

I hope that, as time goes by, more and more of our federal programs can be brought into harmony with metropolitan area programs. For in this approach lies one of our brightest hopes for the effective use of local as well as federal resources in improving the American City.

### THE PHYSICAL ENVIRONMENT

We owe the quality of American housing to the initiative and vitality of our private housing industry. It has provided the homes which have made most of our citizens the best housed people in the world. Our federal housing programs are designed to work in support of private effort, and to meet the critical needs which can only be met through government action.

After World War II we worked to revitalize the housing market and provide homes for a growing number of our people. This effort has been successful far beyond our initial hopes. However, the problem now has a different shape. It is not enough simply to build more and more units of housing.

We must build neighborhoods and communities. This means combining construction with social services and community facilities. ~~It means designing our programs to combat segregation by race and income and occupation.~~ It means to build so that people can live together in attractive surroundings ~~sharing a common life with~~ *sharing a strong sense of community.*

To meet new objectives we must work to re-direct, modernize and streamline our housing programs. I will ask the Congress to begin the process this year, while continuing those programs which are providing necessary assistance.

We hope to achieve a large increase of homes for low and moderate income families -- those in greatest need of assistance -- through an array of old and new instruments designed to work together toward a single goal.

- To insist on stricter enforcement of housing codes by communities receiving federal aid, thus mounting an intensified attack on slums.

But such insistence is not realistic, and often not desirable, unless we can provide realistic alternatives to slum housing. We will do this by:

- providing rent supplements for families across a wide range of lower and moderate income brackets so they can afford decent housing.
- providing rent supplement assistance to those forced out of their homes by code enforcement and all forms of federally assisted government action, from highways to urban renewal.
- using both urban renewal funds and public housing funds to rehabilitate existing housing and make it available to low and moderate income families. There is no reason to tear down and rebuild if existing housing can be improved and made desirable.
- emphasizing residential construction and rehabilitation on a neighborhood-wide scale in the urban renewal program.

These instruments, combined with existing public housing and direct loan programs, will <sup>greatly strengthen</sup> ~~more than double~~ the scale of our existing

effort. They should offer direct assistance to the housing of one million families over the next four years. Moreover they will immensely add to our flexibility in the process of building neighborhoods.

### RENT SUPPLEMENTS

The most crucial new instrument in our effort to improve the American city is the rent supplement.

Up to now government programs for low and moderate income families have concentrated on either direct financing of construction; or on making below-the-market-rate loans to private builders. We now propose to add to these programs through direct payment of a portion of the rent of needy individuals and families.

The homes themselves will be built by private builders, with Federal Housing Administration insurance, and, where necessary, mortgage purchases by the Federal National Mortgage Association. The major federal assistance will be the rent supplement payment for each eligible family.

This approach has immense potential advantages over low-interest loan programs:

First, its flexibility will allow us to help people across a much broader range of income than has hitherto been possible. And it will therefore make it possible significantly to increase the supply of housing available to those of moderate income.

Second, the payment can be keyed to the income of the family. Those with lower incomes will receive a greater supplement. Under present direct loan programs the amount of the subsidy is the same for all who live in a federally assisted development regardless of individual need.

Third, the amount of assistance can be reduced as family income rises. It can be ended completely when income reaches an adequate level. Thus we will not end up, as is sometimes the case, helping those who no longer need help.

Fourth, it will be unnecessary to evict from their homes those whose income has risen above the point of need. This will eliminate what is often a great personal hardship.

Fifth, since the supplement is flexible it will permit us to encourage housing in which families of different incomes, and in different age groups, can live together. It will make it unnecessary for the government to assist and even require the segregation by income level which detracts from the variety and quality of urban life.

In the long run this may prove the most effective instrument of our new housing policy. In order to give it a fair chance we are limiting it to carefully designed categories of need.

