROBLEMS THAN CAN CONGRESS WHICH DEVISES GENERAL SOLUTIONS THAT TOO FREQUENTLY MISS THE MARK.



INDEED, THE PRESIDENT'S CONTINUING CRUSADE TO RETURN GOVERNMENT TO THE GOVERNED AND TO TRANSFER POWER AWAY FROM THE POTOMAC AND BACK TO THE PEOPLE -- HAS SO CAPTURED THE IMAGINATION OF OUR NATION IN THIS BICENTENNIAL YEAR, THAT 1976 HAS BECOME THE YEAR IN WHICH EVERY CANDIDATE FOR OFFICE IS "RUNNING AGAINST WASHINGTON".

THERE IS NO QUESTION BUT THAT THE FEDERAL GOVERNMENT OVER THE PAST SEVERAL DECADES HAS FRUSTRATED BOTH THOSE WHO HAVE GONE TO WASHINGTON TO HELP MANAGE IT AS WELL AS THOSE WHO SEEK TO DEAL WITH IT.

PERHAPS THE MOST VIVID WORD PICTURE OF THIS FRUSTRATION WAS OFFERED BY UTAH'S SENATOR JAKE GARN WHO SAID THAT WHEN HE WAS THE MAYOR OF SALT LAKE CITY HE FELT LESS LIKE THE CHIEF ADMINISTRATOR OF AN IMPORTANT URBAN ENTITY THAN THE LOCAL MANAGER FOR THE FEDERAL GOVERNMENT.

THE RIPPLE EFFECT OF GOVERNMENT GROWTH -- HAS HAD AN EVEN GREATER IMPACT ON THE AMERICAN PEOPLE -- WHO, INCREASINGLY, HAVE FOUND THEIR INDIVIDUAL DESTINIES TIED TO DECISIONS BEING MADE FOR THEM IN THE UNITED STATES CONGRESS.

THE GREAT AMERICAN ESTABLISHMENT THAT IS WASHINGTON -- WITH ITS VAST ARRAY OF CONGRESSIONAL COMMITTEES AND SUB-COMMITTEES; EXECUTIVE DEPARTMENTS, AGENCIES, COMMISSIONS; TITLED AND UNTITLED BUREAUCRATS, PRESSURE GROUPS AND OFFICIAL LOBBIES -- SOMEWHERE LOST TRACK OF THE FACT THAT PROGRAMS FOR THE PEOPLE CAN ONLY BE JUDGED ON HOW WELL THEY SERVE THE PEOPLE.

IT IS WHAT WE DO ABOUT THEIR NEEDS -- THAT MAKES THE DIFFERENCE TO THE WELFARE FAMILY, THE UNEMPLOYED, THE MINORITY BUSINESS FIRM TRYING TO SERVE ITS COMMUNITY UNDER DISCOURAGING ODDS.

WE DO NOT ANSWER THE NEEDS OF THESE GOOD PEOPLE SIMPLY BY LEGISLATING NEW PROGRAMS WITH FANCY TITLES AND HIGHFLOWN STATEMENTS OF PURPOSE. NOR CAN WE DELIVER THE PROMISE OF AMERICA JUST BY THROWING MONEY AT THEIR PROBLEMS.

BUT THE FEDERAL GOVERNMENT IS WHAT THE AMERICAN PEOPLE HAVE MADE IT. IT HAS GROWN TO FIT THE EXPRESSED WILL OF THE ELECTORATE. MANY OF ITS FUNCTIONS AND MANY OF ITS AGENCIES HAVE SURVIVED THE VOTERS AND THE LEGISLATURES, WHICH PUT THEM INTO BEING. MANY HAVE OUTLIVED THEIR USEFULNESS, YET CARRY ON UNDER THE PROTECTION OF STRONG SPECIAL INTEREST GROUPS -- OR VOTING BLOCS -- OR SIMPLY BECAUSE NOT ENOUGH PEOPLE CARED.

IT TOOK A LONG TIME, AND A LOT OF LEGISLATION TO CREATE THE PRESENT TANGLE, AND IT IS NOT GOING TO CHANGE OVER NIGHT, REGARDLESS OF CAMPAIGN RHETORIC.

IT IS GOING TO TAKE A LOT OF HARD WORK AND A LOT MORE PEOPLE ARE GOING TO HAVE TO CARE -- INSIDE AND OUTSIDE GOVERNMENT.

WHERE CAN WE GO?

