

MASSACHUSETTS INSTITUTE OF TECHNOLOGY
CAMBRIDGE 39, MASSACHUSETTS

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The President
The White House
Washington, D. C.

Dear Mr. President:

I have the honor to submit the report of the Task Force on Metropolitan and Urban Problems established at your direction.

The privilege and pleasure its members shared in the opportunity to be of service was diminished only by the tragic death of Mrs. Catherine Bauer Wurster, the week preceding the completion of our final draft.

Mrs. Wurster had served on the Task Force with great distinction and many of its most significant recommendations were hers. Moreover, her imprint on the basic philosophy that underlies our approach is unmistakable.

We believe that the report as presented, faithfully reflects her major convictions as it does all other members of the Task Force. Accordingly, we are pleased to transmit it as a unanimous one in all essential respects and recommendations.

May we also acknowledge the major contribution of the members of your Administration who joined in our work. Mr. William Ross and Mr. G. Phillips Hanna of the Bureau of the Budget, Mr. Morton Schussheim of the Housing and Home Finance Agency, Mr. Dean Costin of the Department of Health, Education, and Welfare, Dr. Leonard Duhl and Mrs. Antonia Chayes of the National Institute of Mental Health provided assistance and counsel far beyond the limits of their official duties.

Let me add that your recognition of the urgency and importance of our Nation's urban needs is a source of great satisfaction to the Task Force. Its members hope that the report may be useful to you in fashioning policies to ensure that American urban communities in the future will be great in spirit and in quality as well as in size.

Sincerely,

Robert C. Wood

Robert C. Wood
Chairman of the Task Force on
Metropolitan and Urban Problems

Enclosure

MEMBERS OF
TASK FORCE ON METROPOLITAN AND URBAN PROBLEMS

Robert C. Wood, Chairman
Massachusetts Institute of
Technology

Karl Menninger
Menninger Foundation

Jerome P. Cavanagh
Mayor of the City of
Detroit

Martin Meyerson
University of California
at Berkeley

Nathan Glazer
University of California
at Berkeley

Raymond Vernon
Harvard University

Norman Kennedy
University of California
at Berkeley

Catherine Bauer Wurster*
University of California
at Berkeley

Saul B. Klamman
National Association of
Mutual Savings Banks

Paul Ylvisaker
Ford Foundation

Ralph E. McGill
The Atlanta Constitution

* * * * *

Richard Goodwin
White House Liaison

William B. Ross
Executive Secretary
Bureau of the Budget

* Deceased.

SUMMARY OF RECOMMENDATIONS

The United States has been an urban nation for at least 60 years. Across a span of about 30 years in some limited areas of public policy, we have acknowledged the problems increasingly stemming from urbanization.

Yet we have never fashioned a genuine national response to this rapid, expanding process of urban development. This report is directed to that end.

As a result of its deliberations, the Task Force finds that:

(1) The choices of urban Americans in where and how they live, how they work and use their leisure time, and how they participate in community life are unduly limited by a process of urban development that imposes

- a. costs higher than they have to be;
- b. waste in natural resources more than is necessary;
- c. stresses and strains on individual citizens more than they ought to bear.

(2) In the alleviation of these conditions, the role of the public sector is vital, for increasingly urban economic development depends on the availability of community facilities, services, and amenities that only government can provide.

(3) Although local and State governments have responded vigorously to the tidal wave of urban growth, limitations of resources and authority have prevented a comprehensive, consistent attack on major urban problems.

(4) New Federal efforts to reinforce and support State and local action are, therefore, necessities of modern community building.

In the recommendations and supporting analysis that follow, the Task Force seeks, as its principal goals:

(1) The extension of individual choice for urban citizens in the entire range of communities that now constitute the American system of urban complexes, including aid to relatively small cities with strong

economic futures, the urbanizing areas, and the giant metropolitan regions that encompass millions of our citizens and hundreds of local governments and blend almost imperceptibly into one another.

(2) The city humanized by giving much more attention to the development of human and social resources.

(3) A physical environment of form and structure that the citizen can grasp, understand, and act upon effectively.

(4) Coherent forms of public organization to help shape the city at all levels of government with the help of additional resources for research, planning, and development.

(5) A maximum role for the private sector and a preference for the use of local initiative wherever the choice exists.

Many of these goals are found in present urban assistance programs. But continuing the present array of urban aids, good as some of them are, is not enough if we are to build cities good as they might be. Too many of our assistance programs are now obsolete in terms of contemporary urban needs and they are fragmented in administrative impact. Moreover, they are not effectively directed to problems and areas of highest priority.

Therefore, the Task Force recommends policies based on these key principles:

(1) Workable programs--comprehensive local determinations of area-wide needs, whether by cities, counties, metropolitan regions, or States;

(2) Block grants and flexible aids--with better Federal coordination and with special inducements for responsible action at the metropolitan level where necessary, whether by local cooperation or by State initiative;

(3) Continuous improvement in social and environmental policy and in design technology--through a research and development approach, including systematic large-scale experimentation in selected areas with full local collaboration.

(4) Presidential leadership--through an Urban Affairs Council chaired by the Vice President, thus employing an instrument that has proved effective in the inauguration of other great national programs.

Program Recommendations

A. The social environment. To help make the cities more livable for all, to correct present imbalances between facilities and services,

and to assure comprehensive social services to those who need them, the Task Force recommends:

1. A block grant for urban services, based on indices of comparative community needs, to assure that vital community facilities are adequately staffed and maintained according to local priorities.

2. Specialized community facilities grants, separate and distinct from present programs, that take into account municipal fiscal capabilities, for construction of such public facilities as community centers, health stations, and cultural and scientific centers required for social development activities.

3. These assistance programs to be contingent upon local preparation of Social Renewal Plans prepared and carried out by a local agency charged

- a. With the responsibility for coordinating all major social services and
- b. With developing pathfinding procedures that assure readily accessible comprehensive assistance to those in need.

4. Special migration aids applicable in out-migration areas through existing social service and education programs.

5. Extension of the Federal Executive Order on Equal Opportunity in Housing to all types of mortgage financing.

6. Full implementation and expansion of the various programs of Federal aids for training State and local personnel to upgrade capabilities in administrative, professional, and technical expertise with emphasis on law-enforcement personnel.

B. The physical environment. Federal programs of assistance to the physical process of urban development now require restructuring and shifts in emphasis. The Task Force accordingly recommends:

For urban renewal, a redirection to stress comprehensive residential renewal, including:

1. Increased Federal assistance to city planning and code enforcement activity.

2. Adjustments in organization and administration of local renewal authorities to place more emphasis on actual implementation of "workable programs" and increasing the share of Federal aid going to residential programs.

3. The inauguration of residential renewal projects on a scale adequate to alter the character of entire neighborhoods by both rehabilitation and rebuilding assistance suitable for lower- and middle-income groups.

For new development, new programs to encourage diversity and balance at the suburban fringe, including:

1. Continued support of Administration proposals to encourage large-scale, balanced, new communities

- a. Through insurance and loan procedures covering land acquisition, development, and facility costs for private developers and local governments, and
- b. By grants and loans to public agencies or non-profit development corporations chartered by the States.

2. Grants for basic urban public facilities emphasizing the construction of facilities on a regional basis through collaborative local government arrangements.

3. These assistance programs to be contingent on their correlation to a general regional planning process including both physical and social components.

For urban transportation, renewed emphasis on the key relationship between transportation and land-use development, including:

1. Full implementation of the planning requirements of the Federal-Aid Highway Act of 1962 and the Urban Transportation Act of 1964, and

2. The establishment of a Presidential commission to consider urban transportation requirements in terms of urban development, including a review of transportation planning arrangements and their effectiveness in meeting urban transportation needs.

For housing, the temporary relative adequacy of the total housing stock permits concentration on:

1. Direct attacks on rising housing costs through:

- a. Recommendations on research and land development and
- b. A temporary National Commission on Codes and Zoning to examine the current local practices and develop criteria for evaluating public protection versus increased private costs.

2. Redirected efforts to make upgrading of the housing inventory through code enforcement practical through the "pull process" of providing additional housing at the lower income ranges rather than the ineffectual "push" of reliance on the police powers of the States. Such efforts would include:

- a. Greater flexibility in the provision of low-rent public housing including use of existing housing through purchase or leasing,
- b. Use of direct rent supplements available only in standard private housing, and
- c. Development of programs of direct financial subsidies as alternatives to heavy reliance on below-market interest rate direct loan and mortgage purchase programs.

3. Increase emphasis on the housing needs aspect of all federally assisted urban planning activities.

C. Economic development. While placing greatest stress on the key elements of public sector infrastructure, the Task Force fully appreciates that in the aggregate the bulk of city building activity is for and financed by the private sector. Further improvements in the market mechanisms that serve that sector are recommended, including:

1. Improved effectiveness of Federal Housing Administration housing mortgage insurance through:

- a. Re-examination of the economic assumptions underlying mortgage insurance operations and premium charges, and
- b. Development of experimental programs of co-insurance to increase the relative role of private lenders in dealing with "standardized situations" within the context of the FHA insurance operation.

2. Strengthening the private financial institutions which provide the bulk of private mortgage funds by:

- a. Extending the present regional mutual savings bank system to a national basis and
- b. Broadening the mortgage investment powers of savings and loan associations to include broader aspects of community development.

3. Strengthening the effectiveness of the public/private partnership in urban development through:

- a. Establishment of national, State, and local Councils of Redevelopment Financing Institutions (CORFI) to make the funds and knowledge of private institutions more readily accessible for participation in the urban development process and
- b. Establishment of a self-supporting "Urban Development Fund System" to provide a source of repayable advances for the initial investment needed by civic, nonprofit groups to accomplish the vital initial steps in such projects as sponsoring housing projects for the elderly, cooperative housing or moderate-income rental housing.

