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NEIGHBORHOOD REVITALIZATION  
COMMITTEE

June 30, 1976

**MR. PRESIDENT:**

**President's Committee on Urban Development  
and Neighborhood Revitalization**

Attached are materials relating to the establishment of the Committee on Urban Development and Neighborhood Revitalization.

TAB A -- A statement which will be issued by you today.

TAB B -- A memorandum for your signature to all of the members of the committee.

You should be aware that the Committee as constituted on the memorandum has expanded from the nine members that you approved on June 21 to fifteen members. The additional members are:

Secretary of Agriculture  
Executive Director, Domestic Council  
Assistant to the President for Public Liaison  
Chairman, Board of Governors of the Federal  
Reserve System  
Chairman, Federal Home Loan Bank Board

By signing the attached memorandum you will approve the expansion of the Committee.

Jim Connor

*original of these memos to  
Bob Hensler for appropriate  
handling HJC*

JUNE 30, 1976

Office of the White House Press Secretary

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THE WHITE HOUSE

MEMORANDUM FOR:

THE SECRETARY OF THE TREASURY  
THE ATTORNEY GENERAL  
THE SECRETARY OF AGRICULTURE  
THE SECRETARY OF COMMERCE  
THE SECRETARY OF LABOR  
THE SECRETARY OF HEALTH, EDUCATION,  
AND WELFARE  
THE SECRETARY OF HOUSING AND URBAN  
DEVELOPMENT  
THE SECRETARY OF TRANSPORTATION  
THE DIRECTOR, OFFICE OF MANAGEMENT  
AND BUDGET  
THE DIRECTOR, SMALL BUSINESS  
ADMINISTRATION  
THE DIRECTOR, COMMUNITY SERVICES  
ADMINISTRATION  
THE EXECUTIVE DIRECTOR, DOMESTIC COUNCIL  
THE ASSISTANT TO THE PRESIDENT FOR  
PUBLIC LIAISON  
THE CHAIRMAN OF THE BOARD OF GOVERNORS  
OF THE FEDERAL RESERVE SYSTEM  
THE CHAIRMAN OF THE FEDERAL HOME LOAN  
BANK BOARD

SUBJECT: President's Committee on Urban Development  
and Neighborhood Revitalization

I am today establishing a Committee on Urban Development and Neighborhood Revitalization to examine urban problems and to make recommendations to improve current Federal programs in order to revitalize urban and neighborhood areas. The Committee will study the problems both from a broad Federal policy perspective and from the perspective of those who live in urban neighborhoods. Specifically, the Committee will be responsible for:

1. Conducting a comprehensive review of all major Federal programs which have an impact on the cities and their neighborhoods and reporting results to the President;
2. Seeking the perspectives of local officials and neighborhood groups on Federal programs which affect them;

more

3. Developing recommendations to the President and the Congress for changes in Federal policies and programs affecting cities and their neighborhoods in order to place maximum decision-making responsibility at the local level, to remove legal and administrative obstacles to exercise this authority, and to provide for better coordination and delivery of Federal programs.

The Committee will be chaired by the Secretary of Housing and Urban Development, and include the Secretary of the Treasury, the Attorney General, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Health, Education, and Welfare, the Secretary of Transportation, the Director of Office of Management and Budget, the Director of the Small Business Administration, the Director of Community Services Administration, the Executive Director of the Domestic Council, the Assistant to the President for Public Liaison; and, by invitation, the Chairman of the Board of Governors of the Federal Reserve System and the Chairman of the Federal Home Loan Bank Board.

GERALD R. FORD

## # #

## Office of the White House Press Secretary

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THE WHITE HOUSE

## STATEMENT BY THE PRESIDENT

The cities of this nation and the neighborhoods which are their backbone today face increasingly difficult problems of decay and decline.

Our society is one of constant change and movement. This fact has both its positive and negative effects. The areas most likely to suffer from technological, demographic, and social change are our older cities.

In recent years, rapid changes in communications, manufacturing, technology, transportation, and social expectation have combined to cause migration from older cities to the suburbs and to expanding areas in the South and West.

These developments have produced severe strains on older cities, forcing city governments to cope with the potentially devastating pressures of a stagnant or declining economic base coupled with a growing need for services which are becoming more and more expensive. For some time my Administration has been examining these problems, and I have proposed major program consolidations in health, education, and social services.

Some eight weeks ago, I had the pleasure of meeting with representatives of many ethnic organizations that have been holding periodic gatherings here at the White House.

In my remarks that day, I asked those leaders if they would tell us what they think needs to be done to bring new life and vitality to our urban neighborhood.

Their number one recommendation was that we should set up a task force within the Government to review all major Federal programs that have an impact upon urban and neighborhood life.

Today I am pleased to announce that I am appointing a Cabinet-level task force to carry out that mission. This new Presidential Committee on Urban Development and Neighborhood Revitalization will be chaired by the Secretary of Housing and Urban Development, Carla Hills.

Yesterday afternoon I met with Secretary Hills and other members of the committee and asked them to begin an immediate review of current Federal programs which have an impact upon cities and their neighborhoods.

They are to seek the perspectives of local officials and neighborhood groups on Federal programs which affect them and to develop recommendations for improvements in Federal policies and programs.

In setting up this committee, my premise is that many Federal programs now on the books are worthwhile and should be continued, especially those which encourage local initiative

more

and local leadership. It is particularly urgent that the Congress act soon to re-enact the General Revenue Sharing Program.

At the same time, it is clear that the Federal Government must find better ways to coordinate its many programs, that some programs should be consolidated and that still other programs should be phased out altogether. The commitment to serving our cities and urban neighborhoods need not require massive new funding programs; a great deal of Federal money is currently being spent. What is clearly required is that we make better use of resources that are already available.

In my discussions with ethnic leaders, I have also been impressed that the Federal Government can do more to encourage a greater sense of community, a sense of belonging within our urban centers. In this Bicentennial year, it is especially important that we seek to enhance the values of family, of community and of cultural diversity that have been the strength and richness of America for many years.

The Presidential Committee I have appointed will perform a great service for the country by helping to revitalize urban and neighborhood life in America.

# # # #

*These were  
revised*

STATEMENT ON PRESIDENT'S URBAN COMMITTEE

The cities of this nation and the neighborhoods which are their backbone today face increasingly difficult problems of decay and decline.

Our society is one of constant change and movement. This fact has both its positive and negative effects. The areas most likely to suffer from technological, demographic, and social change are our older cities.

In recent years, rapid changes in communications, manufacturing, technology, transportation, and social expectation have combined to cause migration from older cities to the suburbs and to expanding areas in the South and West.

These developments have produced severe strains on older cities, forcing city governments to cope with the potentially devastating pressures of a stagnant or declining economic base coupled with a growing need for services which are becoming more and more expensive. For some time my Administration has been examining these problems, and I have proposed major program consolidations in health, education, and social services.

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In my remarks that day, I asked those leaders if they would tell us what they think needs to be done to bring new life and vitality to our urban neighborhood.

Their number one recommendation, passed along to me by Bill Baroody of my staff, was that we should set up a task force within the Government to review all major Federal programs that have an impact upon urban and neighborhood life.

Today I am pleased to announce that I am appointing a Cabinet-level task force to carry out that mission. This new Presidential Committee on Urban Development and Neighborhood Revitalization will be chaired by Secretary Hills and its members will include Cabinet officers, several agency heads, and others.

Yesterday afternoon I met with Secretary Hills and other members of the committee and asked them to begin an immediate review of current Federal programs which have an impact upon cities and their neighborhoods.

They are to seek the perspectives of local officials and neighborhood groups on Federal programs which affect them and to develop recommendations for improvements in Federal policies and programs.

In setting up this committee, my premise is that many Federal programs now on the books are worthwhile and should be continued, especially those which encourage local initiative and local leadership. It is particularly urgent that the Congress act soon to re-enact the General Revenue Sharing program.

At the same time, it is clear that the Federal Government must find better ways to coordinate its many programs, that some programs should be consolidated and that still other programs should be phased out altogether. The commitment to serving our cities and urban neighborhoods need not require massive new funding programs; a great deal of Federal money is currently being spent. What is clearly required is that we make better use of resources that are already available.

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The Presidential Committee I have appointed will perform a great service for the country by helping to revitalize urban and neighborhood life in America.

THE WHITE HOUSE

WASHINGTON

June 30, 1976

MEMORANDUM FOR:

SECRETARY OF HOUSING AND  
URBAN DEVELOPMENT  
SECRETARY OF THE TREASURY  
ATTORNEY GENERAL  
SECRETARY OF AGRICULTURE  
SECRETARY OF COMMERCE  
SECRETARY OF LABOR  
SECRETARY OF HEALTH, EDUCATION,  
AND WELFARE  
SECRETARY OF TRANSPORTATION  
DIRECTOR, OFFICE OF MANAGEMENT  
AND BUDGET  
DIRECTOR, SMALL BUSINESS  
ADMINISTRATION  
DIRECTOR, COMMUNITY SERVICES  
ADMINISTRATION  
EXECUTIVE DIRECTOR, DOMESTIC  
COUNCIL  
DIRECTOR, WHITE HOUSE OFFICE  
OF PUBLIC LIAISON  
BOARD OF GOVERNORS OF THE  
FEDERAL RESERVE SYSTEM  
FEDERAL HOME LOAN BANK BOARD

SUBJECT:

President's Committee on Urban  
Development and Neighborhood  
Revitalization.

I am today establishing a Committee on Urban Development and Neighborhood Revitalization to examine urban problems and to make recommendations to improve current Federal programs in order to revitalize urban and neighborhood areas. The Committee will study the problems both from a broad Federal policy perspective and from the perspective of those who live in urban neighborhoods. Specifically, the Committee will be responsible for:

1. Conducting a comprehensive review of all major Federal programs which have an impact on the cities and their neighborhoods and reporting results to the President;
2. Seeking the perspectives of local officials and neighborhood groups on Federal programs which affect them;
3. Developing recommendations to the President and the Congress for changes in Federal policies and programs affecting cities and their neighborhoods in order to place maximum decision-making responsibility at the local level, to remove legal and administrative obstacles to exercise this authority, and to provide for better coordination and delivery of Federal programs.

The Committee will be chaired by Carla A. Hills, Secretary of Housing and Urban Development, and include the Secretary of the Treasury, the Attorney General, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Health, Education, and Welfare, the Secretary of Transportation, the Director of Office of Management and Budget, the Director of the Small Business Administration, the Director of Community Services Administration, the Executive Director of the Domestic Council, the Director of the White House Office of Public Liaison; and, by invitation, the Board of Governors of the Federal Reserve System and the Federal Home Loan Bank Board.

THE WHITE HOUSE  
WASHINGTON

I called  
Lynn May  
& said we  
are not  
sending this  
forward

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11:40  
6/3

THE WHITE HOUSE  
WASHINGTON

June 30, 1976

MEMORANDUM FOR: THE PRESIDENT  
FROM: JIM CANNON *Jai*  
SUBJECT: President's Committee on Urban  
Development and Neighborhood  
Revitalization.

Attached is the proposed statement for release  
announcing your appointment of your Committee on  
Urban Development and Neighborhood Revitalization.  
It has been approved by Hartmann, OMB (O'Neill),  
Baroody and myself.

Attachment

June 29, 1976

Bob Linder -

Jim Connor asked that you check on what paperwork is necessary to establish this Committee and see that it is being prepared for the President's signature.

Trudy Fry

Discuss further with Jim

THE WHITE HOUSE

WASHINGTON

June 28, 1976

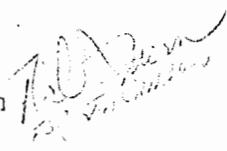
MEETING WITH THE PRESIDENT'S COMMITTEE  
ON URBAN DEVELOPMENT AND  
NEIGHBORHOOD REVITALIZATION

Tuesday, June 29, 1976

2:00 p.m.

The Cabinet Room

From: Jim Cannon



I. PURPOSE

To preside at the first meeting of the President's Committee on Urban Development and Neighborhood Revitalization.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

A. Background:

The Committee results from a convergence of two sets of recommendations regarding the problems and needs of our cities and neighborhoods. Your key Domestic policy advisors have pointed out the need for greater cooperation and coordination among Federal agencies administering programs which have an impact on cities and their neighborhoods. The increasing substitution of revenue sharing and of block grant programs for categorical programs offers urban centers the opportunity to formulate an overall strategy for their use of Federal resources. Also, the major recommendation of a May 5 meeting sponsored by the White House Office of Public Liaison and the National Center on Urban Ethnic Affairs was that the President establish a committee to study urban problems as they are perceived on the neighborhood level (Tab A).

On June 19, you approved the establishment of a Committee on Urban Development and Neighborhood Revitalization (Tab B).

B. Participants:

See Tab C.

Staff: Jim Cannon, William Baroody.

C. Press Plan:

At the beginning of the meeting, the press will be allowed in the Cabinet Room to listen to the President's statement and to take pictures. Secretary Hills will be available for questions and answers following the meeting.

III. TALKING POINTS

See attached speech at Tab D.

America has always been drawing much of its strength from the bonds of family, community, church, and voluntary organizations. Yet, as the face of America has been changed over the years, there is a growing realization that some of our oldest traditions and some of our oldest institutions are now in jeopardy.

A sense of community has been eroded in some of our largest cities. A sense of neighborhood, a sense of belonging, of cultural identification, are threatened. I can appreciate your deep concern for the future of institutions which you worked so very hard to establish—the ethnic church, the school, the credit union, the fraternal lodge. Increasingly centralized Government in Washington, which has grown more and more powerful and very impersonal, is a big part of the problem.

It is time that we begin deemphasizing the bureaucracies in Washington and reemphasizing the community, the efforts that we can make to improve our American way of life. One way to do this is by extending the general revenue sharing program, which over the past 5 years has turned the flow of power away from Washington and towards your own cities and your own States.