- in a program of rental and cooperative housing for those low and moderate income families displaced by government action or now living in substandard housing. The subsidy will help them pay rent or meet payments on a federally insured mortgage.
- in a program of home ownership for those displaced or living in substandard housing who display a capacity for increasing income and eventually owning their own home. ~~These families will receive a lease with an option to buy, the federal government supplementing the rent until they can afford to buy the house.~~



-- in a program to provide a broader range of housing for the elderly with inadequate incomes. The existing direct loan program for the elderly will continue at its existing level with the funds already provided by the Congress. I intend to ensure a steadily increasing supply of federally assisted housing for older Americans.

On this basis our rent supplement program should finance more than 500,000 homes over the next four years, while improving our ability to make these homes serve the social needs of those who live in them. If it works as well as we expect, it should be possible to phase out most of our existing programs of low-interest loans.

#### REHABILITATION

We have concentrated almost all our past effort on building new units, when it is often possible to improve, rebuild and rehabilitate existing homes with less cost and less human dislocation. Even some areas now classed as slums can be made decent places to live with intensive rehabilitation. In this way it may often be possible to meet our housing objectives without tearing people away from their familiar neighborhoods and friends. Sometimes the same objective can be achieved by helping local authorities to lease standard homes for low rent families.

I recommend a change in the public housing formula so that we can more readily use public housing funds to acquire and rehabilitate existing

dwellings -- and to permit local authorities to lease standard housing for low-rent families. This will assist particularly in providing housing for large families.

I recommend the use of urban renewal funds to permit low-income homeowners to repair their homes and non-profit sponsors to rehabilitate and operate homes for low-income families at rents they can afford.

I have recommended the appropriation of funds for low-interest rehabilitation loans under urban renewal, designed to help rescue our existing housing from blight and decay.

#### EXISTING PROGRAMS

I ask Congress to continue, on a modified basis, the existing housing programs which have proven their ability to meet important needs. But I also wish to state my intention to reduce or eliminate these programs whenever new and more flexible instruments have shown they can do a better job.

The public housing program should be continued with an authorization ample enough to permit an increase in the number of new units as well as to conduct a program of rehabilitation.

I ask the continuation, at the rate of 40,000 additional units for fiscal 1966, of the program of below market interest rate mortgage purchases for housing for moderate income families. At the same time we must recognize that the benefits of this program are decreasing as the rising costs of federal borrowing narrows the difference between the interest we ask and that demanded in the private market.

I urge continued support for our college housing program which  
is struggling to keep up with the needs of a rising volume of students.

I ask that our urban renewal program be increased to a level of  
750 million dollars a year by 1968. This program has done much to  
help our cities. But we have also learned, through hard experience,  
that there is more to eliminating slums and building neighborhoods  
than knocking down old buildings and putting up new ones.

Through using funds for rebuilding existing housing and by  
providing more and better assistance to families forced out by urban  
renewal, we can make this program better serve the people it is  
meant to help. We will continue to use urban renewal to help revitalize  
the business and industrial districts which are the economic base of  
the central city. But this program should be more and more concentrated  
on the development of residential areas so that all our tools -- from  
the poverty program, to education and construction -- can be used  
together to create meaningful and liveable communities within the city.

To accomplish this purpose cities must develop long-range programs  
which take into account <sup>human</sup> ~~social~~ as well as construction needs. Therefore  
I recommend that every city of 50,000 or larger be required to develop  
a Community Renewal Program as a condition of federal help for urban  
renewal. These programs will provide an orderly schedule and pattern  
for development of areas of blight and decay -- combining social and  
educational services with the planning of physical construction.

### NEIGHBORHOOD FACILITIES

A community must offer added dimensions to the possibilities of daily life. It must meet the individual's most pressing needs and provide places for recreation and for meeting with neighbors. I therefore recommend a new program of matching grants to help local governments build multi-purpose neighborhood centers for health and recreation and community activity. Related to our housing programs these centers can help urban renewal and public housing meet the goal of creating a meaningful community.

