

**The original documents are located in Box 1, folder “10/2/75 - National Housing Rehabilitation Conference” of the Carla A. Hills Speeches at the Gerald R. Ford Presidential Library.**

### **Copyright Notice**

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Gerald Ford donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

FINAL

NATIONAL HOUSING REHABILITATION CONFERENCE

OCTOBER 2, 1975

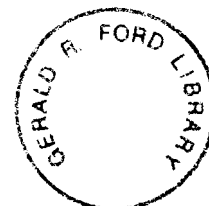
THIS CONFERENCE IS WHAT ANY PRACTICAL BUSINESSMAN  
WOULD CALL A "WHAT'S IN IT FOR ME?" SESSION.

I'M COMFORTABLE WITH THAT.

MY JOB INVOLVES SOME 16 MILLION AMERICANS WHO NOW LIVE  
IN SLUM CONDITIONS -- AND IF YOU PEOPLE CAN REALLY HELP  
THIS NATION PROVIDE THEM WITH DECENT HOUSING IN A SUITABLE  
LIVING ENVIRONMENT, I'M INTERESTED.

IT'S FOR SURE THE JOB ISN'T GOING TO BE DONE IF  
EVERYBODY JUST SITS AROUND AND PHILOSOPHIZES ABOUT IT.

THE 1974 HOUSING AND COMMUNITY DEVELOPMENT ACT WAS  
DESIGNED SPECIFICALLY TO MEET AND BEAT THE AGONIZING  
PROBLEMS OF THE "HOUSING POOR" -- WHICH IS A WASHINGTON  
CLICHE FOR PEOPLE WHO LIVE IN SLUMS.



BUT IT IS PRACTICAL ENOUGH, IN APPROACH AND APPLICATION,  
TO UNDERSTAND THE MOTIVATING FACTOR IN AMERICAN, INDEPENDENT  
ENTERPRISE.

-- THE JOB CAN'T BE DONE WITHOUT MONEY;

-- AND IF WE DON'T GENERATE IT IN THE HOUSING INDUSTRY  
ITSELF, WE MIGHT AS WELL PACK UP THE ACT AND GO HOME.

SO, NO MATTER HOW YOU READ ANY OF THE ITEMS ON YOUR  
CONFERENCE AGENDA -- THEY ALL GET DOWN TO THAT UNDERLYING  
BASIC OF FREE ENTERPRISE:

MONEY!

FAIR ENOUGH -- WE WILL TALK ABOUT MONEY.

SOME OF THE PAST PRACTICES IN HOUSING -- FEDERAL, STATE,  
LOCAL, AND PRIVATE INDUSTRY -- HAVE SQUANDERED MORE OF IT  
THAN ANYBODY IN THIS ROOM WILL EVER SEE.



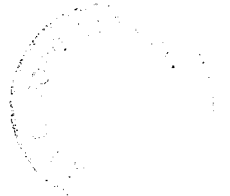
HAPHAZARD, NO-POLICY LAND USE HAS DESECRATED BILLIONS OF DOLLARS WORTH OF NATURAL RESOURCES. AND IT HAS WASTED UNCOUNTED MILLIONS OF ABANDONED CAPITAL ASSETS -- HOUSES; WATER MAINS; SEWERS; STREETS, ENTIRE NEIGHBORHOODS.

IN THE NATION'S COMPASSIONATE PLEDGE TO HOUSE ITS POOR, A FEW FOOTLOOSE FREEBOOTERS INVENTED THE PHRASE: "COSMETIC REHAB" -- AND TARNISHED THE INDUSTRY'S GREATEST ASSET OF ALL: "PUBLIC CONFIDENCE".

WELL, WE'RE NOT GOING TO GET ANYWHERE, TALKING ABOUT WHAT HAS PASSED -- BUT AS YOU GET ON WITH THE NUTS AND BOLTS OF ATTRACTING FEDERAL SEED MONEY FOR FUTURE PROGRAMS IT IS WELL TO KEEP PAST HISTORY IN MIND.

BECAUSE THE ACT OF '74, UNDER WHICH ALL OF US ARE NOW OPERATING, WAS WRITTEN AGAINST A DECADE OF EXPERIMENTATION WITH A HOST OF WELL-MEANING PROGRAMS THAT SIMPLY DID NOT WORK.

I AM COMMITTED, PERSONALLY AND BY LAW, TO THE REVITALIZATION OF OUR URBAN NEIGHBORHOODS.