Another way is through the vigorous enforcement of the anti-redlining bill, which discourages credit discrimination based on neighborhood location in mortgage and home improvement loans. I signed the law prohibiting that discrimination, and I intend to see it stopped.

By replacing the urban renewal program and many similar programs with a single Community Development Act, we have given local residents a much, much greater voice in rebuilding their own communities. Redtape has been cut enormously.

At my direction, Federal regulations for community development have been reduced from 2,600 pages to just 25 pages. Application forms have been reduced from 1,400 pages to only 50 pages. The whole process between application and approval for these projects has been reduced from an average of 2 years to less than 2 months.

We want to do more, and to do that we want to hear your views and to enlist your support and your cooperation. I have asked Bill Baroody and Myron Kuropas to give me a full report on your activities here today, and I hope each of you will let us know what you think needs to be done.

As we enter our third century, I believe that we can have a rebirth of individual freedom and that we can protect the diverse heritage which gives so much strength and so much richness to our society. Working together, we can achieve these goals, and I think today's conference is a very good start.

Thank you very, very much.

NOTE: The President spoke at 11:34 a.m. to the representatives who were attending the Conference on Ethnicity and Neighborhood Revitalization which was being held at the White House.

## Meeting With Representatives of Ethnic Organizations

*The President's Remarks to the Ethnic Leaders in the  
Rose Garden. May 5, 1976*

*Mayor Cianci, Mayor Perk, Monsignor Baroni, members  
of the administration and guests:*

Obviously, it is a great pleasure and privilege to welcome you to the White House and the Rose Garden this morning. This conference has been called to give new insights into some very, very old questions: how to maintain, how to strengthen the ties of community and neighborhood within our society.

THE WHITE HOUSE

WASHINGTON

DECISION

June 19, 1976

MEMORANDUM FOR THE PRESIDENT

FROM: JIM CANNON

SUBJECT: Urban Development and  
Neighborhood Revitalization

BACKGROUND

On June 11, 1976, in response to a memo prepared by Bill Baroody on Preserving the Neighborhood: An Issue for 1976 (Tab A), you indicated you liked the idea of "some visible action" and requested the Domestic Council to develop something within its structure.

Secretary Hills has developed a plan which essentially would implement Bill Baroody's proposal (Tab B). It would:

1. Establish a Domestic Council Committee on Urban Development and Neighborhood Revitalization to:
  - a. review Federal programs which have an impact on neighborhood development;
  - b. serve as an Executive Branch liaison with the National Commission on Neighborhoods, and
  - c. assess the Federal role in urban Development.

Secretary Hills' proposal goes further than the Baroody plan in that she recommends that you support legislation introduced by Senators Proxmire and Carn to establish a National Commission on Neighborhoods.

OPTIONS

The following are a set of options based on the two proposals:

1. Establish a Domestic Council Committee on Urban Development and Neighborhood Revitalization which would be comprised of the Secretaries of HUD (Chairman), Commerce, HEW, Transportation, Labor, Treasury, the Attorney General and the Directors of SBA and the Community Service Administration who are ethnics.

Pro -- would consist of a controllable study group of those agencies which have the chief policy and programmatic responsibility for urban and neighborhood issues as well as being heavily concerned with ethnic issues.

Con -- might not be perceived as strongly as if established by legislation.

2. Support legislation to establish a National Commission on Neighborhoods.

Pro -- would establish a broadly based forum for analysis of neighborhood problems which could work closely with the Domestic Council Committee.

Con -- would create a new bureaucracy and would possibly create a forum for irresponsible lobbying. (Although a National Commission would be able to insure public input in the debates in the issue, Domestic Council hearings could have the same effect).

DECISIONS

1. Establish a Domestic Council Committee on Urban Development and Neighborhood Revitalization comprised of:
  - a. Nine members. (Recommended by Carla Hills, Domestic Council,

Approve \_\_\_\_\_ Disapprove \_\_\_\_\_

2. Support legislation establishing a National Commission on Neighborhoods.

Recommend: Carla Hills

Opposed: OMB, Max Friedersdorf, Domestic Council, Bill Baroody

Approve \_\_\_\_\_

Disapprove \_\_\_\_\_

Participants

Secretary Carla Hills (Chairman)

Ben Holman, Director, Community Relations Service,  
Department of Justice for the Attorney General

Secretary Earl Butz

Richardon Darman, Assistant Secretary for Policy, Department  
of Commerce, for Secretary Richardson

Michael Moskow, Under Secretary, Department of Labor, for  
Secretary Usery

Marjorie Lynch, Under Secretary, Department of Health,  
Education, and Welfare for Secretary Mathews

Secretary William T. Coleman, Jr.

Mitchell P. Kobelinski, Administrator, Small Business  
Administration

Willard H. Meinecke, Assistant Director, Administration and  
Finance, ACTION for Director Balzano

Samuel Martinez, Director, Community Services Administration

Jim Cannon, Director, Domestic Council

Bill Baroody, Director, White House Office of Public Liaison

By invitation:

Chairman Arthur Burns and Governor Philip Jackson, Jr.,  
Federal Reserve System

Chairman Garth Marston, Federal Home Loan Bank Board

THE WHITE HOUSE

WASHINGTON

June 12, 1976

MEMORANDUM FOR:

THE DOMESTIC COUNCIL

- ✓ Secretary of Commerce DC
- ? — Secretary of Interior DC
- ✓ Secretary of Housing and Urban Development DC
- ✓ Secretary of Health, Education and Welfare DC
- ✓ Secretary of Transportation DC
- ✓ Attorney General DC

*Administrator* Director, Small Business Administration  
Director, ACTION DC

- ✓ Director, Community Services Administration
- Director, Office of Management and Budget DC

? — Director, Office of Minority Business  
Enterprise

*Executive* Director, Economic Policy Board DC

*Asst. Dir. for* ~~Director, Office of Public Liaison - ?~~

Chairman, Federal Home Loan Bank  
Board (~~by invitation~~)

Chairman, Federal Reserve Board (~~by  
invitation~~)

? *Cannon*

SUBJECT:

Domestic Council Committee on Neighborhood  
Revitalization

I am today establishing a Domestic Council Committee on Neighborhood Revitalization. This Committee will develop, coordinate, and present to me policy issues that cut across agency lines to provide better programs for dealing with neighborhood decline. Among other tasks, the Committee will be responsible for a comprehensive review of all federal programs which have an impact on neighborhood development and stabilization, an identification of the administrative, legal and fiscal obstacles to neighborhood revitalization, an analysis of present patterns of public and private disinvestment patterns in urban areas, a study of successful neighborhood revitalization models which offer potential for replication and, finally, the development of recommendations for a national neighborhood policy which would provide guidance for a more comprehensive, coordinated, and decentralized delivery of services effort to combat neighborhood decline.

The Secretary of Commerce will serve as the Chairman of this Committee. Other cabinet members serving will include the Secretary of Housing and Urban Development, the Secretary of Health, Education and Welfare, the Secretary of Transportation, and the Attorney General. Agency Directors serving on the <sup>Committee</sup> Council include the Directors of [the Small Business Administration,] ACTION, the Community Services Administration, and the Office of Minority Business Enterprise. White House staff — ? serving on the <sup>Committee</sup> Council include the Director, Office of Management and Budget, the <sup>Executive</sup> Director, <sup>Pres.</sup> Economic Policy Board and the <sup>sent to the Pres for</sup> ~~Director, Office of Public Liaison.~~ I am also inviting the Chairmen of the Federal Home Loan Bank Board and the Federal Reserve Board to serve on the Committee.

GERALD R. FORD

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THE WHITE HOUSE  
WASHINGTON

No further action on this matter  
until after Presidential Meeting

per Jim Connor

6/25/76

THE WHITE HOUSE

WASHINGTON

June 21, 1976

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

JIM CANNON

FROM:

JIM CONNOR ~~EE~~

SUBJECT:

Urban Development and Neighborhood  
Revitalization

The President reviewed your memorandum of June 19 on the above subject and made the following decisions:

1. Establish a Domestic Council Committee on Urban Development and Neighborhood Revitalization comprised of nine members:

Approved

2. Support legislation establishing a National Commission on Neighborhoods.

Disapproved

Please follow-up with appropriate action.

cc: Dick Cheney  
Bill Baroody

*Baroody?*

THE WHITE HOUSE

WASHINGTON

DECISION

June 19, 1976

MEMORANDUM FOR THE PRESIDENT

FROM: JIM CANNON

SUBJECT: Urban Development and  
Neighborhood Revitalization

BACKGROUND

On June 11, 1976, in response to a memo prepared by Bill Baroody on Preserving the Neighborhood: An Issue for 1976 (Tab A), you indicated you liked the idea of "some visible action" and requested the Domestic Council to develop something within its structure.

Secretary Hills has developed a plan which essentially would implement Bill Baroody's proposal (Tab B). It would:

1. Establish a Domestic Council Committee on Urban Development and Neighborhood Revitalization to:
  - a. review Federal programs which have an impact on neighborhood development,
  - b. serve as an Executive Branch liaison with the National Commission on Neighborhoods, and
  - c. assess the Federal role in urban Development.

Secretary Hills' proposal goes further than the Baroody plan in that she recommends that you support legislation introduced by Senators Proxmire and Garn to establish a National Commission on Neighborhoods.

OPTIONS

The following are a set of options based on the two proposals:

- 1. Establish a Domestic Council Committee on Urban Development and Neighborhood Revitalization which would be comprised of the Secretaries of HUD (Chairman), Commerce, HEW, Transportation, Labor, Treasury, the Attorney General and the Directors of SBA and the Community Service Administration who are ethnics.

Pro -- would consist of a controllable study group of those agencies which have the chief policy and programmatic responsibility for urban and neighborhood issues as well as being heavily concerned with ethnic issues.

Con -- might not be perceived as strongly as if established by legislation.

- 2. Support legislation to establish a National Commission on Neighborhoods.

Pro -- would establish a broadly based forum for analysis of neighborhood problems which could work closely with the Domestic Council Committee.

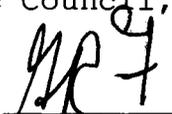
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DECISIONS

- 1. Establish a Domestic Council Committee on Urban Development and Neighborhood Revitalization comprised of:

- a. Nine members. (Recommended by Carla Hills, Domestic Council,

Approve



Disapprove

\_\_\_\_\_

2. Support legislation establishing a National Commission on Neighborhoods.

Recommend: Carla Hills

Opposed: OMB, Max Friedersdorf, Domestic Council, Bill Baroody

Approve \_\_\_\_\_

Disapprove ME 7



THE WHITE HOUSE

WASHINGTON

May 28, 1976

MEMORANDUM FOR THE PRESIDENT

FROM: WILLIAM J. BAROODY, JR. (B)

SUBJECT: Preserving the Neighborhood: An Issue for 1976

On May 5, you addressed a group of ethnic leaders in the Rose Garden. The leaders were attending an all-day meeting in the White House to discuss neighborhood revitalization. During your remarks, you requested that I inform you of any and all recommendations. This memorandum responds to that request and raises some related issues.

BACKGROUND

For a large number of Americans, especially ethnic Americans, the neighborhood is at the heart of American life. It is in the neighborhood that those institutions which ethnic Americans worked so hard to establish -- the ethnic church, the fraternal lodge, the credit union and the school -- are located. More importantly, it is in the neighborhood that the remaining vitality of our cities is centered.

Neighborhood leaders -- ethnic, black and Hispanic American alike -- feel that no one in the Federal government cares about their special needs. Few government programs have been specifically directed at neighborhood revitalization. Some government programs have actually contributed to neighborhood decline.

Addressing neighborhood problems is very much in keeping with the Ford philosophy of returning the decision-making power to the people. We don't necessarily need more programs. We do need better coordination of programs which already exist and the elimination of programs which interfere with local neighborhood control.

We have now conducted a number of White House conferences on ethnicity. There has been a common thread running throughout them -- concern expressed by the ethnic American participants over preservation of their neighborhoods. They have formally recommended that you establish a commission to study this issue. I strongly urge that we now make their recommendation a reality, and thereby demonstrate our concern for and understanding of their problems.

It is my belief, based on the merits, that simultaneously with the announcement of Attorney General Levi's decision on busing you also announce the formation of either an interdepartmental task force or a Domestic Council Cabinet Committee on "neighborhoods and neighborhood revitalization." Such an announcement could help mollify civil rights supporters nervous about our busing position while at the same time pleasing our ethnic American constituency.

You should know that Senator Proxmire is expected to hold hearings on a bill to create a Commission on Urban Neighborhood Revitalization within the next week or so. (See Tab A.) Mayor Vincent Cianci (R-Providence, R.I.) is supporting this effort, as is Msgr. Geno Baroni, President of the Center for Urban Ethnic Affairs. Msgr. Baroni co-sponsored the White House Conference on Neighborhood Revitalization which you addressed in the Rose Garden. Action by you on this issue would preempt Senator Proxmire and any other Democrats.

You should also be aware that a conference is scheduled for June 13, sponsored by the National People's Action Committee. They are expecting to attract 2000 representatives to that conference and, according to the Nicholas von Hoffman article (Tab B), a major focus of that conference will be on red lining.

The next White House Conference on Ethnicity will be on June 1, and if our announcement isn't tied to the busing decision, it could be announced then. In any event, it would clearly be desirable to make the announcement before the Proxmire bill is introduced and the People's conference held on June 13.

Attached at Tab C is some follow-up publicity from our recent ethnic meetings.

ACTION

I seek concurrences on the following:

	<u>Agree</u>	<u>Disagree</u>
1. Announcement of a Domestic Council Committee on neighborhood revitalization, or alternatively, announcement of an interdepartmental Executive Branch task force on neighborhood revitalization.	_____	_____
2. The above should be announced on		
(a) a date pegged to the announcement of Attorney General Levi's busing decision,	_____	_____
(b) several days before the National People's Action Committee meeting on June 13, or	_____	_____
(c) during the June 1 White House Conference on Ethnicity.	_____	_____





THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D. C.. 20410

June 16, 1976

MEMORANDUM FOR:       The President  
FROM:                   Carla A. Hills  
SUBJECT:                Urban Development and  
                          Neighborhood Revitalization

On June 11, Senators Garn and Proxmire introduced S.3554 which would establish a National Commission on Neighborhoods,<sup>1/</sup> to investigate "...the factors contributing to the decline of city neighborhoods and the factors necessary to neighborhood survival and revitalization." The Commission will recommend modifications in Federal, state, and local laws, policies, and programs to facilitate neighborhood preservation and revitalization.