At the same time these centers must not be isolated expressions of interest. They should be part of an overall program for improving the life of people in disadvantaged areas. Therefore, I am recommending <sup>in cities participating in the War Against Poverty</sup> that ~~most of~~ these grants be made only when they are consistent with an approved community action program ~~under the War Against Poverty.~~

### BEAUTIFYING THE CITY

In my message on natural beauty I pointed out that much of the effort of the new conservation would be directed toward the city. I recommend changes in the open space program, broadening its authority to help local governments acquire and clear areas to create small parks and squares, malls and playgrounds. In addition I recommend special grants to cities for landscaping, the planting of trees, the improvement of city parks and other measures to bring beauty and nature to the city dweller.

But beauty is not simply a matter of trees and parks. The attractiveness of our cities depends upon the design and architecture of buildings and blocks and entire urban neighborhoods. I intend to take further steps to ensure that federal <sup>activity</sup> ~~activity~~ does not contribute to drab and ugly <sup>architecture</sup> ~~construction~~. But in this field, as in so many others, most of our hopes rest on the concern and work of local governments and private citizens.

### CONCLUSION

This message can only deal with a fragment of the effort increasingly directed toward improving the quality of life in the American city. The creation of jobs, the war against poverty, support for education and health, programs for natural beauty and anti-pollution are all part of an effort to build the great cities which are at the foundation of our hopes for a Great Society.

Nor can we forget that most of our programs are designed to help all the people, in every part of the country. We do not intend to forget or neglect those who live on the farms, in villages, and in small towns. <sup>Coordinated</sup> ~~Working closely~~ with the Department of Agriculture, the programs I have outlined above can do much to meet rural America's need for housing and the development of better communities.

Many of these programs are intended to help the poor and those stripped of opportunity. But our goal is more ambitious than that. It is nothing less than to improve the quality of life for every American, ~~rich and poor, black and white, businessman and laborer~~. In this quest the future of the

American city will play the most vital role. There are a few whose affluence enables them to move through the city guarded and masked from the realities of the life around them. But they are few indeed. For the rest of us the quality and condition of our lives is inexorably fixed by the nature of the community in which we live. Slums and ugliness, crime and congestion, growth and decay inevitably touch the life of all. Those who would like to enjoy the lovely parks of some of our great cities soon realize that neither wealth nor position fully protects them against the failures of society. Even among strangers, we are neighbors, ~~whether we will it or not.~~

We are still only groping toward solution. The next decade should be a time of experimentation. Our cities will not settle into a drab uniformity directed from a single center. Each will choose its own course of development -- whether it is to unite communities or build entirely new metropolitan areas. We will seek new ways to structure our suburbs and our transportation; new techniques for introducing beauty and improving homes. This is an effort which must command the most talented and trained of our people, and call upon administrators and officials to act with generosity of vision and spaciousness of imagination.

I believe today's proposals are an important start along that road. They should help us to look upon the city as it really is: a vast and myriad complex of homes and communities, people and their needs, hopes and frustrations. It can liberate the expectations of men, or it can crush them in body and spirit.



For underneath all the rest, at the very bottom of all we do, is the effort to protect, under the conditions of the modern world, values as old as this nation and the civilization from which it comes. We work in our cities to satisfy our needs for shelter and work and the ability to command a satisfying way of life. We wish to create a city where men and women can feed the hunger of the spirit for beauty and have access to the best of man's work; where education and the richness of diversity expands our horizons and extends our expectations. But we also look for something more.

~~Robert Frost said "Home is the place where, when you have to go there they have to take you in . . ."~~ The American city <sup>should</sup> ~~too~~ must be a collection of communities where every member has a right to belong. It should be a place where every man feels safe on his streets and in the house of his friends. It should be a place where each individual's dignity and self respect is strengthened by the respect and affection of his neighbors. It should be a place where each of us can find the satisfaction and warmth which comes only from being a member of the community of man. This is what man sought at the dawn of civilization. It is what we seek today.

March 2, 1965

NOTICE: There should be no premature release of this Message to the Congress, nor should its contents be paraphrased, alluded to or hinted at in earlier stories. There is a total embargo on this message until 12:00 noon March second, which includes any and all references to any material in this message.