IT IS OBVIOUS, FROM ALMOST EVERY VIEWPOINT -- LAND USE, LABOR COSTS, CAPITAL INVESTMENT, AND USE OF EXISTING ASSETS -- THAT ONE OF THE MOST IMMEDIATE (AND BEST) WAYS TO HOUSE THE POOR DECENTLY IS THROUGH REHABILITATION.

YOUR PRESIDENT TOLD ME LAST WEEK THAT YOUR INDUSTRY -- WITH HUD'S HELP -- CAN PROVIDE 100,000 SUBSTANTIALLY REHABILITATED UNITS FOR THIS NATION'S "HOUSING POOR" IN THE NEXT 12 MONTHS.

THAT'S TALKING MY LANGUAGE, SO LET'S EXPLORE HOW HUD CAN HELP.

UNDER THE NEW ACT (AND, AS AMENDED BY CONGRESS) HUD HAS AT LEAST FIVE PROGRAMS THAT PROVIDE FINANCIAL ASSISTANCE FOR PROPERTY REHABILITATION AND NEIGHBORHOOD CONSERVATION.

YOU'RE UNDOUBTEDLY, ALREADY FAMILIAR WITH MOST OF THEM.

BUT LET ME ENUMERATE THEM, AGAIN -- POINTING OUT SOME OF THE RECENT CHANGES -- FOR IN DEALING WITH A MASSIVE, LIVING SUBJECT LIKE THIS ONE -- YOU CAN'T ALWAYS BE SURE THAT WHAT YOU KNEW ABSOLUTELY YESTERDAY IS VALID TODAY.

THE FIRST AND LARGEST OF HUD'S ASSISTANCE PROGRAMS IS THE COMMUNITY DEVELOPMENT BLOCK GRANT -- WITH OVER \$2 BILLION ALREADY APPROVED FOR STATE AND LOCAL USE AS OF AUGUST.

AS YOU KNOW, THESE GRANTS COVER THE FULL SPECTRUM OF COMPREHENSIVE NEIGHBORHOOD CONSERVATION AND PROPERTY REHABILITATION -- HOUSE-BY-HOUSE, BLOCK-BY-BLOCK.

UNDER THE PROGRAM, LOCAL APPLICANTS HAVE BEEN BUDGETING MORE FOR REHABILITATION THAN EVER BEFORE. SPECIFICALLY, NEARLY 10 PERCENT -- OR MORE THAN \$200 MILLION -- OUT OF OUR FISCAL '75 \$2 BILLION-PLUS APPROPRIATION.

IN ADDITION, THE BLOCK GRANTS PROGRAM CAN PROVIDE MUCH MORE THAN THIS RATHER HEFTY AMOUNT.

HUD'S REQUIRED PROVISIONAL REPORTS INDICATE THAT UP THROUGH MARCH OF THIS YEAR -- 90 PERCENT OF ALL FUND RECIPIENTS (ALMOST ELEVEN HUNDRED OF THEM) ARE INVOLVED IN "SIGNIFICANT" NEIGHBORHOOD PROJECTS.

"SIGNIFICANT" IN THIS CASE IS HUD SHORTHAND FOR 40 PERCENT OR MORE OF A LOCALITY'S TOTAL ENTITLEMENT -- LESS ADMINISTRATION AND CONTINGENCIES.

THESE FUNDS, EARMARKED FOR NEIGHBORHOOD CONSERVATION, ADDRESS SUCH ITEMS AS CODE ENFORCEMENT, URBAN RENEWAL, REHABILITATION LOANS AND NEIGHBORHOOD IMPROVEMENTS.

THE SECOND PROVISION OF PARTICULAR APPLICATION TO YOUR INDUSTRY IS SECTION 312 OF THE ACT -- THE REHABILITATION LOAN PROGRAM.

ESTIMATED FUNDING LEVEL FOR FISCAL '75 IS ABOVE \$46 MILLION, JUMPING TO OVER \$56 MILLION IN FISCAL '76. CONGRESS IS PRESENTLY CONTEMPLATING ADDING ANOTHER \$50 MILLION FOR FISCAL '76.

FORMAL APPROVALS FOR FISCAL '75 HAVE (ALREADY) PASSED THE \$52 MILLION MARK.

UNDER THIS SECTION, THE HUD SECRETARY IS AUTHORIZED TO MAKE LOANS AVAILABLE FOR RESIDENTIAL AND NON-RESIDENTIAL REHABILITATION.