This proposal is consistent with stated Administration policy to assist communities to conserve existing urban assets and to deal with neighborhood decline.

I recommend that the Administration support S.3554<sup>2/</sup> and in addition establish immediately a seven member Domestic Council Committee on Urban Development: (1) to review in a comprehensive manner all Federal programs which have an impact on neighborhood development and stabilization; (2) to serve as an Executive Branch liaison with the National Commission on Neighborhoods after it is appointed; and (3) to assess the Federal role in urban development.

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<sup>1/</sup> The 20 member Commission is to be composed of 2 members of the Senate and 2 members of the House plus 16 members to be appointed by the President, including at least 5 elected officers of recognized neighborhood organizations engaged in development and revitalization programs, at least 5 elected or appointed officials of local governments involved in preservation programs and the remaining with demonstrated experience in neighborhood revitalization activities.

<sup>2/</sup> We can expect the issue to be raised by Senators Proxmire and Garn at the oversight hearings to be held by the Committee on Banking, Housing and Urban Affairs scheduled for Wednesday, June 23.

This recommendation envisions that HUD, pursuant to its statutory authority "to exercise leadership . . . in coordinating Federal activities affecting . . . urban development"<sup>3/</sup> would chair an Executive Branch Committee composed of the Secretaries of Health, Education and Welfare, Transportation, Treasury, Commerce, Labor and the Attorney General.

#### DISCUSSION

1. The proposed National Commission would provide a broadly based forum for analyzing the problems of an economic cross-section of neighborhoods.

2. Because the proposed National Commission does not have Executive Branch membership, the Administration has an opportunity to make a constructive contribution by appointing a Domestic Council Committee to work as a liaison group. Such a liaison Committee also could enhance the potential for successful implementation of the Commission's recommendations, avoiding a problem which has plagued similar Commissions in the past.

3. The statutory mandate for formation of the proposed National Commission is preferable to the proposal pending within the White House to establish a twelve member Domestic Council Committee on Neighborhood Revitalization, which suffers from:

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<sup>3/</sup> Section 3(a) of the Housing and Urban Development Act of 1965.

(a) An all-Federal composition when the analysis requires local input.

(b) Omission of Treasury (tax policy), Labor (jobs).

(c) An unwieldly membership resulting from the inclusion of several agency directors, which inevitably will generate pressures to include other directors, further aggravating the size problem.

4. The recommendation contained herein to establish a seven member Domestic Council Committee would augment and improve the proposed National Commission by

(a) Building on, but not preempting the bipartisan congressional effort;

(b) Providing for coordinated activity by the seven Federal Departments which already have responsibilities that impact neighborhoods;

(c) Providing necessary Executive Branch input, liaison and coordination; and

(d) Expediting the work of the proposed National Commission by developing immediately a comprehensive review of all Federal programs impacting neighborhoods, which will be indispensable to the Commission's duties, as defined in the proposed statute.

THE WHITE HOUSE  
WASHINGTON

TO: JIM CONNOR  
FROM: JIM CANNON

This memo was sent to the  
President Saturday via  
Dick Cheney.

Baroody?

THE WHITE HOUSE

WASHINGTON

DECISION

June 19, 1976

MEMORANDUM FOR THE PRESIDENT

FROM:

JIM CANNON

SUBJECT:

Urban Development and  
Neighborhood Revitalization

BACKGROUND

On June 11, 1976, in response to a memo prepared by Bill Baroody on Preserving the Neighborhood: An Issue for 1976 (Tab A), you indicated you liked the idea of "some visible action" and requested the Domestic Council to develop something within its structure.

Secretary Hills has developed a plan which essentially would implement Bill Baroody's proposal (Tab B). It would:

1. Establish a Domestic Council Committee on Urban Development and Neighborhood Revitalization to:
  - a. review Federal programs which have an impact on neighborhood development,
  - b. serve as an Executive Branch liaison with the National Commission on Neighborhoods, and
  - c. assess the Federal role in urban Development.

Secretary Hills' proposal goes further than the Baroody plan in that she recommends that you support legislation introduced by Senators Proxmire and Garn to establish a National Commission on Neighborhoods.

OPTIONS

The following are a set of options based on the two proposals:

1. Establish a Domestic Council Committee on Urban Development and Neighborhood Revitalization which would be comprised of the Secretaries of HUD (Chairman), Commerce, HEW, Transportation, Labor, Treasury, the Attorney General and the Directors of SBA and the Community Service Administration who are ethnics.

Pro -- would consist of a controllable study group of those agencies which have the chief policy and programmatic responsibility for urban and neighborhood issues as well as being heavily concerned with ethnic issues.

Con -- might not be perceived as strongly as if established by legislation.

2. Support legislation to establish a National Commission on Neighborhoods.

Pro -- would establish a broadly based forum for analysis of neighborhood problems which could work closely with the Domestic Council Committee.

Con -- would create a new bureaucracy and would possibly create a forum for irresponsible lobbying. (Although a National Commission would be able to insure public input in the debates in the issue, Domestic Council hearings could have the same effect).

DECISIONS

1. Establish a Domestic Council Committee on Urban Development and Neighborhood Revitalization comprised of:
  - a. Nine members. (Recommended by Carla Hills, Domestic Council,

Approve

RR 7

Disapprove \_\_\_\_\_

2. Support legislation establishing a National Commission on Neighborhoods.

Recommend: Carla Hills

Opposed: OMB, Max Friedersdorf, Domestic Council, Bill Baroody

Approve \_\_\_\_\_

Disapprove MR 7

May 28, 1976

## MEMORANDUM FOR THE PRESIDENT

FROM: WILLIAM J. BAROODY, JR. 

SUBJECT: Preserving the Neighborhood: An Issue for 1976

On May 5, you addressed a group of ethnic leaders in the Rose Garden. The leaders were attending an all-day meeting in the White House to discuss neighborhood revitalization. During your remarks, you requested that I inform you of any and all recommendations. This memorandum responds to that request and raises some related issues.

BACKGROUND

For a large number of Americans, especially ethnic Americans, the neighborhood is at the heart of American life. It is in the neighborhood that those institutions which ethnic Americans worked so hard to establish -- the ethnic church, the fraternal lodge, the credit union and the school -- are located. More importantly, it is in the neighborhood that the remaining vitality of our cities is centered.

Neighborhood leaders -- ethnic, black and Hispanic American alike -- feel that no one in the Federal government cares about their special needs. Few government programs have been specifically directed at neighborhood revitalization. Some government programs have actually contributed to neighborhood decline.

Addressing neighborhood problems is very much in keeping with the Ford philosophy of returning the decision-making power to the people. We don't necessarily need more programs. We do need better coordination of programs which already exist and the elimination of programs which interfere with local neighborhood control.

We have now conducted a number of White House conferences on ethnicity. There has been a common thread running throughout them -- concern expressed by the ethnic American participants over preservation of their neighborhoods. They have formally recommended that you establish a commission to study this issue. I strongly urge that we now make their recommendation a reality, and thereby demonstrate our concern for and understanding of their problems.

It is my belief, based on the merits, that simultaneously with the announcement of Attorney General Levi's decision on busing you also announce the formation of either an interdepartmental task force or a Domestic Council Cabinet Committee on "neighborhoods and neighborhood revitalization." Such an announcement could help mollify civil rights supporters nervous about our busing position while at the same time pleasing our ethnic American constituency.

You should know that Senator Proxmire is expected to hold hearings on a bill to create a Commission on Urban Neighborhood Revitalization within the next week or so. (See Tab A.) Mayor Vincent Cianci (R-Providence, R. I.) is supporting this effort, as is Msgr. Geno Baroni, President of the Center for Urban Ethnic Affairs. Msgr. Baroni co-sponsored the White House Conference on Neighborhood Revitalization which you addressed in the Rose Garden. Action by you on this issue would preempt Senator Proxmire and any other Democrats.

You should also be aware that a conference is scheduled for June 13, sponsored by the National People's Action Committee. They are expecting to attract 2000 representatives to that conference and, according to the Nicholas von Hoffman article (Tab B), a major focus of that conference will be on red lining.

The next White House Conference on Ethnicity will be on June 1, and if our announcement isn't tied to the busing decision, it could be announced then. In any event, it would clearly be desirable to make the announcement before the Proxmire bill is introduced and the People's conference held on June 13.

Attached at Tab C is some follow-up publicity from our recent ethnic meetings.

ACTION

I seek concurrences on the following:

	<u>Agree</u>	<u>Disagree</u>
1. Announcement of a Domestic Council Committee on neighborhood revitalization, or alternatively, announcement of an interdepartmental Executive Branch task force on neighborhood revitalization.	_____	_____
2. The above should be announced on		
(a) a date pegged to the announcement of Attorney General Levi's busing decision,	_____	_____
(b) several days before the National People's Action Committee meeting on June 13, or	_____	_____
(c) during the June 1 White House Conference on Ethnicity.	_____	_____



THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D. C. 20410

June 16, 1976

MEMORANDUM FOR: The President  
FROM: Carla A. Hills  
SUBJECT: Urban Development and  
Neighborhood Revitalization

On June 11, Senators Garn and Proxmire introduced S.3554 which would establish a National Commission on Neighborhoods,<sup>1/</sup> to investigate "...the factors contributing to the decline of city neighborhoods and the factors necessary to neighborhood survival and revitalization." The Commission will recommend modifications in Federal, state, and local laws, policies, and programs to facilitate neighborhood preservation and revitalization.

This proposal is consistent with stated Administration policy to assist communities to conserve existing urban assets and to deal with neighborhood decline.

I recommend that the Administration support S.3554<sup>2/</sup> and in addition establish immediately a seven member Domestic Council Committee on Urban Development: (1) to review in a comprehensive manner all Federal programs which have an impact on neighborhood development and stabilization; (2) to serve as an Executive Branch liaison with the National Commission on Neighborhoods after it is appointed; and (3) to assess the Federal role in urban development.

---

<sup>1/</sup> The 20 member Commission is to be composed of 2 members of the Senate and 2 members of the House plus 16 members to be appointed by the President, including at least 5 elected officers of recognized neighborhood organizations engaged in development and revitalization programs, at least 5 elected or appointed officials of local governments involved in preservation programs and the remaining with demonstrated experience in neighborhood revitalization activities.

<sup>2/</sup> We can expect the issue to be raised by Senators Proxmire and Garn at the oversight hearings to be held by the Committee on Banking, Housing and Urban Affairs scheduled for Wednesday, June 23.

This recommendation envisions that HUD, pursuant to its statutory authority "to exercise leadership . . . in coordinating Federal activities affecting . . . urban development"<sup>3/</sup> would chair an Executive Branch Committee composed of the Secretaries of Health, Education and Welfare, Transportation, Treasury, Commerce, Labor and the Attorney General.

#### DISCUSSION

1. The proposed National Commission would provide a broadly based forum for analyzing the problems of an economic cross-section of neighborhoods.

2. Because the proposed National Commission does not have Executive Branch membership, the Administration has an opportunity to make a constructive contribution by appointing a Domestic Council Committee to work as a liaison group. Such a liaison Committee also could enhance the potential for successful implementation of the Commission's recommendations, avoiding a problem which has plagued similar Commissions in the past.

3. The statutory mandate for formation of the proposed National Commission is preferable to the proposal pending within the White House to establish a twelve member Domestic Council Committee on Neighborhood Revitalization, which suffers from:

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<sup>3/</sup> Section 3(a) of the Housing and Urban Development Act of 1965.

(a) An all-Federal composition when the analysis requires local input.

(b) Omission of Treasury (tax policy), Labor (jobs).

(c) An unwieldy membership resulting from the inclusion of several agency directors, which inevitably will generate pressures to include other directors, further aggravating the size problem.

4. The recommendation contained herein to establish a seven member Domestic Council Committee would augment and improve the proposed National Commission by

(a) Building on, but not preempting the bipartisan congressional effort;

(b) Providing for coordinated activity by the seven Federal Departments which already have responsibilities that impact neighborhoods;

(c) Providing necessary Executive Branch input, liaison and coordination; and

(d) Expediting the work of the proposed National Commission by developing immediately a comprehensive review of all Federal programs impacting neighborhoods, which will be indispensable to the Commission's duties, as defined in the proposed statute.

STAFFING

THE WHITE HOUSE

DECISION

WASHINGTON

June 14, 1976

MEMORANDUM FOR THE PRESIDENT

FROM: JIM CANNON ~~VP~~

SUBJECT: Domestic Council Committee on  
Neighborhood Revitalization

Attached is a memorandum for your signature to the heads of certain Federal agency heads informing them that they will participate as members of a new Domestic Council Committee on Neighborhood Revitalization. This follows your directive for us to develop an approach within the Domestic Council structure.

Senator Proxmire has scheduled hearings on neighborhood policies for Monday, June 14. We believe he plans to introduce legislation establishing the kind of committee you are now creating. We would like to announce the establishment of this committee today if possible.