George E. Reedy  
Press Secretary to the President

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THE WHITE HOUSE

MESSAGE ON THE CITIES

TO THE CONGRESS OF THE UNITED STATES:

Throughout man's history, the city has been at the center of civilization. It is at the center of our own society.

Over seventy percent of our population -- 135 million Americans -- live in urban areas. A half century from now 320 million of our 400 million Americans will live in such areas. And our largest cities will receive the greatest impact of growth.

Numbers alone do not make this an urban nation. Finance and culture, commerce and government make their home in the city and draw their vitality from it. Within the borders of our urban centers can be found the most impressive achievements of man's skill and the highest expressions of man's spirit, as well as the worst examples of degradation and cruelty and misery to be found in modern America.

The city is not an assembly of shops and buildings. It is not a collection of goods and services. It is a community for the enrichment of the life of man. It is a place for the satisfaction of man's most urgent needs and his highest aspirations. It is an instrument for the advance of civilization. Our task is to put the highest concerns of our people at the center of urban growth and activity. It is to create and preserve the sense of community with others which gives us significance and security, a sense of belonging and of sharing in the common life.

Aristotle said: "Men come together in cities in order to live. They remain together in order to live the good life."

The modern city can be the most ruthless enemy of the good life, or it can be its servant. The choice is up to this generation of Americans. For this is truly the time of decision for the American city.

In our time, two giant and dangerous forces are converging on our cities: the forces of growth and of decay.

Between today and the year 2000, more than 80 percent of our population increase will occur in urban areas. During the next fifteen years, thirty million people will be added to our cities -- equivalent to the combined population of New York, Chicago, Los Angeles, Philadelphia, Detroit and Baltimore. Each year, in the coming generation, we will add the equivalent of 15 cities of 200,000 each.

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\* In this message the word city is used to mean the entire urban area -- the central city and its suburbs.

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CENTRAL FILES

Already old cities are tending to combine into huge clusters. The strip of land from southern New Hampshire to northern Virginia contains 21 percent of America's population in 1.8 percent of its areas. Along the West Coast, the Great Lakes, and the Gulf of Mexico, other urban giants are merging and growing.

Our new city dwellers will need homes and schools and public services. By 1975 we will need over two million new homes a year. We will need schools for 10 million additional children, welfare and health facilities for 5 million more people over the age of sixty, transportation facilities for the daily movement of 200 million people and more than 80 million automobiles.

In the remainder of this century -- in less than forty years -- urban population will double, city land will double and we will have to build in our cities as much as all that we have built since the first colonist arrived on these shores. It is as if we had forty years to rebuild the entire urban United States.

Yet these new overwhelming pressures are being visited upon cities already in distress. We have over nine million homes, most of them in cities, which are run down or deteriorating; over four million do not have running water or even plumbing. Many of our central cities are in need of major surgery to overcome decay. New suburban sprawl reaches out into the countryside, as the process of urbanization consumes a million acres a year. The old, the poor, the discriminated against are increasingly concentrated in central city ghettos; while others move to the suburbs leaving the central city to battle against immense odds.

Physical decay, from obsolescent schools to polluted water and air, helps breed social decay. It casts a pall of ugliness and despair on the spirits of the people. And this is reflected in rising crime rates, school drop-outs, delinquency and social disorganization.

Our cities are making a valiant effort to combat the mounting dangers to the good life. Between 1954 and 1963 per capita municipal tax revenues increased by 43%, and local government indebtedness increased by 119%. City officials with inadequate resources, limited authority, too few trained people, and often with too little public support, have, in many cases, waged a heroic battle to improve the life of the people they serve.

But we must do far more as a nation if we are to deal effectively with one of the most critical domestic problems of the United States.

Let us be clear about the core of this problem. The problem is people and the quality of the lives they lead. We want to build not just housing units, but neighborhoods; not just to construct schools, but to educate children; not just to raise income but to create beauty and end the poisoning of our environment. We must extend the range of choices available to all our people so that all, and not just the fortunate, can have access to decent homes and schools, to recreation and to culture. We must work to overcome the forces which divide our people and erode the vitality which comes from the partnership of those with diverse incomes and interests and backgrounds.