D. Organization. The effectiveness of urban assistance programs will depend in large part upon the effectiveness of the public instruments to design and execute their respective responsibilities within the framework of creative federalism. Essentially, the Task Force has conceived of its program recommendations as having the effect of:

1. Strengthening political leadership at local and State levels to bring heretofore separate activities into a comprehensive strategy. In addition, it offers separate organizational proposals to:

2. Strengthen Federal leadership by:

- a. Establishing within the Executive Office an Urban Affairs Council chaired by the Vice President and staffed to develop coherent urban policy for the variety of Federal programs affecting to its implementation;
- b. Establishing a Department of Housing and Community Development comprehending at least housing and physical development assistance programs;
- c. Strengthening the Secretary's Office and central programming and policy functions in the Department of Health, Education, and Welfare to recognize the increased importance of welfare and education programs for an effective urban strategy; and

- d. Reinforce the Federal capability to support State and local policies through strengthening of Federal regional operations and subsequent decentralization of program responsibilities through:
 - (1) The establishment of State and metropolitan regional Federal co-ordinators able to respond comprehensively to the urban and regional plans that will be emerging from States and localities--initially by facilitating information flows and later by programming of Federal assistance programs.
 - (2) Providing set-aside allowances in single-purpose aid programs that can be used at the discretion of Federal administrators to provide generalized or experimental assistance for State and local programs.
 - (3) Providing more favorable matching requirements for programs carried out through appropriate collaboration arrangements.

3. Providing the additional knowledge and skills needed for shaping and carrying out effective urban policies through:

- a. Establishment of a National Institute of Urban Development dealing with economic, social, and psychological problems as well as issues of technology and design,
- b. Development of the urban extension service in collaboration with the urban-oriented public and private universities, including regional staff colleges for State and local elected public officials as well as for professional, technical, and administrative personnel, and
- c. "Demonstration" City--a selection of typical cities through White House procedures to develop a model program of on-going and newly conceived urban aids and to accelerate the impact of the varied human development programs.

SECTION I

Introduction

Providing choices in social, economic, and political life is the prime function of an urban community. Now that the United States is a nation of cities of all sorts and sizes, the maintenance of free choices for its citizens is an increasingly complex affair. But the need to ensure options in choice of residence, place of work, meaningful leisure time activities, and effective civic participation was never greater.

The principal aim of this Task Force is to preserve and extend these options in an era of population growth and city building unmatched in our history.

We propose to do this through new approaches in national public policy responsive to the dramatically new kinds of urban communities that are now evolving.

We recognize that the battery of present Federal aids had the same goal of expanding the range of opportunity for urban citizens.

- Since New Deal days, a persistent concern with the disprivileged has been evident.
- Since World War II, increased efforts have been made to improve the provision of shelter, upgrade the urban environment, and maintain the vitality of the central portions of our expanding regions.
- In the last four years especially, the tempo in providing effective assistance to all parts of the urban community--in the Housing Acts of 1961 and 1964, in the revisions of welfare and education legislation, in the Economic Opportunity Act, and the Mass Transportation Act--has accelerated sharply.
- These Federal actions have been accompanied by imaginative and forceful measures at the State and local level which make these governments "the most dynamic" sector of the American economy.

But the fact remains that excessive costs, wastes, and tensions in the process of urban development unduly restrict the exercise of free choice in our urban communities.

- Negroes and those with lower incomes (in particular, newcomers to the city) are unnecessarily and arbitrarily restrained in their choice of location and too often forced to settle in the older, dilapidated central portions of the urban community.

- In contrast, moderate-income groups are often forced to settle outside the central portion whatever their preferences for types of housing and social environment.
- Those seeking diversity in their neighbors and their neighborhood environments are thwarted by the increasingly sharp divisions by income, age, and racial groups between old and new portions of their community.
- All urban residents find their private choices narrowed by the repetitiveness of suburban development and the unnecessary inflation of land prices in strategic areas. They find the choices that are available cheapened by deficiencies in community amenity: polluted air and water, congestion, blight, and sprawl.

And the fact is that the policy base of major Federal programs remains narrow; the responsibilities for programs are widely diffused throughout the executive branch, and the organizational and administrative capabilities of these programs correspondingly restricted.

With the benefit of hindsight, requirements in three large areas stand out:

1. The social environment. Much more emphasis should be placed upon the development of human and social resources, as well as upon stimulating the physical and economic growth process. We are convinced a number of serious imbalances have developed as our physical and social programs have grown--imbalances between parts of the country, communities of different types, and parts of the population.

We must now concern ourselves with the negative side-effects of many governmental efforts--welfare programs, educational programs, housing programs. We must place new emphasis on the human goals of these and other programs and must refine, reformulate, and reorganize the programs so that they are more effective in achieving these human goals.

2. The physical environment. The time has also come to expand and reorganize our efforts to shape the physical environment of urban life. More Federal urban aids are needed, if we are to improve--or even maintain--the quality of our housing, our urban transportation, our parks and playgrounds, our schools, the surrounding environment of air and water and soil. The issue is not simply "more"--though it is also "more." It is a question of "what kind," "for what size area," "in what form." We must consider the needs of large urban systems together in our efforts to improve the physical environment, not only for economy and for greater amenity but also to introduce an order into the environment that the citizen can grasp, that he can understand, that he can act upon effectively.

3. The economic environment. City building in the United States goes forward principally and appropriately through the private sector of our economy. Today the opportunity to attain public goals through private means is unparalleled in our generation. The supply of available investment funds, and the availability of new instruments for public-private collaboration make it possible to bring great resources to bear on the process of community development. To realize this possibility, old policies and programs established in the depression years need to be re-examined and new instruments of collaboration created. Most of all, the intimate relation between public and private investment--the productivity of the urban public sector in a technologically-based society--must be respected.

4. Administration, planning, research. Finally, more adequate arrangements are necessary for the evolution of a comprehensive Federal urban assistance policy and for balanced impact of national programs on individual urban areas. We need more coherent forms of organization at local levels, at State levels, and at the Federal level; at every level, we need more resources for research and planning and development than we now have.

An especially promising opportunity now exists to meet these needs and to evolve a distinctive approach to the new city consistent with the established political processes of our Federal system. In particular, the quantitative adequacy of the supply of housing, the availability of private investment funds, the Federal legislation of the past year, and recent innovations at the State and local level all provide a point of departure unparalleled in recent decades.

SECTION II

4

The Social Environment

Poverty, crime, alienation, personal disorganization, and discrimination are not strangers to the urban community. Historically, the American city--with its raw newness, its mixture of peoples, and its undermanned and underfinanced local governments--has always exhibited more social ills and fewer social services and amenities than cities in older Western countries.

Nonetheless, given a nation more affluent than seemed conceivable a short generation ago, the persistence of these conditions of deprivation is less tolerable than in the past. Our inferior standing compared to other well-to-do democratic nations in providing cultural and recreational facilities, in care for the aged and incapacitated, and in health and education services is now close to invidious. In the Task Force's judgment, there are four prime areas of social need:

- Deficiencies in public services and facilities for all urban residents.
- Inadequate provisions for the poor.
- Too slow progress in achieving integration.
- Insufficient attention to the basic sources of civil violence.

Deficiencies in services and facilities. American urban communities have been chronically underfinanced in their provision of the activities that provide a full range of educational, recreational, and cultural amenities. They do not even ensure conditions of public health acceptable to modern standards.

These circumstances of community mediocrity have powerful adverse effects on the individual.

- The citizen's commitment to his community and participation in its affairs becomes limited and his sense of anxiety, alienation, and powerlessness grows.
- The ability of even well-supported and efficient institutions--hospitals, schools and of local government in general--to respond flexibly to individual needs declines.

Compounding the problem of enriching the individual's life in our great cities are the severe limitations on community resources. Over the past decade, State and local governments, with timely Federal assistance, have moved increasingly to meet our quantitative deficiencies in

these areas. Indeed, State and local activities constituted 62 percent of general domestic public expenditures in 1962 compared to 44 percent in 1946. But the municipalities with the greatest needs in their social environments have also been those most pressed to raise public revenues.

-- Thus, central cities in the great metropolitan areas and suburban municipalities immediately adjacent to the core typically make a greater tax effort than their neighbors toward the outskirts of growing metropolitan areas. Despite this effort, their deficiencies in services to provide the "good" city are even greater.

-- Other smaller urban communities not in metropolitan areas require technical and financial assistance as well.

Unquestionably, a "human scale" is necessary in structuring our services. Better facilities and more personnel will help achieve this. But more than this is needed--new administrative and funding approaches that will permit more experiment and flexibility.

The added role of the Federal Government, therefore, ought not to be confined to the extension of unconditional grants. Some part of the assistance ought to take the form of programs with more explicit objectives, particularly the objective of breaking the pattern of sharply different levels of services and population groupings, which makes it so difficult to develop a comprehensively satisfactory social environment. Certainly, such formulae will waste Federal funds.

The poor. If deficiencies exist in the public services and facilities now available for all, the public needs of the urban poor are even less adequately met. They suffer especially from obsolete and poorly organized patterns of assistance. While our capability to identify the various categories of the poor and their different and specialized needs may be adequate, our capability to respond on a comprehensive and effective basis is low.

The Economic Opportunity Act represents an explicit recognition of some of these needs. But that program, admirable as it is, is only a beginning. It is designed to help primarily the temporarily disadvantaged who can be expected, with proper assistance, to join the ranks of the productive and responsible. We need to recognize as well that:

-- The so-called "disadvantaged" consist of many groups: not just the poor who may not be poor next year when a job lost temporarily is replaced or the wage earner moves to a more prosperous area.

-- These groups arrive in urban areas with little or no preparation in the economic and social skills necessary for urban life.

- They do not have ready access to the organizations created to help them nor are the agencies prepared to respond to their needs in a comprehensive way.

In more specific terms, one major neglected social problem is that of the chronic poor who through physical and other limitations are apt to remain poor: the Negro who meets impediments in employment and housing; the aged; the physically and mentally incapacitated; and those unable to adjust psychologically to urban life. This is a sizable and significant number. The chronic poor, if they only represent 2 percent of the country, still equal the population of a country such as Norway. They require special aids in the form of a variety of services and facilities.