DECISION

\_\_\_\_\_ Approve

\_\_\_\_\_ Disapprove

THE WHITE HOUSE

WASHINGTON

June 12, 1976

MEMORANDUM FOR:

THE DOMESTIC COUNCIL  
Secretary of Commerce  
Secretary of Interior  
Secretary of Housing and Urban Development  
Secretary of Health, Education and Welfare  
Secretary of Transportation  
Attorney General  
Director, Small Business Administration  
Director, ACTION  
Director, Community Services Administration  
Director, Office of Management and Budget  
Director, Office of Minority Business  
Enterprise  
Director, Economic Policy Board  
Director, Office of Public Liaison  
Chairman, Federal Home Loan Bank  
Board (by invitation)  
Chairman, Federal Reserve Board (by  
invitation)

SUBJECT:

Domestic Council Committee on Neighborhood  
Revitalization

I am today establishing a Domestic Council Committee on Neighborhood Revitalization. This Committee will develop, coordinate, and present to me policy issues that cut across agency lines to provide better programs for dealing with neighborhood decline. Among other tasks, the Committee will be responsible for a comprehensive review of all federal programs which have an impact on neighborhood development and stabilization, an identification of the administrative, legal and fiscal obstacles to neighborhood revitalization, an analysis of present patterns of public and private disinvestment patterns in urban areas, a study of successful neighborhood revitalization models which offer potential for replication and, finally, the development of recommendations for a national neighborhood policy which would provide guidance for a more comprehensive, coordinated, and decentralized delivery of services effort to combat neighborhood decline.

The Secretary of Commerce will serve as the Chairman of this Committee. Other cabinet members serving will include the Secretary of Housing and Urban Development, the Secretary of Health, Education and Welfare, the Secretary of Transportation, and the Attorney General. Agency Directors serving on the Council include the Directors of the Small Business Administration, ACTION, the Community Services Administration, and the Office of Minority Business Enterprise. White House staff serving on the Council include the Director, Office of Management and Budget, the Director, Economic Policy Board and the Director, Office of Public Liaison. I am also inviting the Chairmen of the Federal Home Loan Bank Board and the Federal Reserve Board to serve on the Committee.

GERALD R. FORD

~~Friday~~ — 6-14-76

The list of addresses  
and the last paragraph  
of memo will have to be  
redone if this is to be published.  
KAZ.

THE WHITE HOUSE  
WASHINGTON

June 12, 1976

MEMORANDUM FOR:

THE DOMESTIC COUNCIL <sup>?</sup>

- ✓ Secretary of Commerce DC
- ? — Secretary of Interior DC
- ✓ Secretary of Housing and Urban Development DC
- ✓ Secretary of Health, Education and Welfare DC
- ✓ Secretary of Transportation DC
- ✓ Attorney General DC

*Administrator* ~~Director~~, Small Business Administration  
Director, ACTION DC

- ✓ Director, Community Services Administration
- Director, Office of Management and Budget DC

? — Director, Office of Minority Business Enterprise

*Executive Director*, <sup>Phu</sup> Economic Policy Board DC

*Asst to Pres for* ~~Director, Office of Public Liaison - ?~~  
Chairman, Federal Home Loan Bank Board ~~(by invitation)~~

Chairman, Federal Reserve Board ~~(by invitation)~~

? *Cannon*

SUBJECT:

Domestic Council Committee on Neighborhood Revitalization

I am today establishing a Domestic Council Committee on Neighborhood Revitalization. This Committee will develop, coordinate, and present to me policy issues that cut across agency lines to provide better programs for dealing with neighborhood decline. Among other tasks, the Committee will be responsible for a comprehensive review of all federal programs which have an impact on neighborhood development and stabilization, an identification of the administrative, legal and fiscal obstacles to neighborhood revitalization, an analysis of present patterns of public and private disinvestment patterns in urban areas, a study of successful neighborhood revitalization models which offer potential for replication and, finally, the development of recommendations for a national neighborhood policy which would provide guidance for a more comprehensive, coordinated, and decentralized delivery of services effort to combat neighborhood decline.

The Secretary of Commerce will serve as the Chairman of this Committee. Other cabinet members serving will include the Secretary of Housing and Urban Development, the Secretary of Health, Education and Welfare, the Secretary of Transportation, and the Attorney General. Agency Directors serving on the <sup>Committee</sup> ~~Council~~ include the Directors of [the Small Business Administration,] ACTION, the Community Services Administration, and the Office of Minority Business Enterprise. White House staff - ? serving on the <sup>Committee</sup> ~~Council~~ include the Director, Office of Management and Budget, the <sup>Executive</sup> Director, <sup>Min.</sup> Economic Policy Board and the <sup>Asst. to the Pres for</sup> ~~Director, Office~~ of Public Liaison. I am also inviting the Chairmen of the Federal Home Loan Bank Board and the Federal Reserve Board to serve on the Committee.

GERALD R. FORD

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: June 17, 1976

Time:

FOR ACTION:

cc (for information):

✓ JIM CANNON  
✓ MAX FRIEDERSDORF  
JIM LYNN

JACK MARSH  
✓ BILL BAROODY

*Write to Cannon*

FROM THE STAFF SECRETARY

DUE: Date: Friday, June 18

Time: Noon

SUBJECT:

Carla Hills memo dated 6/16/76 re  
Urban Development and Neighborhood  
Revitalization

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Because of the many, many discussions  
that have taken place on this subject, we are  
asking you to try and comply with the requested  
due date of - Friday, June 18 - NOON  
Thank you.

*Friedersdorf - see comments*  
*Baroody - see comments*  
*Marsh - (has problem - checking out probably not tel Monday)*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a  
delay in submitting the required material, please  
telephone the Staff Secretary immediately.

Jim Connor  
For the President

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

*Not sent in  
to President  
as Cannon sent  
memo indirectly*

June 18, 1976

FOR: James Connor  
FROM: William J. Baroody *WJ*  
SUBJECT: Domestic Council Committee on Urban Development

In response to your memo requesting comments concerning the HUD memorandum of June 16, I offer the following recommendations:

- 1) The membership of the Domestic Council Committee should be expanded to include the Director of the Community Services Administration (an Hispanic-American), the Administrator of the Small Business Administration ( a white ethnic) and the Director of the White House Office of Public Liaison. The latter office will coordinate all field conferences in cooperation with the Domestic Council Committee in order to maintain White House visibility.
- 2) The announcement of the new Domestic Council Committee should be coordinated with our office in order to insure a maximum visibility among the Hispanic-American, black and white ethnic communities which the Committee will be contacting for local input.
- 3) The name of the Committee should be The Domestic Council Committee on Urban Development and Neighborhood Revitalization.

THE WHITE HOUSE  
WASHINGTON

*Not sent in to  
President as  
Cannon send  
memo directly*

June 18, 1976

MEMORANDUM FOR: JIM CONNOR  
FROM: MAX FRIEDERSDORF *mk*  
SUBJECT: Carla Hills memo dated 6/16/76 re  
Urban Development and Neighborhood Revitalization

I believe the Administration could give sympathetic consideration to proposal when it is raised in hearings next week.

However, the legislation was introduced only a week ago and endorsing the bill would be premature.

Garn is lowest ranking on Senate Banking and Tower, Garry Brown and Lud Ashley should be consulted as well as the industry.

Another commission, no matter how well meaning, proliferates the bureaucracy.

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: June 17, 1976

Time:

FOR ACTION:

cc (for information):

JIM CANNON

MAX FRIEDERSDORF

JIM LYNN

JACK MARSH

BILL BAROODY

FROM THE STAFF SECRETARY

DUE: Date:

Friday, June 18

Time:

Noon

SUBJECT:

Carla Hills memo dated 6/16/76 re  
Urban Development and Neighborhood  
Revitalization

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

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Draft Reply

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REMARKS:

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Thank you.

**PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.**

If you have any questions or if you anticipate a  
delay in submitting the required material, please  
telephone the Staff Secretary immediately.

Jim Connor  
For the President



THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D. C.. 20410

June 16, 1976

MEMORANDUM FOR: The President  
FROM: Carla A. Hills  
SUBJECT: Urban Development and  
Neighborhood Revitalization

On June 11, Senators Garn and Proxmire introduced S.3554 which would establish a National Commission on Neighborhoods,<sup>1/</sup> to investigate "...the factors contributing to the decline of city neighborhoods and the factors necessary to neighborhood survival and revitalization." The Commission will recommend modifications in Federal, state, and local laws, policies, and programs to facilitate neighborhood preservation and revitalization.

This proposal is consistent with stated Administration policy to assist communities to conserve existing urban assets and to deal with neighborhood decline.

I recommend that the Administration support S.3554<sup>2/</sup> and in addition establish immediately a seven member Domestic Council Committee on Urban Development: (1) to review in a comprehensive manner all Federal programs which have an impact on neighborhood development and stabilization; (2) to serve as an Executive Branch liaison with the National Commission on Neighborhoods after it is appointed; and (3) to assess the Federal role in urban development.

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<sup>1/</sup> The 20 member Commission is to be composed of 2 members of the Senate and 2 members of the House plus 16 members to be appointed by the President, including at least 5 elected officers of recognized neighborhood organizations engaged in development and revitalization programs, at least 5 elected or appointed officials of local governments involved in preservation programs and the remaining with demonstrated experience in neighborhood revitalization activities.

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This recommendation envisions that HUD, pursuant to its statutory authority "to exercise leadership . . . in coordinating Federal activities affecting . . . urban development"<sup>3/</sup> would chair an Executive Branch Committee composed of the Secretaries of Health, Education and Welfare, Transportation, Treasury, Commerce, Labor and the Attorney General.

#### DISCUSSION

1. The proposed National Commission would provide a broadly based forum for analyzing the problems of an economic cross-section of neighborhoods.

2. Because the proposed National Commission does not have Executive Branch membership, the Administration has an opportunity to make a constructive contribution by appointing a Domestic Council Committee to work as a liaison group. Such a liaison Committee also could enhance the potential for successful implementation of the Commission's recommendations, avoiding a problem which has plagued similar Commissions in the past.

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4. The recommendation contained herein to establish a seven member Domestic Council Committee would augment and improve the proposed National Commission by

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6/19

Sent to Cavanaugh from Trudy for  
his and Lynn May's information.

S.



THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D. C. 20410

June 16, 1976

MEMORANDUM FOR: The President  
FROM: Carla A. Hills  
SUBJECT: Urban Development and  
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THE WHITE HOUSE

WASHINGTON

June 11, 1976

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

JIM CANNON

FROM:

JIM CONNOR **JEF**

SUBJECT:

Preserving the Neighborhood:  
An Issue for 1976

The President reviewed the memorandum of May 28, 1976 prepared by William J. Baroody, Jr. on the above subject and directed the following notation to you:

"I like the idea of some visible action.

Can't Domestic Council come up with something within its structure? "

Please follow-up with appropriate action.

cc: William J. Baroody, Jr.  
Dick Cheney

THE WHITE HOUSE  
WASHINGTON

Jim Connor

I like the idea  
of some visible action.

Can't Domestic Council  
come up with something  
within its structure.

THE WHITE HOUSE  
WASHINGTON

June 7, 1976

MR PRESIDENT:

Preserving the Neighborhood:  
An Issue for 1976

The attached memorandum prepared by Bill Baroody was staffed to Messrs. Cannon, Friedersdorf, Hartmann, Lynn and Marsh. Their recommendations are as follows:

- Jim Cannon - Opposes the proposal to set up a Domestic Council Committee on Neighborhood Revitalization and offers some alternate suggestions - TAB D.
- Max Friedersdorf - Recommends an Interdepartmental Task Force and announcement prior to June 13.
- Bob Hartmann - Had no comments
- Jim Lynn - Recommends against Administration support of the idea and offers some alternate suggestions - TAB E.
- Jack Marsh - Recommends an Interdepartmental Task Force with announcement prior to June 13.

Jim Connor

THE WHITE HOUSE

WASHINGTON

May 28, 1976

MEMORANDUM FOR THE PRESIDENT

FROM: WILLIAM J. BAROODY, JR. 

SUBJECT: Preserving the Neighborhood: An Issue for 1976

On May 5, you addressed a group of ethnic leaders in the Rose Garden. The leaders were attending an all-day meeting in the White House to discuss neighborhood revitalization. During your remarks, you requested that I inform you of any and all recommendations. This memorandum responds to that request and raises some related issues.

BACKGROUND

For a large number of Americans, especially ethnic Americans, the neighborhood is at the heart of American life. It is in the neighborhood that those institutions which ethnic Americans worked so hard to establish -- the ethnic church, the fraternal lodge, the credit union and the school -- are located. More importantly, it is in the neighborhood that the remaining vitality of our cities is centered.

Neighborhood leaders -- ethnic, black and Hispanic American alike -- feel that no one in the Federal government cares about their special needs. Few government programs have been specifically directed at neighborhood revitalization. Some government programs have actually contributed to neighborhood decline.

Addressing neighborhood problems is very much in keeping with the Ford philosophy of returning the decision-making power to the people. We don't necessarily need more programs. We do need better coordination of programs which already exist and the elimination of programs which interfere with local neighborhood control.

We have now conducted a number of White House conferences on ethnicity. There has been a common thread running throughout them -- concern expressed by the ethnic American participants over preservation of their neighborhoods. They have formally recommended that you establish a commission to study this issue. I strongly urge that we now make their recommendation a reality, and thereby demonstrate our concern for and understanding of their problems.

It is my belief, based on the merits, that simultaneously with the announcement of Attorney General Levi's decision on busing you also announce the formation of either an interdepartmental task force or a Domestic Council Cabinet Committee on "neighborhoods and neighborhood revitalization." Such an announcement could help mollify civil rights supporters nervous about our busing position while at the same time pleasing our ethnic American constituency.

You should know that Senator Proxmire is expected to hold hearings on a bill to create a Commission on Urban Neighborhood Revitalization within the next week or so. (See Tab A.) Mayor Vincent Cianci (R-Providence, R.I.) is supporting this effort, as is Msgr. Geno Baroni, President of the Center for Urban Ethnic Affairs. Msgr. Baroni co-sponsored the White House Conference on Neighborhood Revitalization which you addressed in the Rose Garden. Action by you on this issue would preempt Senator Proxmire and any other Democrats.

You should also be aware that a conference is scheduled for June 13, sponsored by the National People's Action Committee. They are expecting to attract 2000 representatives to that conference and, according to the Nicholas von Hoffman article (Tab B), a major focus of that conference will be on red lining.