The problems of the city are problems of housing and education. They involve increasing employment and ending poverty. They call for beauty and nature, recreation and an end to racial discrimination. They are, in large measure, the problems of American society itself. They call for a generosity of vision, a breadth of approach, a magnitude of effort which we have not yet brought to bear on the American city.

Whatever the scale of its programs, the federal government will only be able to do a small part of what is required. The vast bulk of resources and energy, of talent and toil, will have to come from state and local governments, private interests and individual citizens. But the federal government does have a responsibility. It must help to meet the most urgent national needs; in housing, in education, in health and many other areas. It must also be sure that its efforts serve as a catalyst and as a lever to help and guide state and local governments toward meeting their problems.

We must also recognize that this message, and the program it proposes, does not fully meet the problems of the city. In part, this is because many other programs, such as those for education and health, are dealt with separately. But it is also because we do not have all the answers. In the last few years there has been an enormous growth of interest and knowledge and intellectual ferment. We need more thought and wisdom and knowledge as we painfully struggle to identify the ills, the dangers and the cures for the American city. We need to re-shape, at every level of government, our approach to problems which are often different than we thought and larger than we had imagined.

I want to begin that process today.

We begin with the awareness that the city, possessed of its own inexorable vitality, has ignored the classic jurisdictions of municipalities and counties and states. That organic unit we call the city spreads across the countryside, enveloping towns, building vast new suburbs, destroying trees and streams. Access to suburbs has changed the character of the central city. The jobs and income of suburbanites may depend upon the opportunities for work and learning offered by the central city. Polluted air and water do not respect the jurisdictions of mayors and city councils, or even of Governors. Wealthy suburbs often form an enclave whereby the well-to-do and the talented can escape from the problems of their neighbors, thus impoverishing the ability of the city to deal with its problems.

The interests and needs of many of the communities which make up the modern city often seem to be in conflict. But they all have an overriding interest in improving the quality of life of their people. And they have an overriding interest in enriching the quality of American civilization. These interests will only be served by looking at the metropolitan area as a whole, and planning and working for its development.

#### DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

To give greater force and effectiveness to our effort in the cities I ask the Congress to establish a Department of Housing and Urban Development.

Our urban problems are of a scope and magnitude that demand representation at the highest level of government. The Housing and Home Finance Agency was created two decades ago. It has taken on many new programs. Others are proposed in this message. Much of our hopes for American progress will depend on the effectiveness with which these programs are carried forward. These problems are already in the front rank of national concern and interest. They deserve to be in the front rank of government as well.

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The new Department will consist of all the present programs of HHFA. In addition it will be primarily responsible for federal participation in metropolitan area thinking and planning. This new department will provide a focal point for thought and innovation and imagination about the problems of our cities. It will cooperate with other federal agencies, including those responsible for programs providing essential education, health, employment and social services. And it will work to strengthen the constructive relationships between nation, state and city -- the creative federalism -- which is essential to progress. This partnership will demand the leadership of mayors, Governors and state legislatures.

#### INCENTIVES TO METROPOLITAN AREA COOPERATION

The federal government cannot, and should not, require the communities which make up a metropolitan area to cooperate against their will in the solution of their problems. But we can offer incentives to metropolitan area planning and cooperation. We can help those who want to make the effort but lack the trained personnel and other necessary resources. And the new Department should have regional representatives in our metropolitan areas to assist, where assistance is requested, in the development of metropolitan area plans.

We already have federal programs in which assistance depends upon the completion of soundly conceived metropolitan area plans, such as the mass transportation program passed by the 88th Congress. This program strikes at the heart of one of our most critical and urgent needs -- a transportation system which can relieve congestion and make it possible for people to travel with comparative ease to places of work, learning and pleasure.

I am proposing other programs which will also require sound, long-range development programs as a condition of federal assistance. Wherever it can be done without leaving vital needs unmet, existing programs will also be keyed to planning requirements.