Moreover, we do not begin to tackle the problem of either the temporarily or permanently dependent soon enough. In particular, our enormously complex urban society must give far more recognition to the present and prospective flow of migrants. At the present time, we provide little in the way of preparatory assistance to areas of "out-migration" from which urban newcomers flow.

Finally, we are impressed by the distance between the disadvantaged and the agencies that deal with them. We are concerned by the uncertainty, confusion, and despair among many of the disadvantaged as to how to improve their situation and how to take advantage of the services our various levels of government have made available.

To respond properly to the needs of all the poor requires a much better integrated system of services that ensures easy access to the system, communication and coordination among the public agencies, and a comprehensive policy base.

The present programs still:

- do not treat adequately the multiple problems of individuals or families or communities on an integrated basis;
- continue to operate too frequently within narrowly defined agency boundaries that fragment logically related services;
- are often unrelated to physical and economic planning.

Within our growing urban communities, welfare programs continue to be administered principally on a particular-service-to-particular individual basis. Assistance is provided for the special needs of a citizen as they are identified--but our institutions are not very good at responding positively and flexibly to all the needs of a human being or a family or a neighborhood. The 1962 Welfare Amendments have made a beginning in the direction of prevention and rehabilitation; more is necessary.

Contradictions between the programs also abound. In some communities, the welfare departments spend large sums in the rental of slum quarters for welfare families and are unable to house them in the low-rent housing controlled by other city agencies. In some cities, many eligible families relocated from (federally supported) urban renewal programs cannot get housing in (federally supported) public housing projects. Federal funds support all these programs.

As in the case of the more general social and cultural services, providing "more" assistance through existing channels is not enough. Nor are the cash subsidies this and other task forces have recommended sufficient in and of themselves. Increased allowances will not give due recognition to the necessity of coping with problems of alienation and personality disorganization or of encouraging participation in community life.

To deal adequately with these deficiencies in both general social environment activities and those for the poor, the Task Force recommends:

1. A block grant for urban services. The basic purposes of this instrument are to permit the localities to provide a wide range of services for all and to care effectively for the poor. The amount of assistance would be related to need by indices measuring the number of low-income families, obsolescence of housing units, density of population, and mean income of population.

The block grants should include State matching of funds to assure increasing support of urban areas by the State governments, and to help counterbalance many of the State revenue and grants structures that discriminate against larger cities. They should be available only on the presentation of evidence that a "social renewal plan," as described in Recommendation 3, following, is being prepared.

The effect of this formula would be to provide primary assistance to inner-ring local governments whose land uses are primarily of the "grey area" variety and central area municipalities where very large social needs coexist with sizable but not sufficient local tax resources.

The importance of establishing grants on a non-categorical basis is that this permits local determination of priorities in social services, and local adjustments to take into account the different patterns of local revenues. Thus, the block grant should strengthen local budgetary and program oversight processes.

The social renewal plan presented by local governments should include evidence of sound fiscal practices in the assessment and administration of taxes to ensure the effective utilization of local resources. A prohibition against using the block grants to reduce local contributions instead of raising service levels should be included.

2. Corollary provision for supplementary community facilities especially designed for social purposes and distinct from current aid programs. The objective here is to provide community centers, health stations, cultural, educational and science buildings, small parks and playgrounds, and various combinations of these in multi-purpose centers reflecting the specific desires and needs of individual communities and neighborhoods.

We attach particular importance to multi-purpose facilities to make possible "pathfinder" services which help the citizen through the urban maze and assist him in finding an institution or service which meets his individual needs.

A number of existing Federal programs of course provide assistance for community facilities--the Community Facilities Administration's planning advances and loans, the Hill-Burton Act, the Library Services and Construction Act of 1964, and the Community Mental Health Act. But aid given through such a diversity of programs inhibits rather than encourages local creativity and effective local institutions.

In addition, the present basis of operation for these programs does not distinguish precisely enough the special needs of localities within major urban complexes from those of smaller independent cities or rural areas. We believe that the urban needs in this field require distinctive program and organizational attention. We think the best way of achieving this goal is by separate legislation and appropriation specifically tailored to urban areas, and without affecting existing programs designed for other purposes.

We emphasize that it would be futile to provide physical facilities without support for service and personnel, as suggested in our Recommendation 1, above.

In providing assistance for facilities, unlike the service block grant, the fiscal capabilities of the municipalities involved should be taken into account. We recommend the adoption of criteria designed to arrive at determination of equivalent tax efforts among local governments in order to assure the most effective expenditure of Federal funds and their direction to those portions of our new cities in greatest need.

3. The assistance programs should be contingent upon local preparation of Social Renewal Plans. To insure effective use of new funds, a comprehensive inventory of social needs in each urban area is obviously required. But the major task in making social programs effective in creating a better community must be a local responsibility. Each community must take stock of its particular problems and

decide where it wishes to invest its resources: pre-school education, care for the children of working mothers, recreational facilities, or community centers emphasizing family activities. As the communities' interest is directed to these choices, a social renewal plan should evolve.

The responsibility for developing the plan must be clearly fixed. One possible instrument may be found in the agencies now engaged in the community action programs of the Economic Opportunity Act or the Juvenile Delinquency programs. Typically, they are established in close relation to the office of the major or other central responsible political officials.

But the tasks of these agencies should be broadened to include health, education, recreation--the entire gamut of social development. And whenever possible they should be carried out on an appropriate intermunicipal basis, so that the regional perspective can be achieved.

The proper planning of social renewal programs should take into account (a) the opportunities for employment and training and education available under the programs of the Office of Economic Opportunity; the Office of Manpower, Automation and Training; and the Office of Education; (b) the development of community health and mental health centers under the Community Mental Health Act; (c) the new opportunities for rehabilitation available under the Social Welfare Amendments of 1962; and (d) other programs to reduce poverty and dependence. The agencies will also have to cooperate closely with the chief private social service and health agencies of the city.

In this connection, effective coordination between public school administrations and other local agencies is particularly important. Pre-school programs and special vocational and guidance aids must blend smoothly with the more regular educational programs. It is hoped that the social renewal plans will have as one requirement a demonstration that this has been accomplished.

The principal tasks of such agencies would be:

(a) to directly administer the new programs, proposed in Recommendations 1 and 2, above, and other new programs--in particular the Community Action Program;

(b) to consider the needs of the community and how they might best be met;

(c) to study the new Federal resources now available and how they might best be applied to meeting these needs;

(d) to advise the appropriate local officials as to how the programs of the city itself might be modified in the light of the need and the resources; and

(e) to prepare a "social renewal plan" for the city and re-examine, revise and expand it on a regular basis.

4. Special migration aids. We believe school systems, the Selective Service System, Employment Service programs, and other public institutions can all play important roles in preparatory assistance in "out-migration" areas from which city newcomers arrive. Other housing programs could provide credits for housing migrants own and leave in declining areas. In short, a variety of programs can be integrated to deal with the permanent problem of heavy migration of ill-prepared rural and small-town dwellers to the cities.

Integration. The achievement of any city is to bring together people of varied occupations, skills, nationalities, and races for a heightening of human experience and social and economic effectiveness. Historically, the unique achievement of American cities has been their capacity to create effective communities out of people of remarkably varied backgrounds. Colonial class and caste were transferred into a condition of wide social equality. Different religions and national background were forged into varied yet unified communities.

The last and perhaps greatest division--race--has yet to be overcome. One of the greatest dangers to our cities is the segregation of their growing Negro populations in ghetto areas. This has many causes, and many policies may help to alleviate it. But it would be tragic to allow this sharp division between white and Negro areas to persist and to grow. This division is at the root of many of our urban social problems; its continuance would eventually pose a serious threat to our political unity and effectiveness. Accordingly, the Task Force recommends:

5. Extension of the Executive Order barring discrimination in housing and aid for communities faced with overcoming de facto segregation. With the passage of the Civil Rights Act, we believe it is appropriate to extend the provisions of the Executive Order to all types of mortgage financing, including savings banks and private lending associations. Otherwise, we can expect to see continued efforts to avoid the requirements of nondiscrimination by employing special routes of financing, ultimately with serious secondary economic and social effects on the overall urban development process.

We do not overestimate the effect of this single action in advancing our larger goal of integrated communities. Nor do we underestimate the difficulties in effectively applying it. However, it is one policy that is within the power of the Federal Government, and we urge its most vigorous application.

We also urge that the Federal Government consider means it possesses to assist communities that are trying to overcome de facto school segregation. Timely technical advice and special financial assistance in planning programs in this sensitive area can play an important role in achieving successful realignments in school populations with a relatively small commitment in resources. In the long run, the coordinated planning of schools and residential patterns may be the most valuable instrument available for achieving integrated patterns of living.

Violence. At a minimum, every urban citizen is entitled to security. Civic order that protects person and property is the basic prerequisite for orderly community existence.

American cities have made more progress in public safety than is popularly recognized. Those who now characterize our cities as exceptionally prone to violence have simply not read our history. We no longer have quarters which police refuse to enter; we may expect that the bloody race riots of the Civil War, of 1919, and of 1943 are now things of the past. We have much less murder in our cities today (though we have of course more crimes that were not possible in the past, such as auto thefts). Perhaps most important, we have police forces in many of our great cities that are more professional and more effective than ever in the past. These positive changes in the climate of safety in our cities are unquestionably a function of the increased prosperity and education of Americans.

But the fact remains that unnecessarily high rates of crime and violence exist. They are the results of a complex of social factors. Criminal delinquency is most closely related to unemployment, poverty, and depressed neighborhood circumstances that give youth familiarity with and motivation for criminal behavior.