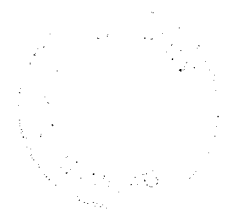
APPROVAL IS RESTRICTED TO URBAN RENEWAL PROJECTS, NEIGHBORHOOD DEVELOPMENT AND CODE ENFORCEMENT PROGRAMS.

WE CAN ALSO MAKE LOANS FOR REHABILITATION THAT IS NECESSARY OR APPROPRIATE TO AN APPROVED COMMUNITY DEVELOPMENT PROGRAM (UNDER TITLE I) OR URBAN HOMESTEADING PROGRAM (UNDER SECTION 810).

SINCE I UNDERSTAND THAT YOU WILL BE COVERING URBAN HOMESTEADING IN YOUR SESSIONS TODAY AND TOMORROW, I WON'T GO INTO ITS DETAILS IN THIS SHORT PERIOD. BUT, AS YOU DISCUSS IT, I'D LIKE YOU TO REMEMBER THAT IT IS A DEMONSTRATION PROGRAM FOR WHICH I HAVE CONSIDERABLE HOPE.

WE WILL BE ANNOUNCING ABOUT 20 HOMESTEADING CITIES IN THE NEXT FEW WEEKS.

THE INGENUITY AND AMBITION OF THE CITIES SELECTED IN DEVISING HOMESTEADING PROGRAMS IS EXCITING. PROPOSALS FOR REHABILITATION OF HOMESTEAD PROPERTIES RANGE FROM REVOLVING CONSTRUCTION LOANS TO THE LOCALITIES -- TO COMPLEX LEVERAGING STRATEGIES TO SECURE PRIVATE FINANCING.





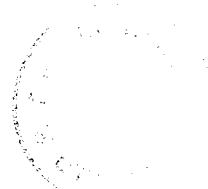
MANY OF THE CITIES ARE PROVIDING TECHNICAL RESOURCES FOR HOMESTEADERS -- SUCH AS WORK WRITE-UPS, REHAB COUNSELING, MONITORING, AND INSPECTORS. THIS IS ONE AREA IN WHICH THE "SAVVY" OF YOUR INDUSTRY CAN REALLY AID OUR CITIES. AND I HOPE YOU WILL HELP.

FIVE MILLION DOLLARS OF SECTION 312 LOAN MONIES HAVE BEEN EARMARKED FOR OUR URBAN HOMESTEADING PROGRAM.

WE AUTHORIZE THE USE OF THESE MONIES WHEN COMPARABLE TERMS AND CONDITIONS AREN'T AVAILABLE ELSEWHERE.

YOU COULD HARDLY FIND A BETTER SIGN THAT THE ADMINISTRATION AND THE CONGRESS ARE REALLY COMMITTED TO REHABILITATION AS A WAY OF THE FUTURE FOR OUR CITIES.

BUT IT PUTS IT ON YOU TO DELIVER ON EVERY STANDARD REQUIRED BY FEDERAL LAW AND LOCAL ORDINANCE.



AS OF JANUARY FIRST, HUD HAD MADE CLOSE TO 39,000 SECTION 312 LOANS TO REHABILITATE NEARLY 60,000 DWELLING UNITS AND 250 NON-RESIDENTIAL STRUCTURES -- NOT COUNTING OUTSTANDING EARLY COMMITMENTS.

A THIRD AVENUE OF ASSISTANCE IS HUD'S CONTINUING PROGRAM TO PROVIDE FUNDS TO LOCALITIES UNDER THE SECTION 115 REHABILITATION GRANT PROGRAM.

THESE GRANTS, EMANATING FROM HUD'S PRIOR RENEWAL PROGRAM, FOR RESIDENTIAL PROPERTY, ARE LIMITED TO \$3,500 -- OR THE ACTUAL COST OF REPAIRS -- WHICHEVER IS LESS.

THE MONEY MUST BE USED TO BRING THE PROPERTY UP TO PUBLIC STANDARDS FOR DECENT, SAFE AND SANITARY HOUSING.

APPLICANTS MAY BE OWNER-OCCUPANTS OF PROPERTIES CONTAINING ONE-TO-FOUR DWELLING UNITS. HIS, OR HER, INCOME MAY NOT EXCEED \$3,000 -- UNLESS HE, OR SHE, IS REQUIRED TO SPEND MORE THAN 25 PERCENT OF INCOME FOR HOUSING.