Among the most vital needs of our metropolitan areas is the requirement for basic community facilities -- for water and sewerage. Many existing systems are obsolete or need major rehabilitation. And population growth will require a vastly increased effort in years ahead.

These basic facilities, by their very nature, require cooperation among adjacent communities. I propose a program of matching grants to local governments for building new basic community facilities with an appropriation of 100 million dollars for fiscal 1966. These grants will be contingent upon comprehensive, areawide planning for future growth; and will be made only for projects consistent with such planning.

One of the greatest handicaps to sound programs for future needs is the difficulty of obtaining desirable land for public buildings and other facilities. As growth is foreseen it should be possible to acquire land in advance of its actual use. Thus, when the need arises, the land will be there. I recommend a federal program for financial assistance to help in this advance acquisition of land. Federal grants would be made available to cover the interest charges for five years on loans obtained by public bodies. Thus we will cover the costs during the period before the facilities are constructed.

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Last year alone one million acres were urbanized. As our cities spread, far too often we create the ugliness and waste which we call urban sprawl. At times we find we have built new slum areas in our suburbs. Some of our programs are designed to stem this tide by helping city governments to plan their growth. But we must continue to depend upon the private developer and lender for most of our construction. And they sometimes lack the economic resources to ensure high standards of development. I therefore recommend a program of federally insured private loans, backed by Federal Mortgage purchases where necessary, to finance the acquisition and development of land for entire new communities and planned subdivisions.

This program should enable us to help build better suburbs. And it will also make it easier to finance the construction of brand new communities on the rim of the city. Often such communities can help break the pattern of central city ghettos by providing low and moderate income housing in suburban areas.

This program will be complemented with a program of federal financial assistance to state land development agencies. Under this program public bodies would acquire land, install basic facilities, and then re-sell the improved land to private builders for the construction of suburbs or new communities.

All of these programs would be dependent upon the existence of area-wide planning for growth to which the aided developments must conform. They are designed to stimulate the farsighted planning for future growth which is necessary if we are to prevent sprawl and new slums, and to create standards which will guarantee a decent environment for our future city dwellers whatever their race or income. In addition, these programs should enable us to build better suburbs, since it will be possible to acquire land and improve it before the imminent approach of the city has sent costs skyrocketing upward.

### RESOURCES FOR PLANNING

To plan for the growth and development of an entire metropolitan area takes a wide range of skills and a large number of trained people. These vital human resources are in short supply. They are beyond the command of many of our cities. To help meet this need I propose to establish an Institute of Urban Development as part of the new department.

This Institute will help support training of local officials in a wide range of administrative and program skills. It will administer grants to states and cities for studies and the other basic work which are the foundation of long-term programs. And it will support research aimed especially at reducing the costs of building and home construction through the development of new technology.

### TEMPORARY NATIONAL COMMISSION

Good planning for our metropolitan areas will take not only determination, the spirit of cooperation and added resources. It will also take knowledge, more knowledge than we have now. We need to study the structure of building codes across the country: their impact on housing costs, how building codes can be simplified and made more uniform, and how housing codes might be more effectively enforced to help eliminate slums.

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Zoning regulations also affect both the cost and pattern of development. We must better learn how zoning can be made consistent with sound urban development.

Few factors have greater impact on cost, on land speculation and on the ability of private enterprise to respond to the public interest, than local and federal tax policies. These too must be examined to determine how they can best serve the public interest.

Finally, we must begin to develop better and more realistic standards for suburban development. Even where local authorities wish to prevent sprawl and blight, to preserve natural beauty and ensure decent, durable housing they find it difficult to know what standards should be expected of private builders. We must examine what kind of standards are both economically feasible and will provide liveable suburbs.

To examine all these problems I recommend the establishment of a Temporary National Commission on Codes, Zoning, Taxation and Development Standards. I predict that the body masked by such an unwieldy name may emerge with ideas and instruments for a revolutionary improvement in the quality of the American city.