SINCE THE START OF HIS ADMINISTRATION TWO YEARS AGO, PRESIDENT FORD HAS HAD UNDER STUDY -- AND UNDER DISCUSSION AT LOCAL FORUMS CONDUCTED PERSONALLY BY HIMSELF AND VICE PRESIDENT ROCKEFELLER -- HOW TO IMPROVE THE DELIVERY OF FEDERAL ASSISTANCE TO OUR URBAN CENTERS.

I TOOK PART IN A NUMBER OF THOSE FORUMS.



THE PRESIDENT'S CONCERN IS WELL-WARRANTED. IN SPITE OF BILLIONS OF TREASURY DOLLARS SPENT ON URBAN PROBLEMS, MANY OF OUR CITIES HAVE BEEN ON A DOWNWARD PATH FOR THE PAST TWO DECADES.

ON JUNE 30TH, THE PRESIDENT APPOINTED A CABINET LEVEL COMMITTEE ON URBAN DEVELOPMENT AND NEIGHBORHOOD REVITALIZATION, WHICH I CHAIR, TO UNDERTAKE A COMPREHENSIVE REVIEW OF ALL FEDERAL PROGRAMS WHICH AFFECT OUR URBAN AREAS; TO CONSULT WITH LOCAL OFFICIALS AND COMMUNITY GROUPS REGARDING HOW FEDERAL PROGRAMS IMPACT ON COMMUNITIES, AND TO PROPOSE TO HIM STATUTORY AND ADMINISTRATIVE CHANGES FOR IMPROVEMENT.

OUR INITIAL REVIEW OF THE AMASSED DATA QUICKLY CONFIRMED WHAT WE ALREADY SUSPECTED.

OVER THE PAST HALF-CENTURY, SUCCEEDING CONGRESSES HAVE ENACTED SO MANY SEPARATE CATEGORICAL PROGRAMS THAT IT DEFIES THE INGENUITY OF ANYBODY TO DEVELOP A COORDINATED STRATEGY FOR A BOSTON, A DETROIT, OR A CLEVELAND.

TODAY, THERE ARE SO MANY SUPPLIERS OF FEDERAL FUNDS WITH SO MANY DIFFERENT SCHEDULES, RULES, AND REGULATIONS THAT IT IS A PRACTICAL IMPOSSIBILITY TO DESIGN AN EFFICIENT URBAN PLAN IN OR OUT OF WASHINGTON THAT WILL GET THE MOST OUT OF THE FEDERAL DOLLAR. IT IS LIKE ASKING JOHNS-MANSVILLE, FRIGIDAIRE AND ANACONDA COPPER -- EACH TO DESIGN AND EACH TO SEND TO THE HOMEBUYER ITS PART OF A HOUSE.

THOSE WHO TALK ABOUT "MANAGING THE BUREAUCRACY" OR "BRINGING WASHINGTON UNDER CONTROL" HAD BEST START WITH THAT FACT-OF-LIFE IN MIND.

I HAVE REVIEWED 103 FEDERALLY FUNDED PROGRAMS WHICH IMPACT OUR URBAN AREAS AND WHICH CARRY A PRICE TAG OF ROUGHLY \$50 BILLION A YEAR. SIXTY-THREE OF THESE ARE GRANT PROGRAMS OF WHICH ONLY 4 ARE BLOCK GRANTS AND 59 ARE CATEGORICALS. THE REMAINING 40 ARE MISCELLANEOUS LOAN PROGRAMS.

SIGNIFICANTLY, LOCAL GOVERNMENTS ARE ELIGIBLE, DIRECT APPLICANTS IN BARELY ONE-FOURTH OF ALL THESE PROGRAMS.

ALL OTHER PROGRAM FUNDS ARE DISTRIBUTED TO THE STATES OR TO SPECIAL-PURPOSE LOCAL AGENCIES.

VIRTUALLY ALL THE 59 CATEGORICAL PROGRAMS HAVE EXTENSIVE -- OFTEN OVERLAPPING -- APPLICATION REVIEW REQUIREMENTS, WITH FEW LIMITS ON REVIEW TIME AND NO ASSURANCE OF APPROVAL AT THE LONG END OF THE FINAL LINE.

IF WE HOPE TO UNLOCK THIS COMPLEX AND FRUSTRATING PUZZLE, WE HAVE NO CHOICE BUT TO RE-EXAMINE THE OLD ASSUMPTIONS WE CONTINUE TO MAKE, WHETHER BY HABIT, LONG-HELD CONVICTION, OR SIMPLY BECAUSE THEY ARE COMFORTABLE.