The next White House Conference on Ethnicity will be on June 1, and if our announcement isn't tied to the busing decision, it could be announced then. In any event, it would clearly be desirable to make the announcement before the Proxmire bill is introduced and the People's conference held on June 13.

Attached at Tab C is some follow-up publicity from our recent ethnic meetings.

ACTION

I seek concurrences on the following:

	<u>Agree</u>	<u>Disagree</u>
1. Announcement of a Domestic Council Committee on neighborhood revitalization, or alternatively, announcement of an interdepartmental Executive Branch task force on neighborhood revitalization.	_____	_____
2. The above should be announced on		
(a) a date pegged to the announcement of Attorney General Levi's busing decision,	_____	_____
(b) several days before the National People's Action Committee meeting on June 13, or	_____	_____
(c) during the June 1 White House Conference on Ethnicity.	_____	_____



A BILL TO ENACT  
A COMMISSION ON URBAN  
NEIGHBORHOOD REVITALIZATION

Arthur Naparstek  
May 13, 1976

A comprehensive neighborhood impact policy is needed--a policy which takes into account the diversity of neighborhood needs, builds incentives through appropriate local and state public actions, and supports the upgrading of public service delivery systems on the local and state level. A means of achieving these ends is for Congress to establish by legislation a Presidential Commission on Urban Neighborhood Revitalization. The purposes of such a commission would be to: 1) evaluate the impact current and past federal programs and policies have on neighborhoods with particular emphasis on: a) the possible restructuring of financial systems with focus on developing subsidy and incentive programs, b) to determine more effective ways of melding of federal funds and programs with local conditions, and c) to review the role regulatory agencies play in dealing with neighborhood problems. 2) to evaluate the role of state government with emphasis on: investigating the ways states can support neighborhood revitalization through appropriate enabling legislation. 3) to evaluate and assess the most efficacious means of restructuring the procedures of governance through a mix of centralization and decentralization of services.

#### Section 2. Establishment of Commission

(a) There is hereby established a commission to be known as the Commission on Urban Neighborhood Revitalization (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of twenty-four members appointed as follows:

1) two members of the Senate appointed by the President of the Senate;

2) two Members of the House of Representatives appointed by the Speaker of the House of Representatives; and

3) twenty members appointed by the President of the United States from persons specially qualified by training and experience to perform the duties of the Commission, no less than seven of whom shall be elected officers of legally chartered neighborhood organizations engaged in development and revitalization programs, no less than seven of whom shall be elected officials of local governments, and none of whom shall be officers of the executive branch of government.

The individuals so appointed shall be selected so as to provide representation to a broad cross-section of racial and ethnic groups, and at no time shall more than one of the members appointed under subparagraph 1), or more than one of the members appointed under subparagraph 2), or more than 10 members appointed under subparagraph 3) be members of the same political party.

(c) The President of the United States shall designate a Chairman and a Vice Chairman from among the members of the Commission.

(d) Thirteen members of the Commission shall constitute a quorum.

(e) The Commission shall meet at the call of the Chairman or at the call of the majority of the members thereof.

### Section 3. Duties

(a) The Commission shall undertake a comprehensive study and investigation of the factors contributing to neighborhood decline and of the factors necessary for neighborhood development or stabilization. Such study and investigation shall include, but not be limited to--

1) an analysis of the efficacy of Federal, state, and local programs and policies relating to the stabilization and revitaliza-

tion of neighborhoods;

2) an identification of the administrative, legal, and fiscal obstacles to the adequate development and stabilization of neighborhoods;

3) an analysis of the patterns and trends of public and private investment in urban areas and the impact of such patterns and trends upon the decline and/or development of neighborhoods;

4) an assessment of existing mechanisms of neighborhood government;

5) an analysis of the impact of poverty and racial conflict upon the decline and/or development of neighborhoods;

6) an assessment of the performance of local and regional development plans and of their impact upon the decline and/or development of neighborhoods.

(b) Within two years after the date on which funds first become available to carry out this section, the Commission shall submit to the President and the Congress a comprehensive report on its study and investigation under this subsection which shall include its findings, conclusions, and recommendations and such proposals for legislation and administrative action as may be necessary to carry out its recommendations

#### Section 4. Compensation of Members

(a) Members of the Commission who are Members of Congress or full-time officers or employees of the United States shall serve without additional compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of the duties vested in the Commission.

(b) Members of the Commission other than those referred to in subsection (a), shall receive compensation at the rate of \$100 per day for each day they are engaged in the actual performance of the duties vested in the Commission and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

#### Section 5. Power and Administrative Provisions

(a) The Commission shall have the power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of Title 5, United States Code, governing appointments in the competitive service, and the provisions of Chapter 51 and Subchapter III of Chapter 53 of such title, relating to classification and General Schedule pay rates, but at rates not in excess of a maximum rate for GS-18 of the General Schedule under Section 5332 of such title.

(b) The Commission may procure, in accordance with the provisions of Section 3109 of Title 5, United States Code, the temporary or intermittent services of experts or consultants. Persons so employed shall receive compensation at a rate to be fixed by the Commission but not in excess of \$75 per day, including travel time. While away from his or her home or regular place of business in the performance of services for the Commission, any such person may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by Section 5703 (b) of Title 5, United States Code, for persons in the Government service employed intermittently.

(c) Each department, agency, and instrumentality of the United States is authorized and directed to furnish to the Commission, upon

request made by the Chariman or Vice Chairman, on a reimbursable basis or otherwise, such statisfied data, reports, and other information as the Commission deems necessary to carry out its functions under this title. The Chairman is further authorized to call upon the departments, agencies and other offices of the several States to furnish, on a reimbursable basis or otherwise, such statistical data, reports, and other information as the Commission deems necessary to carry out its functions under this title.

(d) The Commission will award contracts and grants for the purposes of evaluating existing neighborhood revitalization programs. These awards shall incude, but not be limited to--

1) representatives of legally chartered neighborhood organizations;

2) public interest organizations who have a demonstrated capability in the area of concern;

3) universities and other not-for-profit educational organizations.

(e) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this title, hold hearings, take testimony, and administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or member thereof. Hearings by the Commission will be held in neighborhoods with testimony received from citizen leaders and public officials who are engaged in neighborhood revitalization programs.

## Section 6. Authorization of Appropriations

There are hereby authorized to be appropriated such sums as may be necessary to carry out this title.

## Section 7. Expiration of the Commission

The Commission shall cease to exist thirty days after the submission of its report under Section 3.



# Silent Majority is ready to roar



Nicholas  
von Hoffman

WASHINGTON—Not everybody converging here this summer is coming to shoot candles in the air. The 2,000 representatives of National Peoples Action expected here June 13 apparently are intending to put their firecrackers under elected officials who won't have fled the city to escape contact with their constituents.

National Peoples Action describes itself as a federation of some 300 organizations in 50 cities whose members are mostly ethnics, Latins and blacks. They're angry about how the banks and savings and loan associations are starving their communities, refusing to make loans and mortgages necessary for their health and revivification.

A strange number has been done on working-class people the last few years. They've been flattered, told they were the salt of the earth, and made the subjects of worried and learned articles about the blue-collar blues.

LAVERNE and Shirley, those two Milwaukee beer bottlers out of the 1950's, have been made into TV queens, and in Fonzie, last generation's working-class youth, the original rock 'n' roll bike riders have been admitted into the circle of mass media gentility.

The old neighborhood is a phrase uttered with near reverence, but for all the respect and sentimentality, these folks still haven't gotten much. While they've been manipulated with issues like abortion, busing, and prayer in schools, they still continue, by most every reckoning, to pay a disproportionately heavy share of the taxes.

If our leading politicians can climb out of the Panama Canal long enough to attend the June meeting they'll find out from chairperson Gale Cincotta of the Chicago working-class area of Austin that the old neighborhood has a legislative agenda. The most important item on it is to require lending institutions to make loans in redlined areas of our metropolises.

Anything smacking of mandatory credit allocation sends the American Bankers Association howling and frothing in circles of anti-socialist consternation. Never mind the financial system is interlaced with de facto credit allocation mechanisms already, but bankers claim mandatory loans in redlined neighborhoods is a gimmick to destroy the free enterprise money

market and force them to make bad loans.

There's certainly no need to force them to make bad loans. As the experience over the last 10 years with Real Estate Investment Trusts shows, the bankers are already superbly adept at making bad loans without any help. Would that a modest fraction of the billions they've wasted on unwanted oil tankers and unsold condominiums had been dropped into some of our good, older neighborhoods.

The National Peoples Action program actually would require them to make good loans. Cincotta and her associates aren't demanding that the law require a banker to shell out to the first drunk who trips in the door to announce he'd like to buy himself a house. No, we already have a law like that under which the mortgage bankers and that most impossible of federal agencies, the Federal Housing Authority, have defrauded the public of scandalously large sums.

What's contemplated here is a law requiring lending institutions to make a mortgage after the buyer has made a sizeable down payment, perhaps even as high as 30 per cent.

The trouble is that these aren't exciting loans. The banks would get their 8 or 9 per cent, which means they've got their money back in 12 years, but there's no glamor to it. Where's the fun making mortgages to steady payers with good employment records and top credit ratings?

MOST NEW housing and community development programs are begun with exaggerated optimism. Virtually all of them have failed so there is no reason to assure people this, at long last, is the one we know will work. The abandonment of such large tracts of our cities by working-class populations has to be attributed to many different causes. But if this program fails, unlike most of the others, it won't cost the taxpayers or the bankers any money.

If people are willing to put that kind of down-payment money on the table, they're going to pay off the balance of the mortgage. Failure, if it happens, will simply take the form of people not applying for loans. The old neighborhoods will then continue toward wrack and ruin, but nobody'll lose any money.

It beats inviting folks to take a dive in the Panama Canal, skipper.

King Features Syndicate

CHICAGO TRIBUNE  
5/22/76



By Jim Castelli

The White House has discovered ethnics.

And if it is still not thought to be meeting major ethnic needs, some Administration officials have shown they understand the problems of urban ethnic neighborhoods.

This became clear at a May 5 White House Conference on Ethnicity and Neighborhood Revitalization.

In a brief meeting during the conference, President Gerald Ford told some 70 ethnic leaders to "let us know what you think should be done."

They told him — through the White House staff running the conference — and by the end of the day it seemed that something, in fact, would be done.

What the ethnic leaders said they wanted is a national policy for the revitalization of urban neighborhoods to make up for decades of government policies which destroyed and uprooted neighborhoods. They also want a government commission or task force study the impact of federal programs on neighborhoods.

Administration officials at the conference, including Secretary of Commerce Elliott Richardson, supported both recommendations.

Richardson, in particular, seemed to have mastered the language of the ethnic specialist. His talk to the conference included words and phrases which echoed speeches given by ethnic leaders such as Monsignor Geno Baroni, president of the National Center for Urban Ethnic Affairs, an affiliate of the U.S. Catholic Conference which cosponsored the White House Conference.

Some examples from Richardson's speech:

"The family and the neighborhood are the building blocks of our society" . . . "the brick and mortar myopia of some urban strategists" . . . "The shuttering of a store may be taken as an omen of the impending death of a neighborhood" . . . "Create a psychology of reinvestment" . . . "It is time now for us to forgo a strategy based on coalitions between diverse groups

recognizing each other's right in a pluralistic society to build a sense of community and ethnic pride."

A national neighborhood policy, Monsignor Baroni said, would involve the "restructuring of financial resources" to aid neighborhoods. "The reorientation of federal programs, agencies and regulatory bodies" and "the provisions of technical assistance through model legislation."

More specifically, he said, such a policy would involve:

- Restructuring government procedures to include a mix of centralization and decentralization of services.

- Restructuring the financial system with an emphasis on subsidy and incentive programs.

- Shaping federal programs to local conditions.

Overseeing regulatory agencies in the context of neighborhoods.

- Rearranging education and human service delivery systems to "increase utilization and decrease ethnic and racial tension and polarization."

The White House conference on ethnicity and neighborhoods was run by the White House for Public Liaison headed by William Baroody, Jr. The office tries to bring Administration officials together with what Baroody calls "the Fifth Estate" — private voluntary agencies such as church, ethnic, labor, minority and women's groups.

The meetings allow the "Fifth Estate" groups to air their concerns to the White House and allow the White House to explain its policies to the groups.

The neighborhood conference is one of a series being organized by Myron Kuropas named last January to be Special Assistant to the President for Ethnic Affairs. Kuropas, who works out of Baroody's office, has worked on ethnic issues and with both minority groups and ethnics for a number of years.

Conference participants praised Baroody and Kuropas for their handling of the conference and their responsiveness. They also welcomed Richardson's talk and other signs — the President's statement that he wanted "vigorous enforcement" of an

wire story that appeared in most diocesan parish newspapers throughout the country.

anti-redlining bill his Administration once gave lukewarm support, and examples of constructive work with urban ethnic and minority business by the Small Business Administration and the Office of Minority Business Enterprise.

But the conference participants also expressed caution. "It's warming to hear our own words coming back at us," Irving Levine, director of the Institute for Pluralism and Group Identity, told the conference.

"But we must ask ourselves, 'Is it a cheap victory? Are we being handled?'"

Levine said "white urban ethnic neighborhood revitalization" should not be allowed to become another "black capitalism" — a well-intentioned approach doomed to failure.

Levine also noted that the Administration's emphasis on general revenue sharing and bloc grant programs as answers to the needs of neighborhoods was "no substitute for a full-employment policy."

Revenue sharing, strongly backed by the Administration, has been criticized by a number of ethnic, minority and public interest groups. The National Conference of Catholic Charities, for example, testified before the House that the poor have "suffered" under revenue sharing.

Revenue sharing funds, which go to states and localities without federal "strings", were created partly by cuts in specific anti-poverty programs. But, Catholic Charities testified, less than five percent of revenue sharing funds have gone for social services for the poor and aged.

But the Administration is, somewhat unexpectedly, using the right language. That, ethnic leaders acknowledge, is a start.