Public policies that effectively attack these root causes of disorder are only now coming into play. Continued progress in this area depends on:

- Our capacity to break up urban Negro ghettos that in their present form inevitably encourage a high rate of juvenile delinquency and adult crime.
- Better facilities and services for detecting and helping the psychologically disorganized, the mentally retarded, and physically incapacitated.
- More public support for our law enforcement agencies. One of the most disturbing aspects of civic disorder today is the apparent unwillingness of many citizens to cooperate with the police; their loss of a personal sense of civic obligation and responsibility; their withdrawal from the community in which they exist.

Over and beyond the problem of reinforcing the direct measures we use to control violence are the problems of identifying and treating

potential law-breakers in ways that anticipate and prevent crime and of restoring public involvement in the affairs of the city. The Task Force is unanimous in its belief that public safety forces require much more aid and support than they have received in recent years. It is also unanimous, however, in its conviction that a wide range of measures apparently remote from the problem of civic order must be undertaken if the latent forces that generate crime are to be controlled. Thus we regard the programs and policies contained in the previous recommendations as basic responses to the problem of violence. In addition, we recommend:

6. Full implementation for programs of Federal aids for training key local personnel including law-enforcement personnel. The report of the Municipal Manpower Commission of 1962 made clear the critical shortages at all ranks of municipal personnel, especially arising in the administrative, professional and technical areas. In hospitals, in public health, and in welfare administration, one urban government after another is experiencing difficulty in acquiring and holding personnel at a level sufficient for the execution of their duties.

For many years the Federal Government has provided technical assistance in many fields of local administration. We believe that this type of aid should now be expanded and continued. We also believe that every effort ought to be made to improve the standing and prestige of municipal public servants in the eyes of the public at large.

We place particular emphasis on the development of support programs in the area of law enforcement, whose personnel are subjected to increasingly heavy demands and have been performing under great obstacles with distinction.

In this area the Federal Government may appropriately assist local units in the discharge of their basic responsibilities by:

- (a) training assistance for local police forces, particularly incorporating the knowledge and insights of experts in urban problems and in intergroup relations. Such training might consist of fellowships for police officers, or those planning to become officers; aid to institutions developing such training; or even the development of a national institute;
- (b) funds for the increase in salaries and numbers of police officers--these funds might best come from the block grants for better urban services;
- (c) programs to help in the proper administration of justice; the improvement of the local magistracy and its supporting social and probationary services; aid to low-income individuals in getting legal advice and legal counsel.

SECTION III

The Physical Environment

Urban communities come in all shapes and sizes and face radically different challenges. In some parts of the country, relatively small, independent cities and towns grow and flourish. In others, their populations dwindle rapidly. The most prominent urban trends affecting the physical environment are these:

-- The main thrust of urban growth is toward ever-larger metropolitan areas--regions with populations in excess of half a million--encompassing hundreds of square miles of territory and scores of local governments. In general, a process of steady diffusion of jobs and families outward from the core area works to expand these areas even further.

-- The classic city boundaries--municipal limits or distinct physical separations between city and country--have, in many instances, disappeared, as the cutting edge of suburban growth has reached out and urban uses have taken up farm land.

-- Different sections of our metropolitan areas display sharply stratified land uses, economic functions, and public needs. The central city, the suburbs, the growing edge all require policies and programs tailored to their specific situations. So do the small independent cities set apart from metropolitan complexes where the opportunities for building genuine communities and the good urban life may be the highest.

Accordingly, the Task Force has considered separately existing and new programs designed for the different types of urban communities. It has also evaluated programs such as housing, planning, and community facilities that have nationwide urban impact.

Urban Renewal

For more than 30 years it has been the policy of the Federal Government to help cities wipe out slums and blight. These efforts began in New Deal days with low-rent public housing legislation for slum clearance and the rehousing of slum-dwellers. They were greatly broadened by the postwar renewal program that supports local public land acquisition and related activities, primarily to stimulate redevelopment by private enterprise. To date, renewal programs have mainly concentrated on projects in the core areas or central business districts, featuring industrial, commercial, and relatively high-rent residential construction.

While these redevelopment projects have been both dramatic and valuable, their limitations have become increasingly evident:

- After 30 years, public housing has contributed less than 1 percent of the stock of homes, and has never achieved widespread public acceptance.
- Continued use of substandard housing goes on as low-income groups flow into the central city.
- The new projects have strengthened activities appropriate to downtown areas, contributed to the city's tax base, and attracted some higher-income adults as residents, quite often on an integrated basis. But blighted areas expand, and social problems have become more threatening.
- The contemporary techniques of the workable program, neighborhood conservation, and further extensions of urban renewal, including increased emphasis on a humane relocation process, have not sufficed to arrest the forces of obsolescence.

Our experience to date has in no sense been wasted, nor should the present tools be discarded. What is needed now, however, is much broader strategy: long-term, city-wide (in some aspects region-wide), and more directly geared to social goals.

Its paramount objectives must be: a sizable increase in the supply of good homes in good neighborhoods with good public services, available to lower-income and minority households, plus homes and neighborhoods for middle to upper-income families attractive enough to compete with suburban communities.

To meet these goals,

- high priority must be given city-wide action that brings together planning, public works, code enforcement, and welfare programs on a comprehensive and integrated basis to ensure maximum use of the existing stock of housing,
- relocation and rehabilitation functions of renewal should be extended to families displaced by any public action not only that associated with a renewal project,
- major efforts must be made to recapture the large residential grey areas in or near the central portions of our urban communities on a scale never previously undertaken.

Accordingly, the Task Force recommends:

1. Increased Federal assistance to city planning and code enforcement activity.

Until quite recently, renewal has generally proceeded on a project-by-project basis, little related to the city-wide housing situation, and without effective synthesis with the planning, public works, and code enforcement activities that shape physical policy, and typically divorced from welfare programs--themselves too splintered to be termed "social policy." Federal encouragement of the preparation of comprehensive community renewal programs has, however, been a significant step in the right direction. The new approaches to social problems are another hopeful sign.

This Task Force is convinced that the emphasis on total community renewal, utilizing techniques in addition to land clearance and rebuilding and involving agencies other than local renewal authorities should be drastically stepped up. Today, urban renewal is much more than a series of isolated projects; it needs to be viewed as an on-going process concerned as much with providing essential public facilities, assistance to individual families and altering the social aspects of neighborhoods as with the execution of specific physical plans.

The program's greatest efforts should be devoted to removing the frictions and obstacles in the general renewal process that are constantly created by private and public action alike. It also must work to improve the capacity of the local governments to deal more directly with the problems of obsolescence than by the present emphasis on the limited techniques of land condemnation, clearance, tract rehabilitation, financial, and credit aids. This general approach of the Task Force would alter the activities and emphasis of the present program.

Specifically, high priority is required for a comprehensive code enforcement program, combined with increased emphasis on the relocation and rehabilitation functions of renewal whether or not associated with a major renewal project. Thus, when more rigorous code enforcement requires the closing of buildings, the present aids to relocation--bonuses, finance fees, agency aid in moving and finding apartments--would be made available to persons moving from condemned buildings. Such action simultaneously helps preserve the existing quantity of sound low-cost housing and the social organizations in low-income areas. Further, the gradual closing down of buildings that cannot be brought up to code standards produces more and more vacant land for public uses that could be made available without further disruption of families and neighborhoods.

2. Adjustments in organization, administration, and financial contribution of local renewal authorities.

Concomitant with the inauguration of city-wide renewal enforcement and relocation services, would come adjustments in organization, administration, and financial contributions of local renewal authorities. A

sense of priority and selectivity can be introduced into the program by increasing the percentage of aid allocated for residential programs. The requirements respecting workable programs should be tightened and extended so that local governments demonstrate "workability" by action and not solely in the expression of good intentions through plans.

3. The inauguration of residential renewal projects on such a scale as to alter the character of entire neighborhoods.

The inauguration of large-scale residential renewal projects is a necessary supplement to the activation of a comprehensive city renewal plan. Moderate and low-income residential projects in the past have suffered in comparison to industrial and economic ones. As a consequence, many have been enveloped by the unattractive surrounding environment.

If we are serious about changing the character of neighborhoods in older portions of the urban community, much larger developments must be conceived and executed. These developments must include provision for mixed types of housing; for heavy investment in public facilities and amenities; and for corresponding inauguration of community social programs. They should be so designed as to provide a genuine attraction to middle-income families with children who may want to move back to the city but are now deterred by deficient conditions in neighborhood life or of public services.

In the strategy of recapturing and reusing the grey areas of the old cities, one cardinal principle has to be observed: A small, timid effort at recapture may be worse than none--a waste of public resources. What is needed is an intervention so large and so profound as to alter the image of a neighborhood. So far, we have little experience in the Federal urban renewal program to test the feasibility of recapturing such areas. Most urban renewal projects have been relatively small and relatively close to the central business district; most have been designed for comparatively high-income use or for specialized cultural purposes.

The problem, therefore, is to inject a new environment in the old grey areas, an environment in excess of some critical minimum mass, so as to change the attitude of middle-income groups toward the area. To the extent possible, this should be achieved by programs of rehabilitation, but experience suggests that a considerable part of such programs would involve rebuilding.

The challenge presented by such programs lies outside the scope of the present urban renewal program. No single private builder is big enough to provide the entrepreneurship or assume the equity risk. No single financial source will want to take on the burden of debt. Yet such projects should be formulated as a partnership of private and

public forces, after the tradition familiar to urban renewal. Here is a challenge for the private sector which we are confident it can assume. One of the real vindications of our trust in the enterprise system would be initiatives from the private side to fill this institutional gap.

Once a neighborhood has been turned around by the first giant innovation in renewal, it may be possible to rely upon the normal operations of the private market to maintain and extend the trend. To ensure that those who wish to make the choice will in fact have an opportunity to exercise it, however, we later propose substantially expanded programs of financial assistance for low- and moderate-income housing.

New Development

The unprecedented postwar demand for good new housing, mostly in the form of single-family homes for owner-occupancy, coupled with the availability of adequate land outside of the central cities, caused the now familiar suburban explosion.

