

The original documents are located in Box 2, folder “4/1/76 - Advertising Council” 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 Gerald Ford donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections.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

ADVERTISING COUNCIL

APRIL 1, 1976

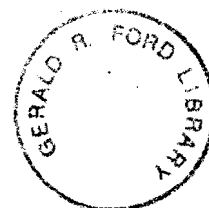
THANK YOU, MARGITA.

YOU MAY RECALL THE WORDS OF THE PROPHET ISAIAH WHO SAID
-- TWENTY-FIVE HUNDRED YEARS AGO:

"THEY SHALL REBUILD THE ANCIENT RUINS;
. . . AND RESTORE THE RUINED CITIES,
DESOLATE NOW FOR GENERATIONS."

ALTHOUGH, ISAIAH WAS FOCUSING ON THE ANCIENT KINGDOM OF
JUDAH -- HE COULD HAVE BEEN TALKING ABOUT ANY NUMBER OF
AMERICAN CITIES IN THE 20TH CENTURY.

HAVING BEEN ASKED TO DISCUSS THE "NEW" PROBLEMS OF THE
CITIES, I EVOKE THE ANCIENT PROPHET BECAUSE IT BECOMES MORE
AND MORE EVIDENT -- AS WE STUDY THE SUBJECT -- THAT OUR
CITIES' NEW PROBLEMS ARE REALLY OLD ONES. THE ONLY DIFFERENCE
IS THAT THEY ARE COMPOUNDED BY NUMBERS AND MAGNIFIED BY AN
AWARENESS OF OUR SCARCE RESOURCES.



WHAT IS NEW -- IS THAT WE ARE RAPIDLY RUNNING OUT OF OPTIONS. AT THE TIME OF ISAIAH THE WORLD WAS MAN'S OYSTER. TODAY, IT IS HIS CRAMPED OYSTER SHELL.

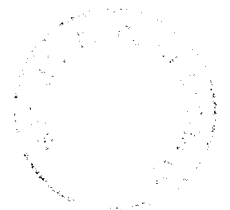
IN THE LAST TWO DECADES WE HAVE WITNESSED A MASSIVE OUT-MIGRATION THAT MOVED THE CITY'S WEALTH AND VITALITY TO AN EVER-WIDENING RING OF SUBURBS.

EVEN IN THE PAST SHORT YEAR, WE HAVE WATCHED CITIES AGE UNDER THE HEAVY WEIGHT OF SCARY HEADLINES FOREBODING FISCAL DOOM.

IT IS NOT TOO DIFFICULT TO VERBALIZE THESE PROBLEMS -- OR TO COMPREHEND WHAT IS INVOLVED FOR A CITY WHEN AN AMERICAN STOCK EXCHANGE OR A UNION CARBIDE VOTES FOR A CORPORATE EXODUS. OR HOW THOSE DECISIONS AFFECT OTHERS WITH CITY INTERESTS.

WHAT IS TROUBLESOME IS THAT THE BULK OF WHAT WE READ ON THE SUBJECT MERELY RECITES A SAD LIST OF URBAN INFIRMATIES AND A DETAILED HISTORY OF HOW THEY CAME ABOUT.

WE KNOW THE PROBLEMS. I'D LIKE TO TALK ABOUT SOME OF TODAY'S OPPORTUNITIES.



I SEE THE FORCES OF ENERGY, MOBILITY AND BECKONING SPACE
-- WHICH ONCE COMBINED TO INDUCE WEALTH AWAY FROM OUR CITIES
-- NOW COMBINED IN A WAY THAT COULD ENABLE US TO CREATE A NEW
ERA OF URBAN OPPORTUNITY.

WE START WITH THE NOT-VERY-SURPRISING PROPOSITION THAT
A CITY IS "PEOPLE" -- AND A HEALTHY CITY IS A CITY OF ALL KINDS
OF PEOPLE IN EVERY INCOME STRATA, PROVIDING ENERGY, CREATIVITY,
PERSONAL INVOLVEMENT AND, PARTICULARLY, EARNING POWER.