# Neighborhood Life

By MICHAEL NOVAK



When Catholics began coming to America in great numbers about 100 years ago, they came almost exclusively to the north, and almost entirely to the northern cities.

Even today, Catholics are mainly an urban people, although many now also live in the rings of suburbs and towns that encircle the cities.

Within the cities, comparatively few Protestants are left, except among Blacks. Most of the Whites who live in Buffalo, Detroit, Cleveland, Syracuse, Chicago and other major cities are Catholics.

In these cities, the chief unit of living is the neighborhood. Ask city people where they live, and they usually name the parish, or the streets, or the local name. It is probably true that many college-educated Catholics have moved out of such neighborhoods and remember them only with some nostalgia or, perhaps pain. But a surprising number of Catholics never moved out. Moreover, in many of the suburbs and encircling towns built in the last 50 years, the situation today is rather like that of the cities themselves. Many suburbs and small towns are also mainly working class, with roots in similar city

neighborhoods. It is as though the children of immigrants themselves became migrants, and moved out more or less together to similar suburbs.

One should make a sharp distinction between upper-class suburbs and working-class suburbs. Scarsdale, Royal Oak, Evanston, Shaker Heights — these are not suburbs in the same way that Levittown, Pontiac, Cicero or Parma are.

What is happening to the neighborhoods and suburbs in which Catholics are numerous? There seems to be no national perspective in such living units. There seems to be no national policy. National discussion seems to imagine that people live in, or identify with, the large cities. What if it is true that people care most about their moderate living conditions?

The White House held a conference on just this question on May 5. Msgr. Geno Baroni led off the discussion. Blacks, Hispanics, and other Americans of many different cultures and histories took part.

At present, few policies of banks, realtor, or government help neighborhood people. Neighborhoods are not usually legal entities. They lack legal power. Often, banks take the savings of people in city neighborhoods and invest them in the suburbs, or in shopping plazas in distant parts of the country. Often, people in the neighborhoods can't get loans to add an extra room, or to repair the roof, or to replaster walls, injured by decades of rumbling traffic in the Street.

Almost everything at present encourages people to

leave the cities. Jobs flee. Crime rises. Property values fall. Not all of this is due to the northward migration of Blacks. But, though public rhetoric supports racial integration, few public policies or practices do. Neighborhoods that integrate seldom gain more frequent garbage pick-up, better street repairs, better security of life and limb and property, better quality schools. On the contrary, institutional racism sets in — and both Whites and Blacks suffer.

A new neighborhood policy is the front-line issue of the future. Liberals of the last decade have made costly errors of judgment and analysis. The new liberalism of the future must do a better job of understanding — and strengthening — the basic instructions in which people actually live and move and have their being: in their families, in their neighborhoods.

A genuine liberation theology, based on reality, begins here, where the Catholic people, by and large, usually are. It is a shame that Catholic writers and policy planners have not developed a specifically Catholic analysis of our northern cities. It is a shame they have been mere imitators of others.

Family and neighborhood — these are the two keys to understanding several of the nation's chief dilemmas. They offer hope for a fresh, concrete, down-to-earth social revolution, Catholic in style, open to all.

President Ford deserves credit for encouraging such fresh investigations.

# Ford Sets Conference On Ethnic Problems

WASHINGTON — (CDN) — President Ford, focusing White House attention on the nation's ethnic population, has scheduled a May 5 conference on ethnic problems.

The President has indicated, according to William Baroody, his assistant for public liaison matters, that the so-called "melting pot" theory has failed.

"We think America is much more of a mosaic than a melting pot . . . we don't think America can be homogenized like milk," Baroody said.

The presidential aide, charged with setting up effective exchange of ideas through nationwide direct contacts between the President and leaders in various branches of public life — usually by having Ford answer questions after a short public address on a specific topic — is arranging the conference.

The theme will be "ethnicity and neighborhood revitalization," and the meeting is to be cosponsored by Washington's National Center for Urban Ethnic Affairs.

The center is under the leadership of the Rev. Geno Baroni, an outspoken advocate of cooperative approach by all ethnic groups, including blacks and Hispanic-descended persons, to solve basic problems that, in Baroni's view, lead to social change.

Working with Baroody is Myron Kurupas, a Chicagoan of Ukrainian descent. On the White House staff since January, he was formerly active in the Federal Action program involving the elderly in volunteer work.

Baroody, in discussing ethnic problems, said the White House is trying "to bring about a politics of participation"

among groups, rather than one of "exclusion."

He acknowledged the question is a sensitive one, especially when it involves changing neighborhood patterns, such as expanding central city black areas meeting the "boundaries" of the more European-oriented communities.

Asked if he believed the melting pot theory had failed, Baroody replied, "I don't think it ever was viable." Studies, as well as the experiences of cities such as Chicago, Boston, San Francisco and others, supported this view, he said.

Baroody did not state that the President holds exactly the same attitude.

But, he explained, Ford's reply to a group of editors on April 13, when asked about former Gov. Jimmy Carter's statement on "ethnic purity," reflected a belief that "pluralism and diversity contribute to the strength of America."

While his staff includes special assistants for a half dozen categories of population, including women, blacks, and the Hispanic-descended, no special classification exists for American Indian affairs, he acknowledged.

Indian problems are considered along with those of other ethnic groups, he said.

Baroody said that White House lawyers are studying the recent Supreme Court decision holding that U.S. officials guilty of cooperating with race-bias policies in urban housing can be ordered by lower courts to pursue desegregated housing goals in the suburbs.

Baroody would not elaborate on the reasons for the study of the decision, except to say that it was "to see what the Supreme Court has directed."

# Ford views America as 'ethnic mosaic'

By Robert Gruenberg  
Of Our Washington Bureau

WASHINGTON — President Ford is focusing White House attention on the nation's ethnic population, whose heritage he described recently as "a great treasure of the country."

The President had indicated, according to William Baroody, his assistant for public liaison matters, that the so-called "melting pot" theory has failed.

"We think American is much more of a mosaic than a melting pot... We don't think America can be homogenized like milk," Baroody told a group of reporters Thursday.

The presidential aide, charged with setting up effective exchange of ideas through nationwide direct contacts between the President and leaders in various branches of public life—usually by having Ford answer questions after a short public address on a specific topic—is currently arranging a May 5 White House

conference on ethnic problems.

THE THEME will be "Ethnicity and Neighborhood Revitalization," and the meeting is to be co-sponsored by Washington's National Center for Urban Ethnic Affairs.

The center is under the leadership of the Rev. Geno Baroni, an outspoken advocate of a co-operative approach by all ethnic groups, including blacks and Hispanic-descended persons, to solve basic problems that, in Father Baroni's view, lead to social changes.

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William J. Baroody Jr.

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lawyers are studying Tuesday's Supreme Court decision holding that U.S. officials guilty of co-operating with racially biased policies in urban housing can be ordered by lower courts to pursue desegregated

housing goals in the suburbs. Baroody would not elaborate on the reasons for the study of the decision, except to say, "to see what the Supreme Court has directed." Ford has made no public comment on it so far.



THE WHITE HOUSE

WASHINGTON

June 4, 1976

MEMORANDUM FOR: JIM CONNOR  
FROM: JIM CANNON   
SUBJECT: Proposed Domestic Council Committee  
On Neighborhood Revitalization

At first glance, Bill Baroody's proposal is appealing. But I oppose his proposal to set up a Domestic Council committee on neighborhood revitalization or an inter-departmental Executive Branch Task Force on neighborhood revitalization for these reasons:

1. objectives are not clearly defined;
2. Federal involvement at the neighborhood level has not been successful;
3. President Ford has basically followed a policy of working with state and local elected officials; and
4. the creation of another strata of government below the city level would only compound the problems already confronting city governments.

The Domestic Council, with OMB, HUD and others, is now examining the overall urban problem. Neighborhood revitalization can be incorporated into this larger urban policy study.





EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

JUN 4 1976

MEMORANDUM FOR JAMES CONNOR

FROM: DAN L. MCGURK *DM*

SUBJECT: COMMISSION ON URBAN NEIGHBORHOOD REVITALIZATION

We have reviewed the proposal for a Commission on Urban Neighborhood Revitalization and recommend against Administration support of the idea for several reasons.

- Mr. Baroody's contention that Government programs have not been aimed at neighborhood preservation and have actually contributed to neighborhood decline was true in the past. Urban renewal, for example, is still referred to as "minority removal." But this charge is no longer valid. The Community Development Block Grant Program, which President Ford signed into law, gives cities an opportunity to decide for themselves what their community development needs are, without a lot of second-guessing from Washington. Citizen participation requirements assure that local residents acting individually or collectively are able to make their views known in the priority-setting process. All the evidence to date indicates that cities are spending large portions of their block grant funds to upgrade neighborhoods through rehabilitation and the construction of neighborhood centers. In fact, during 1975, block grant recipients devoted 21 percent of their funds to "neighborhood improvement activities"; under the categorical programs (such as urban renewal), less than 1 percent of the money went for this purpose. When other supportive services are added in, well over half of the block grant funds are being used to revitalize neighborhoods.
  
- There is no programmatic advantage to a special commission. Both the Administration and the Congress recognize the importance of preserving established neighborhoods. Secretary Hills has announced this as one of her major efforts, and Federal housing and community development programs are currently being administered with the potential for preservation in mind.

- A commission such as this, composed of members with a known bias toward the commission's objective, is almost certain to recommend a substantially increased Federal role in neighborhood preservation. While Federal housing and community development programs are being administered to give major emphasis to neighborhood preservation, this Administration still has an established position of key responsibility lying with the State and local governments. A Commission report recommending increased Federal involvement would put the President in the embarrassing position of having to disregard its findings or abandon his current position of State/local responsibility.
  
- All the research and evaluation efforts described in the legislation are, or can be, performed by HUD's research staff. In 1977, HUD will spend about \$10 million on research pertaining to neighborhood preservation.

I would offer the following alternative to a commission:

Have the President announce that because he concurs in the importance of preserving our neighborhoods, he is designating Secretary Hills as the Administration representative responsible for soliciting views. If necessary, a series of quarterly meetings, monthly meetings, field hearings, or whatever could be established. These meetings would include a considerably wider array of representation than would be presented by just 24 Commission members.

To sell this idea, and at the same time preserve his policy of decreasing the number of Federal commissions, the President could stress the disadvantages of an independent commission. Independent groups work outside the mainstream of Government. While laboring one or two years to develop a report, legislation and program implementation continue. It would be far better, and surely have more impact, if these groups worked with HUD on a continuing basis over the next several years, providing input on key programmatic, legislative and administrative actions. At the same time, Secretary Hills would work with these groups to devise a research and evaluation program which will successfully address those issues with long-range implications. As these evaluation efforts are completed, changes can be implemented immediately rather than allowing the status quo, no matter how misdirected, to continue for 2 years while one massive document is prepared, and then another year or so before any changes are instituted.

STAFFING



Staffing

THE WHITE HOUSE  
WASHINGTON

June 11, 1976

A

B

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

JIM CANNON

C

FROM:

JIM CONNOR **JEF**

SUBJECT:

Preserving the Neighborhood:  
An Issue for 1976

D

The President reviewed the memorandum of May 28, 1976 prepared by William J. Baroody, Jr. on the above subject and directed the following notation to you:

"I like the idea of some visible action.

Can't Domestic Council come up with something within its structure? "

E

Please follow-up with appropriate action.

cc: William J. Baroody, Jr.  
Dick Cheney

June 7, 1976

MR PRESIDENT:

**Preserving the Neighborhood:  
An Issue for 1976**

The attached memorandum prepared by Bill Baroody was staffed to Messrs. Cannon, Friedersdorf, Hartmann, Lynn and Marsh. Their recommendations are as follows:

- Jim Cannon - Opposes the proposal to set up a Domestic Council Committee on Neighborhood Revitalization and offers some alternate suggestions - TAB A.
- Max Friedersdorf - Recommends an Interdepartmental Task Force and announcement prior to June 13.
- Bob Hartmann - Had no comments
- Jim Lynn - Recommends against Administration support of the idea and offers some alternate suggestions - TAB B.
- Jack Marsh - Recommends an Interdepartmental Task Force with announcement prior to June 13.

Jim Connor

THE WHITE HOUSE

WASHINGTON

June 4, 1976

MEMORANDUM FOR: JIM CONNOR

FROM: JIM CANNON *J Cannon*

SUBJECT: Proposed Domestic Council Committee  
On Neighborhood Revitalization

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EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

JUN 4 1976

MEMORANDUM FOR JAMES CONNOR

FROM: DAN L. MCGURK (signed) Dan L. McGurk

SUBJECT: COMMISSION ON URBAN NEIGHBORHOOD REVITALIZATION

We have reviewed the proposal for a Commission on Urban Neighborhood Revitalization and recommend against Administration support of the idea for several reasons.

- Mr. Baroody's contention that Government programs have not been aimed at neighborhood preservation and have actually contributed to neighborhood decline was true in the past. Urban renewal, for example, is still referred to as "minority removal." But this charge is no longer valid. The Community Development Block Grant Program, which President Ford signed into law, gives cities an opportunity to decide for themselves what their community development needs are, without a lot of second-guessing from Washington. Citizen participation requirements assure that local residents acting individually or collectively are able to make their views known in the priority-setting process. All the evidence to date indicates that cities are spending large portions of their block grant funds to upgrade neighborhoods through rehabilitation and the construction of neighborhood centers. In fact, during 1975, block grant recipients devoted 21 percent of their funds to "neighborhood improvement activities"; under the categorical programs (such as urban renewal), less than 1 percent of the money went for this purpose. When other supportive services are added in, well over half of the block grant funds are being used to revitalize neighborhoods.
  
- There is no programmatic advantage to a special commission. Both the Administration and the Congress recognize the importance of preserving established neighborhoods. Secretary Hills has announced this as one of her major efforts, and Federal housing and community development programs are currently being administered with the potential for preservation in mind.