Unquestionably, the bulk of this construction, largely underwritten by Federal mortgage and guarantee programs, brought dramatic improvement in the physical living conditions of millions of Americans. Nonetheless, almost wholly unplanned in any comprehensive way, suburban growth created major and rising problems:

- Unbalanced developmental patterns: The transformation of our larger urban communities into an identifiable, stratified set of localities sharply distinct in age, race, and income--consisting of a core low-income ghetto, surrounded by middle- and upper-class suburbs. Little housing has been provided for families of lower- and moderate-income in suburban areas due in part to official and non-official exclusion policies; and the proportion has been decreasing.
- Unbalanced transportation patterns: More and more Americans do not have easy access to their jobs: white-collar employees commuting "in" to the central business district and factory workers commuting "out" to suburban industries so that increasingly unbalanced traffic flows appear in terms of the relationship between homes and jobs.
- Inadequate public resources: Local governments in rapidly growing areas have been unable to respond adequately to facility and service needs that frequently are best provided on a regional basis. They remain unprepared for the demands now being made for essential public services or resource preservation and conservation.

In short, the pattern of accommodation of the rapid expansion of our urban population has been far from satisfactory. It has not encouraged efficient, economical development policies, the meshing of public and private building activities, or the full utilization of our planning and technical potentials. It has instead been parochial, expensive, and wasteful in the use of physical resources.

In view of these developments the Task Force recommends:

1. Continued support of Administration proposals to build large-scale new communities.

Two approaches commend themselves here. One was expressed in legislative proposals last year by the Administration designed to extend the credit instrument to encourage the planning and development by private builders of complete new communities designed for populations above the 100,000 mark. As articulated by the Housing and Home Finance Administrator, his agency would "nurture large-scale new communities" through insurance loan procedures that cover land costs and most of the facility cost in major new development areas and underwrite loans for the assembly and development of land. In return, cheap and open housing would be included. Simultaneously, loans and grants would be made available to local governments for advanced purchase of land and advanced placement of public facilities to depress the speculative elements of the cost of the cutting edge of the population movement. It appears some misunderstanding arose about these proposals during their legislative consideration this year. Refined and elaborated, these measures can profitably be introduced again.

It is equally possible, however, for direct demonstration cities to be encouraged by the Federal Government by grants and loans to public non-profit development corporations chartered by the State, or by a county or a city, or combinations. This approach has the advantage of channeling Federal investment into instrumentalities where issues of profit and speculation do not directly arise. It also makes possible experimentation on the grand scale that might be carried out solely in the private sector.

Whichever way proves most feasible, and both, of course, may be undertaken--the aim of the new planned communities should be to continue the variety that is the hallmark of a true city at the growing urban edge. The concept of the new objective should be not only more rational community planning aimed at enhancing and preserving land and natural environment. We should also assure that the new "sub-cities" include a mix of residential settlements ranging in incomes and balanced in family backgrounds, related to job opportunities in the general area. These communities should be visible alternatives to the quasi-ghettos of past suburban development that lessen, by example, the tensions and fears with which major elements in our urban population now confront themselves.

Developments of this kind, it should be stressed, are not to be carbon copies of New Towns in England and in Europe. They will differ significantly in style, pattern, land-use, and transportation facilities from those in other western nations. Nonetheless, they will provide the integrating function so badly required.

2. Special assistance for urban public facilities, separate and distinct from present programs and emphasizing facilities for water and sewage, pollution, and hospitals that are most effectively provided through collaborative local government arrangements.

The urgent needs for basic community facilities in our rapidly growing urban areas is now amply demonstrated. So are the constraints upon State and local tax resources.

The Task Force believes that the appropriate Federal approach to the problems basic to orderly community development should be quantitatively sufficient to ensure that viable cities are sustained, especially in respect to the preservation of environmental amenities. Despite increasing public attention to issues of air and water pollution and of resource management, most urban areas are losing the battle to preserve appealing environments.

Therefore, as separate legislation, we propose grants for public facilities in urban areas that will insure the timely construction of water treatment plants, sanitary disposal systems, solid waste disposal systems, hospitals, community, and recreational facilities. In this "urban facilities" act, the fiscal capabilities of the municipalities involved should be taken into account.

We recommend the adoption of an equitable allocation formula in the grant program in order to assure the most effective expenditure of Federal funds, and its direction to those portions of our new cities in greatest need and of additional problems.

3. These assistance programs to be contingent on their correlation to a general regional plan including both physical and social components, developed on a multi-governmental basis with strong encouragements to State leadership, in recognition of the major State legal authority and capabilities in land development policy.

The development of these facilities recommended above could take place only under proper regional planning auspices. In contrast to the present system which makes these facilities available on a municipal basis, the new Act would recognize that isolated consideration of individual projects is no longer an effective or desirable means of providing assistance. Therefore, the approval of facilities genuinely regional or metropolitan in nature would be contingent upon the development of comprehensive regional plans and assurance that specific projects were in conformity with these plans.

These plans, moreover, should have more than utilitarian aims. They should emphasize the visual, the aesthetic, and the attractive in the design of all our facilities. Thus, we heartily endorse the recommendations of the Task Force on Natural Beauty that are addressed to these considerations.

The Task Force is well aware of the concern of many program-oriented agencies that regional planning requirements may delay, obstruct and occasionally defeat the actual provision of badly needed facilities. We are also aware that while regional planning has increased in effectiveness and popularity rapidly in the past few years, planning is by no means an exact science or even always an appealing art.

Nonetheless, if we are to provide meaningful public guidance to the process of our population expansion, a beginning has to be made. We think the most feasible place to institute planning provisions in earnest is in this component of the facilities field. In the past, efforts of large cities to work out cooperative measures among their suburban counterparts on such matters as transportation and renewal have often been frustrated by the relative lack of suburban interest in these problems. But the timely provision for basic facilities required by rapid land development is a vital problem to almost all of suburban municipalities. They are greater problems to suburbs than to central cities that usually have adequate water supply and sanitary installations. Thus the motivation for cooperation in these problem areas is greater, and the likelihood of effective planning is proportionately brighter.

Urban Transportation

It is axiomatic that efficient transportation service is essential for a viable urban society and economy. The desires of urban peoples to exchange ideas, services, and goods cannot be fulfilled without a transportation system that is both dependable and efficient.

Efficiency, however, cannot be expressed alone in terms of least cost or greatest capacity. It must take into account considerations which are sometimes intangible and not susceptible of expression in concrete terms. It must be the kind of transportation service that people want and are willing to use because it does meet their concept of what transportation should be. In this context, the Task Force believes that:

-- While present evidence points strongly to continuing dominance of the private motor car for much of the daily personal travel in all urban areas, including the journey to work, it is also clear that mass transit service has to be revitalized and sustained at a reasonably high level, particularly in those urban areas where mass transit so strongly influenced past and present growth patterns. The personal mobility afforded by the private motor car may be reaching the point

of diminishing returns in areas of high daytime population concentrations. In the larger metropolitan areas, a substantial percentage of journeys to work into central business districts are, and will continue to be, via mass transit.

-- Although postwar urban highway construction has added enormous capacity to most transportation systems, serious deficiencies in urban highway planning have existed. Too often in the recent past highways were located and built mainly to satisfy interests of highway users without regard for other community values and interests, including investment in existing and functioning mass transit systems.

With the passage of the Federal-Aid Highway Act of 1962 and the Urban Mass Transportation Act of 1964, the Congress took strong, and hopefully effective, measures to improve the urban transportation planning process and to incorporate it into comprehensive development planning for urban areas and regions.

The Task Force believes that the comprehensive urban transportation planning process now required by Federal law in all standard metropolitan areas is the right approach to achieving "balanced" transportation to suit the conditions and circumstances peculiar to each metropolitan area. Accordingly, it commends this action to treat transportation in association with the use of land and other resources and believes that these two Acts lay the foundation for dealing with transportation comprehensively and rationally.

The Task Force would urge the Congress to appropriate funds authorized, and if necessary increase authorizations and appropriations, to implement the provisions of the Acts.

In placing emphasis on the need for more effective planning, the Task Force recognizes that in the immediate past mass transit has received insufficient attention. In some large urban areas, massive capital investment for new rail rapid transit should now be considered. But there are a range of alternatives. For example, buses operating on urban freeways, or on their own grade-separated rights-of-way, may give better door-to-door mass transit service, and at lower per capita cost than rail rapid transit in many urban areas. Where existing rail rapid transit and commuter railroads are functioning as integral and useful parts of a complex urban transportation system, the Task Force urges that every means available be taken to insure that the service not be allowed to further deteriorate and that Federal funds should be committed, if necessary, to this objective. Determination of the need for rail mass transit expansion in urban areas will result from the studies currently underway.

The planning process, we stress, should leave the way open for possible use of new or special forms of transport that are presently little more than operationally feasible or, perhaps, are not even

developed. Segments of industry are investing research and development funds in new high-speed devices that may prove to be feasible for trip lengths in the range from 25 to 25-300 miles. During the next decade, it is likely that nearly all improvements to the urban transportation system will be in more-or-less conventional mass transit and in urban highways. Beyond that, new modes of transport may further extend the boundaries of urban commuting areas far beyond their present limits.

Thus, in transportation, our greatest need is to assure the effectiveness of the planning process under the Highway Act and the Urban Transportation Act and to relate this planning to total urban transportation and urban development needs.

Accordingly, we recommend:

- (1) The full implementation of the planning provisions of the Federal-Aid Highway Act of 1962 and the Urban Transportation Act of 1964.
- (2) The establishment of a Presidential Commission to consider urban transportation requirements in terms of urban development, review planning procedures now being developed in compliance with the planning provisions of these Acts and to appraise their effectiveness in meeting urban transportation needs, including highway and transit requirements in relation to land development and highway safety. This report should be completed prior to 1967 to provide sufficient lead-time to develop a program before the completion of the interstate highway system scheduled for 1972.