RHETORIC, NOTWITHSTANDING, WE WILL NOT ACHIEVE THE AIMS OF THAT NEW BILL OF RIGHTS TO WHICH THIS CONFERENCE IS DEDICATED WITH PROGRAMS THAT KEEP PROVING THEIR INABILITY TO HELP THE VERY PEOPLE FOR WHOM THEY WERE, PRESUMABLY, DESIGNED.

IT IS MY STRONG BELIEF, SUPPORTED BY A YEAR OF WHAT I REGARD AS POSITIVE RESULTS, THAT OUR CITIES CAN, AND WILL, MOVE FORWARD IF OUR FEDERAL ESTABLISHMENTS SHIFTS EMPHASIS FROM CATEGORICAL THINKING TO BLOCK GRANT PLANNING.

I DO NOT SAY THAT WE SHOULD SCRUB ALL CATEGORICAL GRANT PROGRAMS. SOME OF THEM ARE VITAL TO LEGITIMATE FEDERAL CONCERNS. TAKE THE BUILDING OF REGIONAL AIRPORTS TO FACILITATE NATIONAL TRANSPORTATION AND THE DELIVERY OF MAIL.

BUT, I BELIEVE THE BLOCK GRANT APPROACH WHICH RELEASES FUNDS FROM WASHINGTON AND PUTS THEM IN THE HANDS AND AUTHORITY OF LOCAL GOVERNMENT HAS THE BEST CHANCE OF WORKING TO THE ULTIMATE ADVANTAGE OF ALL THE PEOPLE IN THAT LOCALITY.

IF THEY DO NOT WORK TO THE SATISFACTION OF THOSE CITIZENS MOST DIRECTLY AFFECTED, IT CAN ONLY MEAN THAT OUR CITIZENS ARE NEGLECTING ONE OF OUR GREAT RIGHTS: THE RIGHT TO REMEDY THE SITUATION IN THE VOTING BOOTH.

FEDERAL BLOCK GRANTS CONSTITUTE A POSITIVE DEMONSTRATION OF THE NATION'S TRUST IN HER PEOPLE -- A FUNDAMENTAL PRECEPT OF DEMOCRACY.

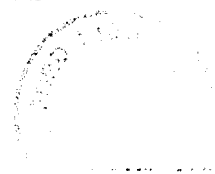
IF WE LAMENT THE PASSAGE OF THIS POWER BACK TO LOCALLY ELECTED CITY OFFICIALS BECAUSE WE QUESTION THEIR GOOD WILL OR CAPACITY TO DO RIGHT BY ALL THE PEOPLE IN THAT LOCALITY, IT INDICATES THAT WE DO NOT HAVE FAITH IN THE LOCAL ELECTORATE TO CHOOSE SUCH AN ADMINISTRATION. THE ALTERNATIVE IS TO CONTINUE THE MYTH, IN THE MINDS OF OUR MINORITIES AND OUR POOR, THAT THE ONLY ONES WHO CARE ABOUT THEM -- AND WILL DO ANYTHING FOR THEM -- ARE THE CHOSEN FEW WHO WIELD POWER FROM THE BANKS OF THE POTOMAC.

BUT TODAY, WHEN 152 OF OUR CITIES AND TOWNS, INCLUDING SOME OF OUR LARGEST CITIES BOAST BLACK MAYORS AND BLACKS CONSTITUTE A POWERFUL VOTING FORCE IN MOST MAJOR CITIES -- NORTH AND SOUTH, I SUBMIT THAT THE AMERICAN PEOPLE YOU REPRESENT WILL COME MORE QUICKLY INTO THE MAINSTREAM OF AMERICAN LIFE THROUGH THE SENSITIVE STRUCTURE OF LOCAL GOVERNMENT THAN THEY EVER WOULD THROUGH THE HEAVY, SLOW-MOVING CATEGORICAL MACHINERY OF WASHINGTON. THEY HAVE FAR MORE OPPORTUNITY AND POWER TO AFFECT LOCAL DECISIONS THAN THEY HAVE IN WASHINGTON, WHERE MOST DECISIONS ARE MADE ON THE BASIS OF NATIONAL AVERAGES RATHER THAN ON THE REALISTIC NEEDS OF INDIVIDUAL COMMUNITIES.