WE CAN READILY CALCULATE THE INVESTMENT MONEY NEEDED
TO REPAIR, REHABILITATE OR REBUILD AN OLD URBAN NEIGHBORHOOD.
BUT THE GREATEST NEED OF ALL IS HUMAN RE-INVESTMENT.

ABOUT 20 PERCENT OF AMERICAN FAMILIES MOVE EACH YEAR.
WE KNOW WHICH END OF THE TAX-PAYING MIX HAS REPLACED THE
FAMILIES WHO HAVE LEFT CITIES OVER THE PAST TWO DECADES.

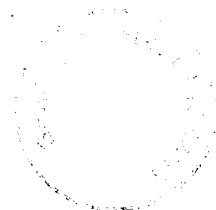
TODAY, THE HIGH COST AND SKIMPY AVAILABILITY OF FUEL
-- COUPLED WITH SCARCE LAND, STRICTER CODES, AND SHEER COST
OF SUBURBAN CONSTRUCTION -- HAVE COMBINED TO PROVIDE OUR
CITIES WITH A NEW WEALTH OF HUMAN RE-INVESTMENT POTENTIAL.

IN TRUTH, FOR THE FIRST TIME IN MORE THAN A DECADE, PEOPLE OF GREATER MEANS ARE FINDING MORE REASONS FOR MOVING INTO THE CITY THAN FOR MOVING OUT OF IT.

THE CITY'S OPPORTUNITY TO ACCOMMODATE THEM -- TO SAY NOTHING OF HELPING THEM STRETCH DOLLARS WHILE ENHANCING THE COMMUNITY COFFERS -- WAS SUMMED UP LAST FALL BY WOLF VONECKARDT IN THE WASHINGTON POST WHEN HE SAID:

"AS THE COST OF NEW CONSTRUCTION KEEPS RISING, CITIES ARE REDISCOVERING THEIR VAST STOCK OF OLD AND NEGLECTED HOUSES AND APARTMENT BUILDINGS. REHABILITATION IS STILL EXPENSIVE BUT EVEN 'GUT REHABILITATION' IS GENERALLY ONE-THIRD LOWER THAN NEW CONSTRUCTION."

WE KNOW THAT IT TAKES ALMOST 50 PERCENT LESS OF EVERYTHING -- LAND, LABOR, MONEY, AND ENVIRONMENTAL DISRUPTION -- TO REHABILITATE A CITY NEIGHBORHOOD THAN TO BUILD A NEW SUBURB.



HOWEVER, WE ALSO KNOW THAT "COST" ALONE -- EVEN WITH THE PRESSURES OF INFLATION -- IS NOT ENOUGH TO ATTRACT THE MIDDLE AND HIGHER INCOME FAMILIES IN THE KIND OF NUMBERS THAT CITIES NEED FOR THEIR SURVIVAL.

SO, LET US LOOK AT CURRENT DEMOGRAPHIC TRENDS. TODAY, MORE THAN 50 PERCENT OF OUR TOTAL POPULATION LIVE IN ADULT-ORIENTED HOUSEHOLDS. MORE THAN 80 PERCENT OF OUR NATIONAL POPULATION GROWTH BETWEEN 1970 AND 1974 WAS IN SMALL FAMILIES AND WOMEN COMPRISE NEARLY HALF OF OUR NATION'S WORKFORCE.

CHARACTERISTICALLY, THESE HOUSEHOLDS COMPRISE SINGLES, YOUNG MARRIEDS WITH FEW OR NO CHILDREN AND THE ELDERLY AND INCREASINGLY ALL OF THE ADULTS, MEN AND WOMEN, WANT JOBS.

AND, THESE ARE THE FAMILIES WHOSE LIFE STYLES ARE MOST SUITED TO THE VERY THINGS OUR CITIES HAVE TO OFFER -- SMALLER HOUSING CONVENIENT TO WHITE COLLAR JOBS, ENTERTAINMENT AND CULTURAL AMENITIES, RECREATIONAL OPPORTUNITIES, AND, VERY OFTEN, THE CHARM OF OLDER HOUSES.