Housing

The current situation. In strictly quantitative terms and without allowing for unevenly distributed vacancies, the overall housing supply is reasonably adequate for the first time in 25 years. But the lull in quantitative demand is only temporary; the postwar babies who have swept through the school system will soon be starting new households. By 1966, we should begin moving up from the 1.5 million annual rate of housing starts which has been fairly stable for several years. Allowing for only the moderate current replacement rate, we must be building 2 million new dwellings per year by 1970 or earlier.

This is, therefore, the critical moment to attack deep-rooted housing problems and to establish general policies to help shape not only the quantity and quality of the future housing supply but also the whole pattern of metropolitan and community life.

The basic need and the basic problem. The long-term housing problem has many facets. It can be simply stated: the urgent need is for a

broadly effective market for new housing. Our needs for a complete range of prices and housing types--whether for suitable relocation in clearance schemes or in order to reach any substantial proportion of the new households, or merely to achieve the necessary overall volume in order to avoid another shortage. A wide range of locational choice is equally important, including choice by minority households, if the need for better balanced populations in both old and new communities is to be fulfilled. More specifically, action is necessary:

- To provide more effective rehabilitation of millions of salvagable older dwellings, without making them too expensive for the groups who now occupy them. Many grey area neighborhoods must also be upgraded, to hold or attract middle-class families with children.
- To broaden the effective market for new housing built and financed entirely by private initiative that is still too limited today and is becoming more so despite the over-flowing supply of mortgage funds. In central areas, even on subsidized redevelopment sites, luxury apartments have been the rule (despite Federal credit support) with very few of them suitable for family living at any price. In new development on the fringe, most single-family homes are now built for the upper-third income level, with very few indeed for the lower half. Meanwhile, even the expanding upper-income Negro market has been neglected by ordinary private enterprise, except in certain southern communities and in a few northern cities either on redevelopment sites or in sparse ghetto suburbs.

A number of different forces account for the narrowing market in a period of rising incomes. These include speculative land prices rising faster than incomes, exclusionary zoning and building codes in suburban communities, unnecessarily restrictive codes in cities, fashions which push toward expensive extremes of low and high density, rising suburban and city taxes as community needs mount, long-standing discriminatory practices in the real estate business, and the lack of technological progress in construction methods. Taken together, however, they indicate that the basic problem is the cost of housing across a wide range of market demand. A comprehensive solution to this problem requires a complex of public and private actions.

The public role in reducing housing costs. Apart from discrimination and taxes, the ability of any family or population group to buy or rent decent housing is determined by its income relative to

- the price of developed land,
- the costs of construction and maintenance, and
- the financing and transfer costs.

The major Federal policy in cost reduction has been in the financing area through the loan and mortgage insurance programs. The Federal Housing Administration has probably approached the maximum reduction in carrying costs of housing possible through stretching out terms in the context of a marketable rate of interest. Further improvements to make housing available in the quantities needed by moderate and lower income families can only come through lower standards, direct attacks on land and construction costs, or public sharing of financing costs.

Lowering of accepted American housing standards is a counsel of despair, and we reject it (although we note below that many suburban communities have building code and zoning requirements far above any defensible health and safety minima).

Direct attack on land prices is most difficult in our tradition of land ownership and local property taxation, but some relief would be afforded by the Task Force's recommendations elsewhere for

- large-scale residential urban renewal projects and
- encouragement of advance acquisition of undeveloped land by State and local public agencies.

There remains the possibilities for reducing construction and maintenance costs. With the primary emphasis of all Federal housing programs to date on financial aids, public attention to the cost side of the housing industry has been relatively neglected. The industry is not a leader in research and development designed to reduce construction and maintenance costs nor does it feature management, organization, and operation techniques that have been so effective in the production and marketing of other durable goods in the private sector. The major growth industries spend on the average 1-1/2 percent of their sales income on research and development, probably six to ten times the current rate in the housing industry. The many small firms in housing make a concerted research and development program impossible. Consequently, we have not developed any major possibilities for cost reduction which might help to produce moderate priced housing.

Housing costs are also heavily affected by the complex of applicable building, housing, and zoning codes. At their best these requirements provide for meeting minimal standards of health, safety, and public necessity; at their worst, they become deliberate impediments to new materials, new production methods, or to the access of low-income groups to housing; in between, they have an unfortunate tendency toward rigidities and to differences without meaning that add needlessly to housing costs for all. These are traditionally matters of local concern, but the increasing Federal involvement in encouraging the setting of local standards amply justifies an equal Federal concern that these standards serve a broad version of the public interest.

To achieve genuine construction cost reductions we recommend:

- That the Federal Government take the lead in systematic research and large-scale experimentation in building technology through the establishment of an Institute-- described in the last section.
- That a temporary National Commission on Codes and Zoning be appointed to examine this problem and report with recommendations to the President, so that Presidential leadership can be applied to an examination of the extent to which existing zoning and code regulations add unnecessarily to housing costs.

Public sharing of costs. Even given increased innovation and new guidelines in building and zoning codes, it is all too evident that a fairly substantial segment of the overall housing need will require positive Federal aid in a variety of forms for the foreseeable future. The volume and type of special need must be developed and continuously checked from careful local, State, and Federal determinations. But the best current estimate is that at least 300,000 or 15 percent of the new units which must be provided annually between 1965 and 1970 could require some form of public assistance. So our tools for supporting market demand need to be revised and extended.

For the rehousing of slum dwellers, the low-rent public housing program has been the only positive tool since its enactment in 1937. It has been kept alive by the exigencies of the redevelopment program. For some groups of the chronically poor the higher institutionalized public housing project has a role as one segment of an intensive and comprehensive approach--that is, if combined with intensive and imaginative social services. However, many low-income families will be more effectively served by more flexible approaches, including those recommended but not enacted by the Administration last year.

We recommend further consideration of:

Greater flexibility in subsidized public housing including leasing of standard private units for low-rent use, and sliding rents for tenants whose incomes increase and possibilities for individual or cooperative ownership or quasi-ownership, or nonprofit private management;

Full-scale experimentation with rental supplements for families, utilizable only in standard housing, in areas with adequate vacancies, with periodic checking of market and social effects; and

Large-scale experimentation with subsidies for rehabilitation, by both public and private owners.

For moderate-income families, Federal assistance has been primarily extended through low-interest direct loans or mortgage purchases. These programs, in effect, pass on to the private borrowers the net savings from use of the Federal credit rating and interest costs in lieu of the interest rate that would be applicable if they borrowed in the private market with Federal insurance. Use of this device in a variety of situations ranging from college dormitories to moderate-income family housing, has served also the highly useful purpose of stimulating the creation of badly needed new entrepreneurs in housing markets--including State dormitory authorities, specialized cooperatives, and nonprofit housing corporations. It would appear to be feasible to use these new entrepreneurs in a variety of new approaches.

Nevertheless, the margin of interest-cost savings through use of the Federal Treasury as a financial intermediary has declined in recent years to the point that either lesser savings to the borrower are involved or supplementary devices must be employed to increase the financial benefit. In many cases, it may now be appropriate to develop direct financial assistance programs which can produce the total effect more simply and effectively.

While urging the continuation and expansion of successful financial assistance programs pending the development of acceptable alternatives, the Task Force recommends that programs of direct assistance for reducing the costs of low- and moderate-income housing be combined with a shift to private lenders of as much of the total financing as possible.

The Task Force is most impressed with alternatives that would make use, at least on an experimental basis, of such devices as:

- variable direct interest subsidies tied to the income of homeowners or tenants and paid directly to private lenders to bring the investment yield up to par with other federally insured housing loans;
- subordinated Federal loans for the longest maturities coupled with private loans for the early years when a lower market yield is acceptable to private investors;
- direct capital grants for a portion of the costs of rehabilitation of units in urban renewal areas which might otherwise have to be condemned for public acquisition in order to conform with the standards established in the urban renewal plan;
- temporary direct loans, preferably at sliding interest rates of 1 to 5 percent tailored to the needs and capacities of individual families. As most of the families' incomes rose, their interest rates could be stepped up

so that eventually most loans would yield the market rate and could be transferred to private mortgage portfolios. This would work for individual or co-operative ownership, and might be adaptable to rental projects.

Systematic experiment, with responsible planning and testing. There are no proven solutions to many housing problems, and there never will be any single final answers. The Federal Government should encourage a period of maximum experimentation with numerous defensible policies, accompanied by systematic research, reporting and testing.

This degree of flexibility calls for new responsibilities, however, at the State and local levels quite as much as at the Federal level. After 30 years of miscellaneous Federal policies, for instance, which called forth a whole string of new local agencies, there is no agency clearly and primarily responsible for the overall determination of social housing needs, and for the mobilization of all the private and public tools available to meet these needs. The local housing authorities have never undertaken this assignment; the redevelopment agencies are not primarily geared to such purposes at all; the planning departments have neglected it, and the new proposals for comprehensive social policy agencies (including that in Section II) do not include it. This responsibility can be fulfilled in various ways, but there cannot be a flexible and comprehensive local housing program without it.

At the metropolitan level, it is equally essential if we really desire to achieve better balanced patterns within and outside the old cities. This responsibility has been almost completely ignored in all the talk and work on metropolitan planning. Since housing decisions are ultimately the key factor in population distribution, the broad determination of housing needs should be a major function of all metropolitan planning, and a condition of Federal aid.

SECTION IV

Economic Development

City building in the United States goes forward principally and appropriately through the private sector of our economy. The rate and style of building depend upon a strong and flourishing national growth rate and continued general prosperity. While individual urban communities may expand or decline within this national framework, none of them will flourish long unless our continental economic base is sound. Thus, the recommendations of almost every other Task Force have relevance to the task of creating better and more livable cities.

Time did not permit this Task Force to deal directly with such crucial economic issues as the new relevance of urban public expenditures in the development of our new technologically-based industries. Nor have we emphasized sufficiently the need for a national policy with respect to declining urban areas with economic bases of older industries. Nor have we considered adequately such problems as the distribution of urban populations and labor forces among major regions of the country.