THE ESTIMATED FISCAL '75 GRANT APPROVALS ARE \$30 MILLION -- INCREASING TO \$32 MILLION IN FISCAL '76.

THE CUMULATIVE TOTAL GRANTS AS OF JANUARY FIRST WERE \$162.5 MILLION -- TO REHABILITATE OVER 65,000 HOUSING UNITS.

A FOURTH AND VERY IMPORTANT SOURCE OF REHAB INDUSTRY OPPORTUNITY IS OUR RENTAL ASSISTANCE PROGRAM FOR LOWER INCOME FAMILIES -- UNDER SECTION 8 OF THE ACT.

THIS PROGRAM IS A VALUABLE SAFEGUARD AGAINST DETERIORATION AND ULTIMATE ABANDONMENT OF INNER CITY PROPERTIES. IT IS DESIGNED TO ACHIEVE THE END OBJECTIVE OF PROVIDING DECENT HOUSING FOR THE POOR, WHILE AT THE SAME TIME -- AND THIS IS IMPORTANT -- SPURRING THE RETURN OF EXISTING STOCK TO PRODUCTIVE USE.

IT OFFERS THE OWNER AN ECONOMIC INCENTIVE -- THAT IS ADEQUATE INCOME -- TO PRESERVE AND RESTORE RENTAL HOUSING STRUCTURES.

IT ASSURES HIM A FAIR MARKET RENT.

AND IT ALSO PROVIDES RENTAL SUBSIDIES TO POOR TENANTS IN EXISTING DWELLINGS.

WE WILL FUNNEL \$1.6 BILLION INTO THIS PROGRAM IN THE COMING YEAR.

THE FIFTH AND FINAL ITEM ON MY LAUNDRY LIST OF PLACES TO LOOK FOR INDUSTRY OPPORTUNITY IS HUD'S NATIONWIDE PROGRAM TO SELL ITS INVENTORY OF REPOSSESSED HOMES ON AN "AS-IS" BASIS.

OUR OBJECTIVE IS TO GET THESE HOUSES BACK IN THE HANDS OF HOMEOWNERS AS QUICKLY AS POSSIBLE -- AT PRICES THAT WILL ENCOURAGE THEM -- AND FINANCIALLY ALLOW THEM -- TO REHABILITATE THEIR OWN HOMES.

ALL OF US HAVE A STAKE OF HONOR AND TRUST IN THIS UNDERTAKING.

THE PEOPLE WHO WILL OWN AND LIVE ON THESE PROPERTIES WILL BE INVESTING THEIR PRECIOUS-FEW EARNINGS AND SAVINGS IN AMERICA'S OLDEST DREAM OF HOMEOWNERSHIP. THEIR SURROUNDING NEIGHBORS WILL BE CONCERNED WITH CONSEQUENCES -- GOOD OR BAD.



AND AMERICA, HERSELF, WILL BE WATCHING TO SEE IF THIS BECOMES JUST ONE MORE CRUEL JOKE ON THE POOR.

I GIVE MY WORD THAT HUD WILL HOLD FAST TO EVERY COMMITMENT IN MAKING THIS PROGRAM WORK TO THE ADVANTAGE OF ALL -- INCLUDING THE PRE-SALE REPAIR OF PROPERTIES THAT ARE HAVING A DETRIMENTAL EFFECT ON THE SURROUNDING NEIGHBORHOOD.

THE AMERICAN PEOPLE WILL EXPECT NO LESS FROM THE FIRMS WHO WILL BID ON AND WIN THESE PRIVATE REHABILITATION CONTRACTS.

WHAT I HAVE GIVEN YOU IS NOTHING MORE THAN A RAPID RECAP OF REHAB PROGRAMS AT HUD -- IN LARGE PRINT.

YOU'LL GET DOWN TO THE FINE PRINT AS YOUR CONFERENCE PROGRESSES.

TAKEN ALTOGETHER, THE ADMINISTRATION AND THE CONGRESS HAS COMMITTED MILLIONS TO BETTERING THE LOT OF THE NATION'S HOUSING POOR THROUGH NEIGHBORHOOD CONSERVATION AND REHABILITATION.

THAT IS MONEY WE CAN TALK ABOUT. SO LET'S TALK.

I AM PLEASED TO ANSWER YOUR QUESTIONS.