I KNOW YOU HAVE HAD RESERVATIONS ABOUT SOME ASPECTS OF HUD'S COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM -- SOME OF THEM JUSTIFIED, AND SOME OF THEM, FRANKLY, BASED ON YOUR OWN EXPECTATIONS OF HOW MUCH, AND HOW FAST, OUR NEW ACT OF 1974 COULD ACHIEVE ALL ITS OBJECTIVES.

IT WAS INEVITABLE THAT SUCH A DRAMATICALLY INNOVATIVE PROGRAM AS COMMUNITY DEVELOPMENT BLOCK GRANTS WOULD HAVE START-UP PROBLEMS. BUT, I CAN HONESTLY SAY -- BASED BOTH ON ACTUAL PROGRAM EXPERIENCE AND INTENSIVE REVIEW -- THAT IT IS WORKING, AND WORKING WELL.

REGULATIONS HAVE BEEN REDUCED FROM THE 2,500 PAGES GOVERNING THE OLD CATEGORICAL PROGRAMS TO 30 PAGES.




BUT, MORE THAN THAT -- DESPITE YOUR INITIAL CONCERN -- FUNDING UNDER THE NEW PROGRAM WAS IMPRESSIVELY INCREASED, NOT REDUCED. IN FACT, THE FUNDING LEVEL IN FISCAL '75 WAS TWICE THE 1967 LEVEL OF THE CATEGORICAL PROGRAMS IT REPLACED.

I AM FRANKLY PROUD OF THE FACT THAT THIS ADMINISTRATION ASKED CONGRESS FOR \$3.2 BILLION FOR THE COMING FISCAL YEAR -- THE FULL LIMIT OF FUNDING ALLOWED IN THE '74 ACT .

ALSO, WE HAVE FUNDED MORE THAN TWICE AS MANY UNITS OF GOVERNMENT -- WHILE THE "HOLD HARMLESS" CLAUSE HAS PROTECTED OUR OLDER CITIES FROM REDUCTIONS IN VITAL FUNDING. NOW, WE ARE CONCENTRATING ON CREATIVE NEW WAYS TO DEVELOP A FUNDING FORMULA THAT WILL RESPOND TO THE SPECIAL NEEDS OF OUR AGING COMMUNITIES.

IF WE ARE GOING TO "ABANDON" ANYTHING IN THE YEARS AHEAD, WE HAD BETTER ABANDON THE OLD NOTION -- ADMITTEDLY FINANCED AND FURTHERED OVER THE PAST SEVERAL DECADES BY GOVERNMENT-BACKED MORTGAGED LOANS -- THAT THE WAY TO DEAL WITH AN OLD CITY NEIGHBORHOOD IS TO THROW IT AWAY AND BUILD A NEW ONE IN THE SUBURBS.

MANY OF THE COMPLAINTS LEVELED AT HUD'S BLOCK GRANTS ARE, BY LAW, BEYOND HUD'S SPHERE OF INFLUENCE. WE ARE CURRENTLY PROHIBITED FROM MAKING JUDGMENTS ON THE QUALITY OF LOCAL PROGRAM CHOICES OR PRE-JUDGING THE GOOD WILL OR CAPACITY OF LOCAL GOVERNMENTS TO COMPLY WITH THEIR LEGAL CERTIFICATIONS.



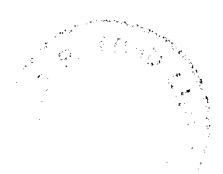
BUT, WE DO HAVE THE POWER OF REVIEW AND THE POWER TO REFUSE THE NEXT YEAR'S FUNDING.

PREDICTABLY, WE DID FIND SOME PROGRAM WEAKNESSES IN THE COURSE OF OUR FIRST YEAR FUNDING -- PARTICULARLY WITH RESPECT TO EXPANDING HOUSING OPPORTUNITIES OF LOWER INCOME GROUPS.

WE MOVED TO CORRECT THESE DEFECTS BEFORE WE REVIEWED THE SECOND YEAR'S APPLICATIONS. WE REQUIRED COMMUNITIES TO MEET THE HOUSING NEEDS OF LOWER INCOME COMMUTERS WORKING WITHIN THE JURISDICTION. ALSO, WE ALLOWED HOUSING CERTIFICATES ON A METROPOLITAN-WIDE BASIS, WHENEVER POSSIBLE, THUS EXPANDING THE LOCATION CHOICE OF ELIGIBLE FAMILIES. WE REQUIRED LOCALITIES TO SET THREE-YEAR GOALS PROPORITONAL TO THE NEEDS OF LOWER INCOME HOUSEHOLDS -- SMALL AND LARGE FAMILIES, THE ELDERLY AND THE HANDICAPPED.