This section deals only with selected aspects of urban economics: principally the role of the private sector in housing and community development. These aspects complement most closely the national programs we have been evaluating in preceding sections. Our consideration of them makes clear how we view the revised and new Federal urban aids as complementary to expanded private activity--and the need for changes in the public sector to take into account the impact on the private.

Our recommendations especially in the last section have been predicated on our belief that an unparalleled opportunity now exists to attain public goals--especially in housing and community development--through private means. The supply of available investment funds, and the availability of new instruments for public-private collaboration make it possible to bring great resources to bear on the process of community development. To realize this possibility, old credit policies and programs established in the depression years need to be re-examined and new instruments of collaboration created.

Role of Private Credit

Within the general sphere of private enterprise, the Task Force recognizes the major role that our private mortgage credit system must play in the financing of vigorous urban revitalization programs. Maximum reliance on private credit is not only

-- consistent with the personal beliefs of the American people in a private enterprise system, but also

- essential for a realistic approach to meeting the expanded financial requirements of urban rebuilding, given the heavy financial burdens on the Federal Government.

The adequacy--and at times surplus--of mortgage funds which has prevailed over the past four years or so attests to the flexibility of our private financial system under changing economic circumstances. We are confident that our private institutions, under appropriate Federal policies, can continue to attract the large volume of saving necessary to finance the future growth of our cities. Indeed, in the financial climate which may prevail in the immediate years ahead, urban development could provide one of the major investment outlets for private lenders.

To realize our great private financing potential and objectives, the Federal mortgage insurance program, at market rates of interest, will remain essential so long as the risks associated with urban development and rehabilitation are too great for private lenders to bear alone. The Task Force asserts that it is in these high-risk, pioneering, innovative areas of mortgage finance that the Federal Housing Administration serves its most useful and continuing function. This is pathbreaking in the original FHA tradition.

The Depression-born programs of Federal mortgage insurance, in addition to minimizing private lender risk, are also designed

- to improve the inter-regional flow of mortgage funds by creating a broadly acceptable and marketable mortgage instrument, and
- to broaden the housing market among middle-income groups by promising low-downpayment, long-maturity contract terms.

The Task Force does not believe that FHA should back away from these functions. In providing national mobility of mortgage funds, in particular, FHA serves a singularly unique function. Private institutional arrangements for nationwide lending are oriented heavily around the standardized FHA-insured mortgage instrument. And while other devices to achieve nationwide mortgage mobility are being advanced, no broadly acceptable substitute has been, or seems imminent of being, achieved.

All of this does not mean that FHA programs and philosophy are without flaw. On the contrary, the Task Force believes that three decades of operating experience provides an adequate base and opportune time to re-evaluate FHA operations. For one thing, a depression-type evaluation of risk is no longer realistic in light of our enlightened Federal economic policies, built-in stabilizers, and national commitment to "full" employment and price stability. Accordingly, the Task Force recommends that FHA should:

- re-examine the actuarial and economic basis of its mortgage insurance operations and premium charges,

- develop experimental programs of co-insurance in the "more standardized" housing market in which administrative responsibilities and risks are shared with private lenders in return for greater rewards (sharing of premium income or otherwise) to them.

Within the structure of private financial institutions, additional strength and flexibility is desirable. This can be achieved in large part through Federal policy--historically a powerful force in the shaping of our financial institutions. Two such institutions, mutual savings banks and savings and loan associations, can measurably broaden the supply of funds for urban revitalization, with appropriate changes in structure and powers. The Task Force, therefore, recommends

- the nationwide extension of the present regional mutual savings bank system, and
- the broadening of mortgage investment powers of savings and loan associations, to include community development.

We believe that private financial institutions can be drawn even closer to the financing of urban development through an effective public/private administration structure. Such a creative partnership would be tangible recognition of the community of public-private interest. It would recognize that private institutions have more to lend than money; they have administrative and technical skills as well. Accordingly, the Task Force recommends

- the establishment of national, State and local Councils of Redevelopment Financing Institutions (CORFI) to stimulate the private role in the development and financing of our new urban society.

Urban development fund system. Government programs and private commercial actions--however extensive--cannot do all the jobs needed to revitalize our communities on a general, comprehensive basis. There is and always will be a place for public-spirited efforts by not-for-profit groups of citizens--e.g., to serve as sponsors of housing for the elderly, the poor, and other groups with special needs.

Small amounts of capital in the hands of such groups, used on a revolving basis and under carefully prescribed conditions, can go a long way and accomplish great public good. But such capital is not easy to come by.

We, therefore, propose the establishment of a national system of development funds, with regional offices, which can be tapped by local civic groups as sources of revolving capital. The system could be analogous to the Federal land banks established earlier in this century to assist the Nation's farmers in obtaining the credit they needed. It would be operated under Federal charter, with public representation, but would be administered with a broad measure of independence and--after the initial reservation of revolving capital--without subsidy.

SECTION V

Organization

The inauguration of new substantive programs and the modification of old ones, in and of themselves, cannot significantly improve the urban condition of the United States. Extraordinary organizational and collaborative efforts are required by governments at every level.

Diversity and initiative should be the hallmarks of this national effort. Every recommendation of this Task Force has been designed to respect this diversity and to encourage the release of public and private energies.

But when energies are released on the scale we recommend and think justified, citizens and taxpayers have a right to expect consistent objectives and compatible means. To date, the urban policies and programs of this Nation have suffered badly from the lack of such coherence.

There is no magic by which consistency can be achieved. Certainly it cannot be imposed. But consistency can be worked at and encouraged.

Political leadership. First of all, we believe, a viable policy strategy requires political leadership. We recommend that the unifying potential of the offices of the President, Governors, and Mayors and other local chief executives be developed and encouraged. For it is in these offices that the future of our urban communities will be charted; by these offices that public understanding will be sought and public support will be mobilized; through these offices that plans for action will be proposed for approval; and through these offices that public programs will be administered and private efforts received.

A major aim of our report is to assure that elected officials at every echelon have the resources and capabilities to develop and carry out comprehensive policies--as distinguished from the piecemeal provisions of narrowly conceived functional programs administered by separate and professionally oriented agency heads. All activities need to have general oversight, review, and direction.

Concurrently, we need to know much more about the process of urban development in its physical, human, and decision-making aspects than we do now. And we need to carry our knowledge to the practitioners in the field.

Accordingly, the Task Force wishes to make clear how it views the appropriate administration and continued refinement of its recommended programs.

First, it would expect that the block service grants, the special local facility grants, the social renewal plan and the revised renewal program would enable the mayor or other public bodies where appropriate, especially in larger cities, to bring together heretofore separate activities into a comprehensive strategy for local action.

Encouragement of effective leadership and coherent policies should begin where it is most needed: at the local level. The strengthening of the local capacity to act, to create, and to adapt is now a national imperative. There is no other way to ensure that "all that effort" by public and private sectors is turned into meaningful improvements in the life of the local community.

In most instances, this will mean strengthening the office of the mayor, helping it to become one which will attract the ablest of American citizens. Our mayors and other local chief executives not only should be able to hire first-rate talent; they should themselves have the stature and prerogatives the importance of their job demands.

We have therefore recommended:

-- Keeping Federal and State grants to local communities as flexible and discretionary as possible and prudent. Block grants are the most promising tools and obvious examples. In addition, we would urge that wherever possible, the "categorical aids"--grants for specialized purposes-- (1) contain "set-aside" amounts free from the usual formulae and available for expenditure and concentration at local discretion and (2) be dispensed only in accordance with general community development plans in which the local chief executive has been given the chance and facility to exert strong leadership.

-- Substantial expansion of facilities for recruiting and training key administrative, managerial and technical personnel. The time has come for national, regional and local staff colleges for urban personnel. Federal support for such facilities would be most helpful and appropriate.

-- More and better facilities for research and technical assistance, especially to aid the municipal officials in handling the problems of smaller, outlying communities unprepared to cope with rapid urban growth and decline, and also of disadvantaged neighborhoods within larger urban complexes.

Second, on the State level, the metropolitan facilities program, the new communities program, and the comprehensive regional planning activities should strengthen the capabilities of the Governor and other officials to fashion general urban policies.

The unifying potential of the office of the Governor has been too often vitiated by the splintering of Federal grants and activities among so wide a variety of separate programs and agencies.

We would therefore recommend that where Federal programs are appropriately channeled through the States, as may be true in the case of regional facilities and new community corporations, the office of the Governor be given the authority and/or opportunity to exercise a coordinating influence.

Third, at the Federal level, to strengthen State and local leadership, the executive branch should:

- (a) establish within the Executive Office an Urban Affairs Council, chaired by the Vice President and staffed so as to make possible the development of a coherent and integrated urban policy to orchestrate present Federal programs;
- (b) recommend a Department of Housing and Community Development that comprehends at least housing and physical assistance programs;
- (c) strengthen the Secretary's office and central programming and policy facilities of HEW to recognize the increased importance of welfare and education programs for an effective urban strategy; and
- (d) reinforce the Federal capability to support State and local policies through the strengthening of Federal regional operations and subsequent decentralization of program responsibilities.

Urban Affairs Council. The Task Force appreciates that the establishment of the Office of Economic Opportunity represents an important addition to Presidential instruments concerned with urban affairs. This office, however, is concerned only with a few critical urban programs.

Two possibilities suggest themselves. Either the role of the Office of Economic Opportunity can be expanded to encompass programs for general urban assistance and development. Or an Urban Affairs Council can be established, composed of representatives of the major agencies having urban concerns and equipped with a secretariat sufficiently staffed for policy planning purposes.

The Task Force favors the second alternative. We are impressed with the heavy immediate responsibilities of the Office of Economic Opportunity and are not disposed to recommend that additional obligations be placed upon it. We also recognize that the Council approach can be undertaken quickly by Executive Order. We believe that the need to provide a mechanism for comprehensive consideration of the total array of urban programs and problems is so great that the ability to establish a Council almost immediately is an overwhelming argument in its favor.