- A commission such as this, composed of members with a known bias toward the commission's objective, is almost certain to recommend a substantially increased Federal role in neighborhood preservation. While Federal housing and community development programs are being administered to give major emphasis to neighborhood preservation, this Administration still has an established position of key responsibility lying with the State and local governments. A Commission report recommending increased Federal involvement would put the President in the embarrassing position of having to disregard its findings or abandon his current position of State/local responsibility.
  
- All the research and evaluation efforts described in the legislation are, or can be, performed by HUD's research staff. In 1977, HUD will spend about \$10 million on research pertaining to neighborhood preservation.

I would offer the following alternative to a commission:

Have the President announce that because he concurs in the importance of preserving our neighborhoods, he is designating Secretary Hills as the Administration representative responsible for soliciting views. If necessary, a series of quarterly meetings, monthly meetings, field hearings, or whatever could be established. These meetings would include a considerably wider array of representation than would be presented by just 24 Commission members.

To sell this idea, and at the same time preserve his policy of decreasing the number of Federal commissions, the President could stress the disadvantages of an independent commission. Independent groups work outside the mainstream of Government. While laboring one or two years to develop a report, legislation and program implementation continue. It would be far better, and surely have more impact, if these groups worked with HUD on a continuing basis over the next several years, providing input on key programmatic, legislative and administrative actions. At the same time, Secretary Hills would work with these groups to devise a research and evaluation program which will successfully address those issues with long-range implications. As these evaluation efforts are completed, changes can be implemented immediately rather than allowing the status quo, no matter how misdirected, to continue for 2 years while one massive document is prepared, and then another year or so before any changes are instituted.

MEMORANDUM  
OF CALL

TO:

T

YOU WERE CALLED BY—  YOU WERE VISITED BY—

Donna

OF (Organization)

for Mr Marsh

PLEASE CALL  PHONE NO. CODE/EXT. \_\_\_\_\_  
 WILL CALL AGAIN  IS WAITING TO SEE YOU  
 RETURNED YOUR CALL  WISHES AN APPOINTMENT

MESSAGE

Neighborhood Memo  
disagree gas work alt  
# 2 - A disagree  
B agree  
C agree

RECEIVED BY

DATE

TIME

6/3

10:10

STANDARD FORM 63  
REVISED AUGUST 1967  
GSA FPMR (41 CFR) 101-11.6

GPO : 1969-048-16-50341-1 323-889

63-108

THE WHITE HOUSE

WASHINGTON

June 1, 1976

MEMORANDUM FOR: JIM CAVANAUGH  
FROM: MAX L. FRIEDERSDORF *M.L.*  
SUBJECT: Wm. Baroody memo 5/28/76 Preserving the  
Neighborhood: An Issue for 1976

The Office of Legislative Affairs ~~concur with the agencies~~  
~~that the~~ recommends an Interdepartmental Task Force and announce  
prior to June 13.

Attachments

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: May 31, 1976

Time:

FOR ACTION:

cc (for information):

- ✓ Jim Cannon
- ✓ Max Friedersdorf
- ✓ Jim Lynn

- ✓ Jack Marsh
- Bob Hartmann

FROM THE STAFF SECRETARY

DUE: Date: Thursday, June 3

Time:  2 P.M.

SUBJECT:

William J. Baroody, Jr. memo 5/28/76  
Preserving the Neighborhood: An Issue for 1976

ACTION REQUESTED:

- |   |  |
|---|--|
| <input type="checkbox"/> For Necessary Action         | <input checked="" type="checkbox"/> For Your Recommendations |
| <input type="checkbox"/> Prepare Agenda and Brief     | <input type="checkbox"/> Draft Reply                         |
| <input checked="" type="checkbox"/> For Your Comments | <input type="checkbox"/> Draft Remarks                       |

REMARKS:

*Friedersdorf - see comments*  
*Marsh - #1 disagree go with alternative*  
*#2 A disagree B+C agree*  
*Lynn - see detailed comments*  
*Cannon - see comments*  
*Hartmann - no comment*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Jim Connor  
For the President

THE WHITE HOUSE

WASHINGTON

May 28, 1976

MEMORANDUM FOR THE PRESIDENT

FROM: WILLIAM J. BAROODY, JR. (8)

SUBJECT: Preserving the Neighborhood: An Issue for 1976

On May 5, you addressed a group of ethnic leaders in the Rose Garden. The leaders were attending an all-day meeting in the White House to discuss neighborhood revitalization. During your remarks, you requested that I inform you of any and all recommendations. This memorandum responds to that request and raises some related issues.

BACKGROUND

For a large number of Americans, especially ethnic Americans, the neighborhood is at the heart of American life. It is in the neighborhood that those institutions which ethnic Americans worked so hard to establish -- the ethnic church, the fraternal lodge, the credit union and the school -- are located. More importantly, it is in the neighborhood that the remaining vitality of our cities is centered.

Neighborhood leaders -- ethnic, black and Hispanic American alike -- feel that no one in the Federal government cares about their special needs. Few government programs have been specifically directed at neighborhood revitalization. Some government programs have actually contributed to neighborhood decline.

Addressing neighborhood problems is very much in keeping with the Ford philosophy of returning the decision-making power to the people. We don't necessarily need more programs. We do need better coordination of programs which already exist and the elimination of programs which interfere with local neighborhood control.

We have now conducted a number of White House conferences on ethnicity. There has been a common thread running throughout them -- concern expressed by the ethnic American participants over preservation of their neighborhoods. They have formally recommended that you establish a commission to study this issue. I strongly urge that we now make their recommendation a reality, and thereby demonstrate our concern for and understanding of their problems.

It is my belief, based on the merits, that simultaneously with the announcement of Attorney General Levi's decision on busing you also announce the formation of either an interdepartmental task force or a Domestic Council Cabinet Committee on "neighborhoods and neighborhood revitalization." Such an announcement could help mollify civil rights supporters nervous about our busing position while at the same time pleasing our ethnic American constituency.

You should know that Senator Proxmire is expected to hold hearings on a bill to create a Commission on Urban Neighborhood Revitalization within the next week or so. (See Tab A.) Mayor Vincent Cianci (R-Providence, R.I.) is supporting this effort, as is Msgr. Geno Baroni, President of the Center for Urban Ethnic Affairs. Msgr. Baroni co-sponsored the White House Conference on Neighborhood Revitalization which you addressed in the Rose Garden. Action by you on this issue would preempt Senator Proxmire and any other Democrats.

You should also be aware that a conference is scheduled for June 13, sponsored by the National People's Action Committee. They are expecting to attract 2000 representatives to that conference and, according to the Nicholas von Hoffman article (Tab B), a major focus of that conference will be on red lining.

The next White House Conference on Ethnicity will be on June 1, and if our announcement isn't tied to the busing decision, it could be announced then. In any event, it would clearly be desirable to make the announcement before the Proxmire bill is introduced and the People's conference held on June 13.

Attached at Tab C is some follow-up publicity from our recent ethnic meetings.

ACTION

I seek concurrences on the following:

	<u>Agree</u>	<u>Disagree</u>
1. Announcement of a Domestic Council Committee on neighborhood revitalization, or alternatively, announcement of an interdepartmental Executive Branch task force on neighborhood revitalization.	_____	_____
2. The above should be announced on		
(a) a date pegged to the announcement of Attorney General Levi's busing decision,	_____	_____
(b) several days before the National People's Action Committee meeting on June 13, or	_____	_____
(c) during the June 1 White House Conference on Ethnicity.	_____	_____

A BILL TO ENACT  
A COMMISSION ON URBAN  
NEIGHBORHOOD REVITALIZATION

Arthur Naparstek  
May 13, 1976

## Section 1. Findings and Purpose

A comprehensive neighborhood impact policy is needed--a policy which takes into account the diversity of neighborhood needs, builds incentives through appropriate local and state public actions, and supports the upgrading of public service delivery systems on the local and state level. A means of achieving these ends is for Congress to establish by legislation a Presidential Commission on Urban Neighborhood Revitalization. The purposes of such a commission would be to: 1) evaluate the impact current and past federal programs and policies have on neighborhoods with particular emphasis on: a) the possible restructuring of financial systems with focus on developing subsidy and incentive programs, b) to determine more effective ways of melding of federal funds and programs with local conditions, and c) to review the role regulatory agencies play in dealing with neighborhood problems. 2) to evaluate the role of state government with emphasis on: investigating the ways states can support neighborhood revitalization through appropriate enabling legislation. 3) to evaluate and assess the most efficacious means of restructuring the procedures of governance through a mix of centralization and decentralization of services.

## Section 2. Establishment of Commission

(a) There is hereby established a commission to be known as the Commission on Urban Neighborhood Revitalization (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of twenty-four members appointed as follows:

1) two members of the Senate appointed by the President of the Senate;

2) two Members of the House of Representatives appointed by the Speaker of the House of Representatives; and

3) twenty members appointed by the President of the United States from persons specially qualified by training and experience to perform the duties of the Commission, no less than seven of whom shall be elected officers of legally chartered neighborhood organizations engaged in development and revitalization programs, no less than seven of whom shall be elected officials of local governments, and none of whom shall be officers of the executive branch of government.

The individuals so appointed shall be selected so as to provide representation to a broad cross-section of racial and ethnic groups, and at no time shall more than one of the members appointed under subparagraph 1), or more than one of the members appointed under subparagraph 2), or more than 10 members appointed under subparagraph 3) be members of the same political party.

(c) The President of the United States shall designate a Chairman and a Vice Chairman from among the members of the Commission.

(d) Thirteen members of the Commission shall constitute a quorum.

(e) The Commission shall meet at the call of the Chairman or at the call of the majority of the members thereof.

### Section 3. Duties

(a) The Commission shall undertake a comprehensive study and investigation of the factors contributing to neighborhood decline and of the potentiality for neighborhood development or stabilization. Such study and investigation shall include, but not be limited to--

1) an analysis of the efficacy of Federal, state, and local programs and policies relating to the stabilization and revitaliza-

tion of neighborhoods;

2) an identification of the administrative, legal, and fiscal obstacles to the adequate development and stabilization of neighborhoods;

3) an analysis of the patterns and trends of public and private investment in urban areas and the impact of such patterns and trends upon the decline and/or development of neighborhoods;

4) an assessment of existing mechanisms of neighborhood government;

5) an analysis of the impact of poverty and racial conflict upon the decline and/or development of neighborhoods;

6) an assessment of the performance of local and regional development plans and of their impact upon the decline and/or development of neighborhoods.

(b) Within two years after the date on which funds first become available to carry out this section, the Commission shall submit to the President and the Congress a comprehensive report on its study and investigation under this subsection which shall include its findings, conclusions, and recommendations and such proposals for legislation and administrative action as may be necessary to carry out its recommendations

#### Section 4. Compensation of Members

(a) Members of the Commission who are Members of Congress or full-time officers or employees of the United States shall serve without additional compensation and shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of the duties vested in the Commission.

(b) Members of the Commission other than those referred to in subsection (a), shall receive compensation at the rate of \$100 per day for each day they are engaged in the actual performance of the duties vested in the Commission and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

#### Section 5. Power and Administrative Provisions

(a) The Commission shall have the power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of Title 5, United States Code, governing appointments in the competitive service, and the provisions of Chapter 51 and Subchapter III of Chapter 53 of such title, relating to classification and General Schedule pay rates, but at rates not in excess of a maximum rate for GS-18 of the General Schedule under Section 5332 of such title.

(b) The Commission may procure, in accordance with the provisions of Section 3109 of Title 5, United States Code, the temporary or intermittent services of experts or consultants. Persons so employed shall receive compensation at a rate to be fixed by the Commission but not in excess of \$75 per day, including travel time. While away from his or her home or regular place of business in the performance of services for the Commission, any such person may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by Section 5703 (b) of Title 5, United States Code, for persons in the Government service employed intermittently.

(c) Each department, agency, and instrumentality of the United States is authorized and directed to furnish to the Commission, upon

request made by the Chariman or Vice Chairman, on a reimbursable basis or otherwise, such statisfied data, reports, and other information as the Commission deems necessary to carry out its functions under this title. The Chairman is further authorized to call upon the departments, agencies and other offices of the several States to furnish, on a reimbursable basis or otherwise, such statistical data, reports, and other information as the Commission deems necessary to carry out its functions under this title.

(d) The Commission will award contracts and grants for the purposes of evaluating existing neighborhood revitalization programs. These awards shall incude, but not be limited to--

- 1) representatives of legally chartered neighborhood organizations;
- 2) public interest organizations who have a demonstrated capability in the area of concern;
- 3) universities and other not-for-profit educational organizations.

(e) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this title, hold hearings, take testimony, and administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or member thereof. Hearings by the Commission will be held in neighborhoods with testimony received from citizen leaders and public officials who are engaged in neighborhood revitalization programs.

Section 6. Authorization of Appropriations

There are hereby authorized to be appropriated such sums as may be necessary to carry out this title.

Section 7. Expiration of the Commission

The Commission shall cease to exist thirty days after the submission of its report under Section 3.

# Silent Majority is ready to roar



Nicholas  
von Hoffman

WASHINGTON—Not everybody converging here this summer is coming to shoot candles in the air. The 2,000 representatives of National Peoples Action expected here June 13 apparently are intending to put their firecrackers under elected officials who won't have fled the city to escape contact with their constituents.

National Peoples Action describes itself as a federation of some 300 organizations in 50 cities whose members are mostly ethnics, Latins and blacks. They're angry about how the banks and savings and loan associations are starving their communities, refusing to make loans and mortgages necessary for their health and revivification.

A strange number has been done on working-class people the last few years. They've been flattered, told they were the salt of the earth, and made the subjects of worried and learned articles about the blue-collar blues.

LAVERNE and Shirley, those two Milwaukee beer bottlers out of the 1950's, have been made into TV queens, and in Fonzie, last generation's working-class youth, the original rock 'n' roll bike riders have been admitted into the circle of mass-media gentility.