AND, THEY ARE ALREADY MOVING BACK. WHILE POPULATION DECLINED IN SEVERAL METROPOLITAN AREAS, THE NUMBER OF HOUSEHOLDS INCREASED.

IN THE WASHINGTON AREA, FOR EXAMPLE, THE PRINCIPAL INCREASE IN POPULATION HAS BEEN IN THE 25-35 YEAR AGE GROUP, BUT WITH A SUBSTANTIAL DROP IN THE NUMBER OF SCHOOL-AGE CHILDREN.

AS FOR THEIR POTENTIAL IN STABILIZING THE FUTURE CITY TAX BASE, THESE NEW URBAN DWELLERS ARE IN THE MIDDLE-UPPER INCOME RANGE -- AND, FOR THE MOST PART, COLLEGE GRADUATES WHO WORK IN THE PROFESSIONS OR BUSINESS POSITIONS.

THEIR COLLECTIVE AFFLUENCE AND EDUCATIONAL LEVELS ACCENT THE CULTURAL AND INTELLECTUAL PURSUITS WHICH, IN TURN, ARE MOST APTLY AVAILABLE IN THE URBAN ENVIRONMENT.

ALTHOUGH THE OUT-MIGRATION OF COMMERCIAL AND INDUSTRIAL ENTERPRISE HAS MATCHED THE CITIZEN FLIGHT TO THE OUTSKIRTS OF TOWN, THE RE-LOCATION OF "DOWNTOWN" OFFICES IS, ON THE INCREASE -- ABETTING THE RETURN OF THE PEOPLE WHO MUST RUN THEM.

WE ARE SEEING THE SHIFT IN THE OCCUPATIONAL DISTRIBUTION OF THE CITIES' LABOR FORCE TOWARDS PROFESSIONAL, TECHNICAL AND MANAGERIAL SKILLS.

ALTHOUGH CITIES GAINED ONLY 4 PERCENT IN EMPLOYED RESIDENTS OF ALL KINDS FROM 1960 TO 1970 -- 26 PERCENT OF THEM WERE PROFESSIONAL, TECHNICAL OR MANAGERIAL PEOPLE.

AND, OF COURSE, YOUNG PEOPLE IN CLERICAL OR START-UP JOBS HAVE NOT LOST THEIR ZEST FOR THE ATTRACTIONS AND CONVENIENCE OF CITY LIVING.

WE KNOW THAT THESE POTENTIAL NEW URBAN DWELLERS GRAVITATE TO HISTORIC NEIGHBORHOODS; NEIGHBORHOODS AROUND COLLEGES AND UNIVERSITIES; NEIGHBORHOODS WITH UNUSUAL ARCHITECTURAL STYLES; AND NEIGHBORHOODS NEAR PUBLIC SQUARES AND PARKS.

WE ALSO KNOW THAT THEY ARE OFTEN ATTRACTED BY THE GREATER CONVENIENCES OF URBAN LIVING. LOCAL SHOPS NOT ONLY ADD TO THE CHARACTER OF THE NEIGHBORHOOD BUT ALSO PROVIDE A LIFE-EASE OFTEN LACKING IN THE SPREAD OF SUBURBIA.

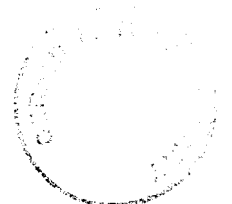
IT SOUNDS A BIT CIRCULAR; MERCHANTS WILL LOCATE WHERE THERE ARE CUSTOMERS AND CUSTOMERS WILL LOCATE WHERE THERE ARE MERCHANTS. BUT, IT IS MORE GEOMETRIC THAN CIRCULAR. FOR RESTORATION THRIVES IN THESE NEIGHBORHOODS, AND ONCE BEGUN, SPREADS TO CONTIGUOUS, LESS REMARKABLE NEIGHBORHOODS.

OUR CITIES, ALONE, DO NOT BEGIN TO HAVE THE FUNDS TO REBUILD ALL OF THESE NEIGHBORHOODS. MOST OF THE CAPITAL INVESTED IN OUR URBAN AREAS IS AND ALWAYS WILL BE PRIVATE.