In making this recommendation, the Task Force is aware of the disabilities of interagency coordinating devices. The record, we are prepared to admit, of such devices in other fields has often been mediocre and sometimes dismal. The successful creation of an effective interagency instrument often depends upon the degree to which individual agency missions supplement and reinforce one another rather than conflict. However, in our judgment, the agencies involved in urban affairs do exhibit a high capacity for adjusting to the programs and needs of other agencies.

Strong leadership for the Council will be essential. In view of the broad nature and scope of its coordinative mission, including a tremendous range of domestic problems affecting the vast majority of the population, we recommend that the Chairman of the Council should be the Vice President of the United States.

The Urban Affairs Council would not be concerned with the evaluation and direction of individual programs. Rather, it would work to make consistent the varied activities of such agencies and bureaus as HHFA, the Bureau of Public Roads, the Office of Education, the U. S. Public Health Service, the Office of Manpower, Automation and Training, the Under Secretary of Commerce for Transportation, the Area Redevelopment Administration, the Justice Department, the Federal Aviation Agency, the White House Office of Science and Technology, and the Council of Economic Advisers--where activities and interests of these agencies directly impinge on metropolitan affairs.

Department. The Task Force reaffirms the need for a Cabinet-level Department dealing with housing and related problems along the lines previously recommended by Presidents Kennedy and Johnson and expressed in the 1964 Democratic Platform. It regards the reasons originally advanced for this reorganization, including expected benefits in organization, administration, and coordination--to be stronger today than in 1960. It believes there is a core of closely related programs in housing and community facilities and services that can provide a solid basis for such a Department.

We understand that our companion Task Force on Governmental Organization is giving careful consideration to the detailed development of such a Department and specific recommendations as to what programs should be included and more properly in their province. However, in establishing the Department, great care should be taken to assure that appropriate powers and authority be vested in the Office of the Secretary. One of the chronic difficulties of agencies now carrying out urban programs has been the relative autonomy of bureau-level operations. Reorganization provides a new opportunity to strengthen top level management, and the Task Force recommends that every effort be made to assure that the Secretary is equipped with the tools necessary for his large tasks.

Even given a Department, the Task Force recognizes that it is not feasible to encompass all urban aid programs within a single agency. This is the reason we place such emphasis on Executive Office arrangements. This is also why we consider in the next section further coordinating devices at the level of the urban region itself.

Field organization. The great differences in circumstances from one urban region to another, the resulting variations in public needs, and the importance of timing and of quality of detailed administration all argue for decentralization of responsibilities. So does the historic pattern of American federalism that properly assigns to the national government a supportive role to State and local agencies wherever possible in domestic affairs.

Yet the achievement of genuine decentralization consistent with a balanced program is not easy. The number of separate national agencies involved, even given a new Department, and Executive Office Council, is sizable. The regional and district offices of many agencies are not always strong in staff resources and authority and their boundaries are rarely identical. Since the abolition of field offices of the Bureau of the Budget after World War II, no general coordinating devices have been available at the field level. Thus, intra-Federal coordination and cooperation has not been easy to achieve. A major persistent problem from the viewpoint of many State and local officials is the multiplicity of Federal agencies with which they have to deal.

Moreover, different national urban aids have had different relationships with State and local authorities. The Departments of Commerce and Health, Education, and Welfare have enjoyed their strongest working relations with the States while the Housing and Home Finance Agency has established more frequent contacts with municipalities. In the program revisions recommended earlier, it is apparent, for example, that a new city program under the public auspices of a development corporation would necessarily have to be charted by State law. Regional planning also is an appropriate State function. Yet in renewal and many human development activities, the most flexible and effective arrangement may continue to be through direct city-Federal relations.

An additional complication is the fact that many State and local governments are in the process of rapid transition. More and more State governments are recognizing that their key problems are urban ones, and are devoting distinguished political leadership to it. Competent and coordinative devices among jurisdictions have evolved rapidly in the last 10 years in the form of planning agencies, intergovernmental councils, and special districts. The tempo of participation by private agencies has quickened. No hard and fast formula for the most effective pattern of working relations therefore is available. However, the Task Force does urge reform along the lines which follow.

As a general rule, Federal agencies with urban missions should be able to fit their programs in different areas of the country to either State or local counterparts, whichever instruments for collaboration appear to be most responsive. Where strong State programs exist, enabling legislation is on the books, and clear program benefits are visible, there should be no bar to State-Federal collaboration. Similarly, where local governments are prepared to move ahead, agency tradition should not prevent direct collaboration. Indeed, for all major urban aid programs, the Task Force recommends "set-aside" appropriations specifically designed to encourage such collaboration.

Ideally, the Task Force believes that for every major urban region, a comprehensive inventory of needs and goals should be prepared by State and local officials working together in conjunction with such private agencies as are available. This is one approach fitted to the realities of modern urban life and organizational behavior that emphasizes systems analysis and performance rather than formal hierarchical relationships. It is also in keeping with the provisions for comprehensive planning in Federal transportation, renewal, and land-use legislation. It is only when a total "state of the region" estimate is prepared and capital and operating budget needs known that a comprehensive strategy for guiding the urban process will be available. This is the goal implicit in all of our program recommendations as well as in the general philosophy of the Administration that seeks to encourage creative federalism. To achieve this goal, we recommend that the Workable Program for Community Improvement now required for some programs be required for all Federal urban aids and be extended to emphasize social and economic as well as physical concerns, at the regional as well as the municipal level.

The Federal posture at the regional level should be designed to encourage the evolution of coordinated State-local action. To reduce the difficulties for States and localities inherent in dealing with many separate Federal agencies and to ensure balanced impact among the national urban aids, the Task Force has a number of suggestions to result in increasing levels of effectiveness.

(a) At a minimum, all urban aids should encourage coordinated regional comprehensive programs by providing more liberal assistance to projects initiated and processed with respect to region-wide plans than those proposed in isolation. The degree of State initiative and responsibility required will vary with the degree of collaboration effected by local initiative.

(b) For each State, a single Federal coordinator for community programs should be appointed to blend appropriate Federal activities to fit State and regional strategies for urban development. In States where several urban regions exist, coordinators could be appointed for each region. The central function would be to assure that there would be a coordinated Federal response to coordinated State and local proposals.

The lines of responsibility and the degree of authority possessed by the coordinator could be established under several alternatives and developed over time. If a Department is to be established within the year, the concept of designated agency can be employed and the State and regional coordination system incorporated within the legislation. Alternatively, the Executive Office facility could designate coordinators either from principal agencies especially appropriate to the specific area or as its direct representative.

In its initial stage, the system might function principally to facilitate the flow of information and communication, and thus rely on referral and review procedures, to carry out its assignments. Later, it should be possible to establish urban aid allowances on a State-by-State or region-by-region basis and vest various degrees of allocative authority in the system. It could also be possible to assign specific unspecified block grant funds to coordinators so that they might adjust Federal assistance to well-justified regional proposals that cannot be met under existing categories of aid. Finally, one can expect the coordinator system to supersede the existing regional and district office pattern for designated urban regions--in effect, taking the place of these offices within a specified geographical area, through the detail of agency staff and the development of a single office.

It is not contemplated that the coordination system would ever concern itself with the management and execution of individual programs. Its principal concern would be with the strategy of urban development in specific areas, the balance among programs and their mutual complementarity. The Task Force recognizes practical management difficulties that may arise in implementing this system. But it is impressed that the weakest link in present operations is at the State and regional level and to date Federal field offices have not achieved complementary and supportive approaches on their own. It is prepared for its gradual introduction.

Research and development. Research support in the area of urban affairs has been miniscule. For example, if the housing industry were to invest in research and development at a rate comparable to that of electronics, the expenditure would be \$360,000,000, six to ten times the current rate.

To acquire urgently needed new knowledge and to transmit it, the Task Force has three major recommendations.

(a) Establish a National Institute of Urban Development, to be concerned with all aspects of the urban development process--including natural and human resources and technology and design--and would engage in both basic and applied research. Its work would be carried out both intramurally and out-of-house, with the prime purpose of serving as catalyst to private and philanthropic agencies and to various governments. Its governing board should be representative of both expert

knowledge and public leadership. In a more general context, we recommend the establishment of a National Institute of Public Administration either at an appropriate university or in a semi-autonomous standing associated with established municipal professional associations to provide training and research facilities on a substantial scale. We hope that this institution would also encourage the development of nationalized personnel systems in local government that permit transfer of endowment and pension benefits and increase the mobility of this vital sector of the work force.

(b) An Urban Extension Program. The concept of a Federal urban extension program paralleling our long-established farm extension activities has evoked an increasingly favorable response and has been carefully considered within and outside the Federal Government. We strongly urge the continuation of those experiments, and as deemed appropriate, expanding them into a network of research and extension facilities comparable in scale and commitment--though not necessarily in form and character--to the research and extension programs which for a century have so well served the Nation's agricultural community. Land-grant institutions may in some cases be the appropriate instrumentalities; but urban universities and other institutions also should be considered and involved.

In the development of urban extension, it should be remembered that the analogy between urban and rural programs is not a complete one. Although the same basic elements of research, training and technical assistance are involved, and the same cooperative and voluntary approach contemplated, urban extension must differ from its predecessor.

The enactment of extension legislation, thus, should proceed on a demonstration basis. This program could be a natural initial assignment to the State and metropolitan coordinator system outlined earlier.

(c) The "Demonstration" City. We believe there is need to accelerate the impact of the varied human development programs by a dramatic demonstration of ongoing and newly conceived urban aids in one or more especially chosen cities. Such a demonstration would involve long-range and short-term planning both for city-wide renewal and a comprehensive program of human services. The city should be of typical size and present typical problems of urbanization.

The selection of the cities could take place through procedures established by the White House. The recipients should be assured of Federal funds sufficient to develop a model program for urban America.