The old neighborhood is a phrase uttered with near reverence, but for all the respect and sentimentality, these folks still haven't gotten much. While they've been manipulated with issues like abortion, busing, and prayer in schools, they still continue, by most every reckoning, to pay a disproportionately heavy share of the taxes.

If our leading politicians can climb out of the Panama Canal long enough to attend the June meeting, they'll find out from chairperson Gale Cincotta of the Chicago working-class area of Austin that the old neighborhood has a legislative agenda. The most important item on it is to require lending institutions to make loans in redlined areas of our metropolises.

Anything smacking of mandatory credit allocation sends the American Bankers Association howling and frothing in circles of anti-socialist consternation. Never mind the financial system is interlaced with de facto credit allocation mechanisms already, but bankers claim mandatory loans in redlined neighborhoods is a gimmick to destroy the free enterprise money

market and force them to make bad loans.

There's certainly no need to force them to make bad loans. As the experience over the last 10 years with Real Estate Investment Trusts shows, the bankers are already superbly adept at making bad loans without any help. Would that a modest fraction of the billions they've wasted on unwanted oil tankers and unsold condominiums had been dropped into some of our good, older neighborhoods.

The National Peoples Action program actually would require them to make good loans. Cincotta and her associates aren't demanding that the law require a banker to shell out to the first drunk who trips in the door to announce he'd like to buy himself a house. No, we already have a law like that under which the mortgage bankers and that most impossible of federal agencies, the Federal Housing Authority, have defrauded the public of scandalously large sums.

What's contemplated here is a law requiring lending institutions to make a mortgage after the buyer has made a sizeable down payment, perhaps even as high as 30 per cent.

The trouble is that these aren't exciting loans. The banks would get their 8 or 9 per cent, which means they've got their money back in 12 years, but there's no glamor to it. Where's the fun making mortgages to steady payers with good employment records and top credit ratings?

MOST NEW housing and community development programs are begun with exaggerated optimism. Virtually all of them have failed so there is no reason to assure people this, at long last, is the one we know will work. The abandonment of such large tracts of our cities by working-class populations has to be attributed to many different causes. But if this program fails, unlike most of the others, it won't cost the taxpayers or the bankers any money.

If people are willing to put that kind of down-payment money on the table, they're going to pay off the balance of the mortgage. Failure, if it happens, will simply take the form of people not applying for loans. The old neighborhoods will then continue toward wrack and ruin, but nobody'll lose any money.

It beats inviting folks to take a dive in the Panama Canal, skipper.

King Features Syndicate

CHICAGO TRIBUNE  
5/22/76

B

The White House has discovered that

And if it is still not thought to be meeting major ethnic needs, some Administration officials have shown they understand the problems of urban ethnic neighborhoods.

This became clear at a May 11 White House Conference on Ethnicity and Neighborhood Revitalization.

In a brief meeting during the conference, President Gerald Ford told some 70 ethnic leaders, "What do you think should be done?"

They told him -- through the White House staff running the conference -- and by the end of the day it seemed that something, in fact, would be done.

What the ethnic leaders said they wanted is a national policy for the revitalization of urban neighborhoods to make up for decades of government policies which destroyed and uprooted neighborhoods. They also want a government commission or task force study the impact of federal programs on neighborhoods.

Administration officials at the conference, including Secretary of Commerce Elliott Richardson, supported both recommendations.

Richardson, in particular, seemed to have mastered the language of the ethnic specialist. His talk to the conference included words and phrases which echoed speeches given by ethnic leaders such as Monsignor Gene Baroni, president of the National Center for Urban Ethnic Affairs, an affiliate of the U.S. Catholic Conference which cosponsored the White House Conference.

Some examples from Richardson's speech:

"The family and the neighborhood are the building blocks of our society". . . "the brick and mortar myopia of some urban strategists". . . "The shuttering of a store may be taken as an omen of the impending death of a neighborhood". . . "Create a psychology of reinvestment"

recognizing each other's right in a pluralistic society to build a sense of community and ethnic pride."

A national neighborhood policy, Monsignor Baroni said, would involve the "restructuring of financial resources" to aid neighborhoods, "The reorientation of federal programs, agencies and regulatory bodies" and "the provisions of technical assistance" through model legislation.

More specifically, he said, such a policy would involve:

- Restructuring government procedures to include a mix of centralization and decentralization of services.

- Restructuring the financial system with an emphasis on subsidy and incentive programs.

- Shaping federal programs to local conditions.

Overseeing regulatory agencies in the context of neighborhoods.

- Rearranging education and human service delivery systems to "increase utilization and decrease ethnic and racial tension and polarization."

The White House conference on ethnicity and neighborhoods was run by the White House for Public Liaison headed by William Baroody, Jr. The office tries to bring Administration officials together with what Baroody calls "the Fifth Estate" -- private voluntary agencies such as church, ethnic, labor, minority and women's groups.

The meetings allow the "Fifth Estate" groups to air their concerns to the White House and allow the White House to explain its policies to the groups.

The neighborhood conference is one of a series being organized by Myron Kuropas named last January to be Special Assistant to the President for Ethnic Affairs. Kuropas, who works out of Baroody's office, has worked on ethnic issues and with both minority groups and ethnics for a number of years.

Conference participants praised Baroody and Kuropas for their handling of the conference and their responsiveness. They also welcomed Richardson's talk and other signs -- the President's

wire story that appeared in most diocesan parish newspapers throughout the country.

anti-redlining bill his Administration once gave lukewarm support, and examples of constructive work with urban ethnic and minority business by the Small Business Administration and the Office of Minority Business Enterprise.

But the conference participants also expressed caution. "It's warming to hear our own words coming back at us," Irving Levine, director of the Institute for Pluralism and Group Identity, told the conference.

"But we must ask ourselves, 'Is it a cheap victory? Are we being handled?'"

Levine said "white urban ethnic neighborhood revitalization" should not be allowed to become another "black capitalism" -- a well-intentioned approach doomed to failure.

Levine also noted that the Administration's emphasis on general revenue sharing and bloc grant programs as answers to the needs of neighborhoods was "no substitute for a full-employment policy."

Revenue sharing, strongly backed by the Administration, has been criticized by a number of ethnic, minority and public interest groups. The National Conference of Catholic Charities, for example, testified before the House that the poor have "suffered" under revenue sharing.

Revenue sharing funds, which go to states and localities without federal "strings", were created partly by cuts in specific anti-poverty programs. But, Catholic Charities testified, less than five percent of revenue sharing funds have gone for social services for the poor and aged.

But the Administration is, somewhat unexpectedly, using the right language. That is,

# Neighborhood Life

By MICHAEL NOVAK



When Catholics began coming to America in great numbers about 100 years ago, they came almost exclusively to the north, and almost entirely to the northern cities.

Even today, Catholics are mainly an urban people, although many now also live in the rings of suburbs and towns that encircle the cities.

Within the cities, comparatively few Protestants are left, except among Blacks. Most of the Whites who live in Buffalo, Detroit, Cleveland, Syracuse, Chicago and other major cities are Catholics.

In these cities, the chief unit of living is the neighborhood. Ask city people where they live, and they usually name the parish, or the streets, or the local name. It is probably true that many college-educated Catholics have moved out of such neighborhoods and remember them only with some nostalgia or, perhaps pain. But a surprising number of Catholics never moved out. Moreover, in many of the suburbs and encircling towns built in the last 50 years, the situation today is rather like that of the cities themselves. Many suburbs and small towns are also mainly working class, with roots in similar city

neighborhoods. It is as though the children of immigrants themselves became migrants, and moved out more or less together to similar suburbs.

One should make a sharp distinction between upper-class suburbs and working-class suburbs. Scarsdale, Royal Oak, Evanston, Shaker Heights — these are not suburbs in the same way that Levittown, Pontiac, Cicero or Parma are.

What is happening to the neighborhoods and suburbs in which Catholics are numerous? There seems to be no national perspective in such living units. There seems to be no national policy. National discussion seems to imagine that people live in, or identify with, the large cities. What if it is true that people care most about their moderate living conditions?

The White House held a conference on just this question on May 5. Msgr. Geno Baroni led off the discussion. Blacks, Hispanics, and other Americans of many different cultures and histories took part.

At present, few policies of banks, realtor, or government help neighborhood people. Neighborhoods are not usually legal entities. They lack legal power. Often, banks take the savings of people in city neighborhoods and invest them in the suburbs, or in shopping plazas in distant parts of the country. Often, people in the neighborhoods can't get loans to add an extra room, or to repair the roof, or to replaster walls, injured by decades of rumbling traffic in the Street.

Almost everything at present encourages people to

leave the cities. Jobs flee. Crime rises. Property falls. Not all of this is due to the northward migration of Blacks. But, though public rhetoric supports racial integration, few public policies or practices do. Neighborhoods that integrate seldom gain more frequent pick-up, better street repairs, better security of limb and property, better quality schools. On the contrary, institutional racism sets in — and both Whites and Blacks suffer.

A new neighborhood policy is the front-line issue for the future. Liberals of the last decade have made errors of judgment and analysis. The new liberalism in the future must do a better job of understanding and strengthening — the basic instructions in which people actually live and move and have their being: families, in their neighborhoods.

A genuine liberation theology, based on reality here, where the Catholic people, by and large, are. It is a shame that Catholic writers and politicians have not developed a specifically Catholic analysis of our northern cities. It is a shame they have been imitators of others.

Family and neighborhood — these are the two basic units of understanding several of the nation's chief dilemmas. They offer hope for a fresh, concrete, down-to-earth revolution, Catholic in style, open to all.

President Ford deserves credit for encouraging fresh investigations.

# Ford Sets Conference On Ethnic Problems

WASHINGTON — (CDN) — President Ford, focusing White House attention on the nation's ethnic population, has scheduled a May 5 conference on ethnic problems.

The President has indicated, according to William Baroody, his assistant for public liaison matters, that the so-called "melting pot" theory has failed.

"We think America is much more of a mosaic than a melting pot . . . we don't think America can be homogenized like milk," Baroody said.

The presidential aide, charged with setting up effective exchange of ideas through nationwide direct contacts between the President and leaders in various branches of public life — usually by having Ford answer questions after a short public address on a specific topic — is arranging the conference.

The theme will be "ethnicity and neighborhood revitalization," and the meeting is to be cosponsored by Washington's National Center for Urban Ethnic Affairs.

The center is under the leadership of the Rev. Geno Baroni, an outspoken advocate of cooperative approach by all ethnic groups, including blacks and Hispanic-descended persons, to solve basic problems that, in Baroni's view, lead to social change.

Working with Baroody is Myron Kuropas, a Chicagoan of Ukrainian descent. On the White House staff since January, he was formerly active in the Federal Action program involving the elderly in volunteer work.

Baroody, in discussing ethnic problems, said the White House is trying "to bring about a politics of participation"

among groups, rather than one of "exclusion."

He acknowledged the question is a sensitive one, especially when it involves changing neighborhood patterns, such as expanding central city black areas meeting the "boundaries" of the more European-oriented communities.

Asked if he believed the melting pot theory had failed, Baroody replied, "I don't think it ever was viable." Studies, as well as the experiences of cities such as Chicago, Boston, San Francisco and others, supported this view, he said.

Baroody did not state that the President holds exactly the same attitude.

But, he explained, Ford's reply to a group of editors on April 13, when asked about former Gov. Jimmy Carter's statement on "ethnic purity," reflected a belief that "pluralism and diversity contribute to the strength of America."

While his staff includes special assistants for a half dozen categories of population, including women, blacks, and the Hispanic-descended, no special classification exists for American Indian affairs, he acknowledged.

Indian problems are considered along with those of other ethnic groups, he said.

Baroody said that White House lawyers are studying the recent Supreme Court decision holding that U.S. officials guilty of cooperating with race bias policies in urban housing can be ordered by lower courts to pursue desegregated housing goals in the suburbs.

Baroody would not elaborate on the reasons for the study of the decision, except to say that it was "to see what the Supreme Court has directed."

# Ford views America as 'ethnic mosaic'

By Robert Greenberg  
Of Our Washington Bureau

WASHINGTON — President Ford is focusing White House attention on the nation's ethnic population, whose heritage he described recently as "a great treasure of the country."

The President had indicated, according to William Baroody, his assistant for public relations matters, that the so-called "melting pot" theory has failed.

"We think American is much more of a mosaic than a melting pot... We don't think America can be homogenized like milk," Baroody told a group of reporters Thursday.

The presidential aide, charged with setting up effective exchange of ideas through nationwide direct contacts between the President and leaders in various branches of public life—usually, by having Ford answer questions after a short public address on a specific topic—is currently arranging a May 5 White House

conference on ethnic problems.

THE THEME will be "Ethnicity and Neighborhood Revitalization," and the meeting is to be co-sponsored by Washington's National Center for Urban Ethnic Affairs.

The center is under the leadership of the Rev. Gene Barron, an outspoken advocate of a co-operative approach by all ethnic groups, including blacks and Hispanic-descended persons, to solve basic problems that, in Father Barron's view, lead to social changes.

Working with Baroody is Myron Kuropas, a Chagoan of Ukrainian descent. On the White House staff since January, he formerly was active in the federal ACTION program involving the elderly in volunteer work.

BAROODY, in discussing ethnic problems, said the White House is trying "to bring about a politics of participation" among groups, rather than one of "exclusion."



William J. Baroody Jr.

He acknowledged the question is a sensitive one, especially when it involves changing neighborhood patterns, such as expanding central city black areas meeting the "boundaries" of the more European-oriented communities.

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While his staff includes special assistants for half a dozen categories of population, including women, blacks, and the Hispanic-descended, no special classification exists for American Indian affairs, he acknowledged. Indian problems are considered along with those of other ethnic groups, he explained.

Baroody said White House

lawyers are studying Tuesday's Supreme Court decision holding that U.S. officials guilty of co-operating with racially biased policies in urban housing can be ordered by lower courts to pursue desegregated

housing goals in the future. Baroody would not comment on the reasons for the decision, except to say he would like to see what the Supreme Court has directed. Ford has no public comment on