WE INSTRUCTED OUR HUD REVIEWERS TO CONSIDER LACK OF A COMMITMENT IN MEETING HOUSING GOALS AS GROUNDS FOR REJECTION.

THE COMPLAINT ABOUT LACK OF SUFFICIENT COORDINATION BETWEEN COMMUNITY DEVELOPMENT AND HOUSING DOES NOT EMANATE FROM LACK OF COMMITMENT TO THE OBJECTIVE, BUT FROM A LACK OF CLEAR UNDERSTANDING BY ALL CONCERNED ABOUT HOW TO DO IT.



WE RECOGNIZE THIS PROBLEM AND WE ARE TRYING TO DO SOMETHING ABOUT IT. NOT ONLY DO WE NOW REQUIRE A HOUSING ASSISTANCE PLAN WITH EVERY APPLICATION, WE ARE PROVIDING GUIDANCE TO LOCAL APPLICANTS IN MAKING HOUSING AN INTEGRAL OF COMMUNITY DEVELOPMENT.

ONE OF THE THINGS THAT GOT IN HUD'S WAY -- AND PERSISTS EVEN NOW IN MANY CASES -- WAS THE OLD HABIT OF "CATEGORICAL" THINKING ON THE PART OF MANY. IN HIS NOTEWORTHY -- AND SOMETIMES SCARY -- BOOK, FUTURE SHOCK, ALVIN TOFFLER GIVES US A THOUGHTFUL LOOK AT THE NEGATIVE ATTITUDE OF INDIVIDUALS AND GROUPS TO CHANGE.

I'LL CONCEDE THAT IN INITIATING THE NEW BLOCK GRANT APPROACH HUD DID NOT BEGIN TO APPRECIATE HOW DEEP-SET A MIND-SET CAN GET. THIS WAS -- AND STILL IS -- A WHOLE NEW WAY OF DOING FEDERAL-LOCAL BUSINESS. KEEP IN MIND THAT THE AUTHORIZING ACT WILL ONLY CELEBRATE ITS SECOND BIRTHDAY ON THE 22ND OF THIS MONTH.

JUST GETTING THE FIRST YEAR FUNDING OUT IN LESS THAN A YEAR WAS AN ACCOMPLISHMENT IN ITSELF. THE FORMAT WAS UNTRIED, THE SMALL PRINT UNWRITTEN, AND THE LEAD TIME REQUIRED TO PUT THE OPERATION IN MOTION MADE IT NECESSARY TO SQUEEZE APPLICATIONS, APPLICATION REVIEW, APPROVALS AND FUNDING INTO A VERY FEW SHORT MONTHS. SOME MISTAKES BY HUD AND THE COMMUNITIES WERE BOUND TO OCCUR. BUT, WE DO HAVE THE WILL AND THE DEMONSTRATED CAPACITY TO CORRECT THEM.

WE ARE JUST COMPLETING OUR SECOND ROUND OF APPLICATIONS, AND WE CONTINUE TO BE ALERT TO LINGERING WEAKNESSES IN THE PROGRAM.

THE ULTIMATE SUCCESS OF THE BLOCK GRANT CONCEPT DEPENDS ON AN EVER-INCREASING INVOLVEMENT OF CITIZENS AND CITIZEN GROUPS IN THE NUTS AND BOLTS OF DEVELOPING THEIR COMMUNITIES AND IN MONITORING THE PROGRESS.



THIS IS A JOB FOR ALL CONCERNED CITIZENS, AND I COUNT THE NATIONAL URBAN LEAGUE HIGH ON THE LIST OF CONCERNED CITIZENS IN OUR CITIES.

IT IS A SELF-DEFEATING TRAP TO SUPPOSE THAT WASHINGTON CAN REALLY CONTROL ALL OF THE ABUSES THAT CAN SLIP THROUGH THE CRACKS IN EVERY LOCAL JURISDICTION IN THIS COUNTRY OF THREE AND ONE-HALF MILLION SQUARE MILES AND 215 MILLION PEOPLE. THE ONLY SURE WATCHDOG ON THE HEARTH OF AMERICA IS THE ALERT RESPONSE OF THE PEOPLE. THAT IS THE CLOUT THAT MAKES A TIGER OF THE NEW BILL OF RIGHTS.