BUT, INGENUITY IS ONE AMERICAN TRAIT THAT HAS NOT BEEN OUTMODDED. OUR CITIES ARE BEGINNING TO USE THEIR LIMITED FUNDS FROM ALL SOURCES, FEDERAL, STATE AND LOCAL, IN SURPRISINGLY CREATIVE WAYS TO PROVIDE EFFECTIVE INCENTIVES FOR PRIVATE IN-TOWN INVESTMENT.

IT IS THAT CREATIVITY COUPLED WITH THE ABILITY TO PERCEIVE NEIGHBORHOOD PROBLEMS AND TO DEVISE SOLUTIONS THAT HAS CAUSED THIS ADMINISTRATION TO SEEK FULL FUNDING FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FOR THE NEXT FISCAL YEAR AND TO URGE EXTENSION OF GENERAL REVENUE SHARING.

AND, CITIES ARE USING THESE FEDERAL FUNDS TO INDUCE INVESTMENT FROM OTHER SOURCES.



FOR EXAMPLE, CITY LEADERS HAVE LEARNED THAT ONE OF THE SURE WAYS OF DEPLETING THE LOCAL INCOME IS TO TAX THEIR TAXPAYERS RIGHT OUT OF TOWN; AND THAT PATIENCE CAN YIELD MORE REAL DOLLARS IN THE LONG HAUL.

SOME OF THEM HAVE EXHIBITED THEIR PATIENCE BY THEIR WILLINGNESS TO POSTPONE TAX REVENUES -- AS AN INVESTMENT IN THE FUTURE.

FOR EXAMPLE, THE KENTUCKY LEGISLATURE IS BEING ASKED TO ALLOW A 5-YEAR MORATORIUM ON PROPERTY TAXES FOR RENOVATED DWELLINGS. AND WHY NOT? WHAT IS THE 5-YEAR TAX POTENTIAL OF A HOUSE THAT JUST SITS THERE AND ROTS?

WILMINGTON, HARTFORD AND BOSTON HAVE PROVIDED TAX ABATEMENT ON RESTORATION WORK.

ST. LOUIS IS OFFERING ABATED TAXING ON NEW AND EXPANDING BUSINESS WITHIN ITS METROPOLITAN BOUNDARIES.

AND, THERE ARE OTHER LEVERS OF INVENTION.

KANSAS CITY HAS SIMPLIFIED BUILDING CODES AND SOUGHT TO ENHANCE COMMUNICATION BETWEEN THOSE UNDERTAKING RESTORATION AND LOCAL BUILDING INVESTORS. SINCE 75 PERCENT OF URBAN RESTORATIONS ARE MADE BY OWNER-OCCUPANTS, ANY REDUCTION OF FRUSTRATING RED-TAPE ONLY SPEEDS RENEWAL.

THE CITY PLANNERS IN CHICAGO, GALVESTON, PHILADELPHIA AND PORTLAND HAVE FOUND THAT WHERE THE PRIVATE LENDERS HAVE RETREATED FROM LENDING IN A NEIGHBORHOOD, THEY CAN INCREASE PRIVATE INVESTMENT INCENTIVES WITH INTEREST SUBSIDIES, LOAN GUARANTEES, HIGH RISK LOAN POOLS OR SEED MONEY GRANTS.

THE POINT IS NOT THAT ANY ONE -- OR ANY COMBINATION OF THESE EXAMPLES -- MIGHT TURN THE CORNER FOR A GIVEN CITY. BUT, EACH OF THEM, IN TURN, PROVES THAT THERE IS AN ALTERNATIVE TO "HABIT" THINKING THAT PONDERES ONLY THE PROBLEMS.

THE STARS AND THE PLANETS ARE IN THE RIGHT PLACE FOR A NEW URBAN ERA IN AMERICA, AND WE CANNOT AFFORD TO LET ANY OF OUR PAST HABITS ROB US OF TODAY'S OPPORTUNITIES TO FIND CREATIVE SOLUTIONS.