YOUR OWN BELIEF IN THE SYSTEM IS EVIDENCED BY YOUR INCREASING PARTICIPATION IN ALL THE THINGS THAT MAKE CITIES, AS A WHOLE, FUNCTION OR HALT. IN SOME MEASURE YOU HAVE BEEN STIMULATED BY OUR COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM. YOU HAVE JOINED WITH US VOCALLY TO STRESS THE URGENCY OF LOCAL PROBLEMS (AND ABUSES) IN THE CHAMBERS OF CITY HALLS.

YOUR ACTIONS OVER THIS PAST YEAR, JOINED BY THE ACTIONS OF SO MANY OTHER TRULY-INVOLVED CITIZENS ORGANIZATIONS -- COMPLAINTS, STUDIES, RECOMMENDATIONS AND EVEN AN OCCASIONAL PAT ON THE BACK -- HAVE SO STIMULATED THE PEOPLE OF HUD THAT, IN SPITE OF ALL HEADACHES, WE DID MAKE OUR BLOCK GRANT PROGRAM WORK.

IN FACT, OUR EXPERIENCE WITH THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM AT HUD HAS HELPED ME TO DEVELOP FOUR PRINCIPLES TO USE AS OUR NEW PRESIDENTIAL COMMITTEE CONTINUES TO RE-EXAMINE OTHER FEDERAL GRANT PROGRAMS.

FIRST, I BELIEVE THAT WE SHOULD PREFER BLOCK GRANTS TO CATEGORICALS FOR ALL THE REASONS I HAVE STATED HERE, TODAY -- PARTICULARLY IN GIVING LOCAL PEOPLE MORE CONTROL OVER THE RESOURCES THAT AFFECT THEIR LIVES.

SECOND, I SUGGEST THAT FUNDING -- ALSO FOR REASONS OUTLINED HERE -- BE PROVIDED THROUGH THE ELECTED CHIEF EXECUTIVE OFFICERS OF STATES AND LOCALITIES BOTH TO ASSURE COORDINATION IN THE USE OF AVAILABLE FUNDS AND ACCOUNTABILITY TO THE PEOPLE.

THIRD, I SUGGEST THAT CITIZEN PARTICIPATION BE A RULE RATHER THAN AN EXCEPTION IN FEDERAL GRANT PROGRAMS. SUCH A RULE WOULD APPLY NOT ONLY TO EXPLICIT PROGRAMS FOR THE POOR, BUT TO ALL PROGRAMS WHICH AFFECT THEM.

AND, FINALLY -- I SUGGEST THAT WE SEEK TO ESTABLISH MULTI-YEAR FUNDING SO OUR COMMUNITIES CAN INTELLIGENTLY PLAN INTO THE FUTURE AND, AT THE SAME TIME, TAKE ADVANTAGE OF TIMELY OPPORTUNITIES TO GET THE MOST EFFECTIVE RETURN ON THEIR AVAILABLE FUNDS.

I DO NOT CLAIM THAT THESE FOUR PRINCIPLES ARE THE BE-ALL AND END-ALL FOR EVERY FEDERAL PROGRAM. BUT, MY ANTICIPATION IS THAT OUR URBAN CONSTITUENCIES WOULD FARE A LOT BETTER IF THESE BECAME THE GUIDING PRINCIPLES OF FUTURE FEDERAL PROGRAM PLANNING.

THEY DARE US TO DROP OUR COMPLACENT BENT TO ADD MORE NEW CATEGORICAL PROGRAMS THAT KEEP WINDING UP AS OBSTACLES TO THE SOLUTIONS OF PROBLEMS THEY WERE INTENDED TO CORRECT.

THEY HELP PUT OUR PROGRAMS OUT THERE IN THE GLARING SPOTLIGHT OF THE LOCAL ARENA WHERE THE PEOPLE THEMSELVES CAN GET TO THEM -- AND DESIGN IMPROVEMENTS TO MEET CHANGING SITUATIONS.

BUT MOST OF ALL, THEY HELP PUT THE RESPONSIBILITY RIGHT WHERE IT BELONGS -- UNDER THE PRESSURE AND THE CLOUT OF THE PEOPLE WHO HAVE THE POWER TO "FIGHT CITY HALL" AT THE VERY NEXT ELECTION DATE.

AND, I SUBMIT THAT THIS IS THE VEHICLE THAT WILL MOVE OUR MINORITIES AND OUR POOR TOWARD YOUR GREAT OBJECTIVE: "TOWARD: A NEW BILL OF RIGHTS".

THANK YOU VERY MUCH.