This entire range of programs is designed to help us begin to think and act across historic boundaries to enrich the life of the people of our metropolitan areas. We do not believe such planning is a cure-all or a panacea. It can sometimes be a slender reed. It must be flexible and open to change. And we cannot wait for completed plans before trying to meet urgent needs in many areas. But it will teach us to think on a scale as large as the problem itself, and act to prepare for the future as well as to repair the past.

I hope that, as time goes by, more and more of our federal programs can be brought into harmony with metropolitan area programs. For in this approach lies one of our brightest hopes for the effective use of local as well as federal resources in improving the American City.

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We have concentrated almost all our past effort on building new units, when it is often possible to improve, rebuild and rehabilitate existing homes with less cost and less human dislocation. Even some areas now classed as slums can be made decent places to live with intensive rehabilitation. In this way it may often be possible to meet our housing objectives without tearing people away from their familiar neighborhoods and friends. Sometimes the same objective can be achieved by helping local authorities to lease standard homes for low rent families.

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I recommend a change in the public housing formula so that we can more readily use public housing funds to acquire and rehabilitate existing dwellings -- and to permit local authorities to lease standard housing for low-rent families. This will assist particularly in providing housing for large families.

I recommend the use of urban renewal funds to permit low-income homeowners to repair their homes and non-profit sponsors to rehabilitate and operate homes for low-income families at rents they can afford.

I have recommended the appropriation of funds for low-interest rehabilitation loans under urban renewal, designed to help rescue our existing housing from blight and decay.

### EXISTING PROGRAMS

I ask Congress to continue, on a modified basis, the existing housing programs which have proven their ability to meet important needs. But I also wish to state my intention to reduce or eliminate these programs whenever new and more flexible instruments have shown they can do a better job.

The public housing program should be continued with an authorization ample enough to permit an increase in the number of new units as well as to conduct a program of rehabilitation.

I ask the continuation, at the rate of 40,000 additional units for fiscal 1966, of the program of below market interest rate mortgage purchases for housing for moderate income families. At the same time we must recognize that the benefits of this program are decreasing as the rising costs of federal borrowing narrows the difference between the interest we ask and that demanded in the private market.

I urge continued support for our college housing program which is struggling to keep up with the needs of a rising volume of students.

I ask that our urban renewal program be increased to a level of 750 million dollars a year by 1968. This program has done much to help our cities. But we have also learned, through hard experience, that there is more to eliminating slums and building neighborhoods than knocking down old buildings and putting up new ones.

Through using funds for rebuilding existing housing and by providing more and better assistance to families forced out by urban renewal, we can make this program better serve the people it is meant to help. We will continue to use urban renewal to help revitalize the business and industrial districts which are the economic base of the central city. But this program should be more and more concentrated on the development of residential areas so that all our tools -- from the poverty program, to education and construction -- can be used together to create meaningful and liveable communities within the city.

To accomplish this purpose cities must develop long-range programs which take into account human as well as construction needs. Therefore I recommend that every city of 50,000 or larger develop a Community Renewal Program as a condition of federal help for urban renewal. These programs will provide an orderly schedule and pattern for development of areas of blight and decay -- combining social and educational services with the planning of physical construction.



### NEIGHBORHOOD FACILITIES

A community must offer added dimensions to the possibilities of daily life. It must meet the individual's most pressing needs and provide places for recreation and for meeting with neighbors. I therefore recommend a new program of matching grants to help local governments build multi-purpose neighborhood centers for health and recreation and community activity. Related to our housing programs these centers can help urban renewal and public housing meet the goal of creating a meaningful community.

At the same time these centers must not be isolated expressions of interest. They should be part of an overall program for improving the life of people in disadvantaged areas. Therefore, I am recommending that in cities participating in the War Against Poverty these grants be made only when they are consistent with an approved community action program.

### BEAUTIFYING THE CITY

In my message on natural beauty I pointed out that much of the effort of the new conservation would be directed toward the city. I recommend changes in the open space program, broadening its authority to help local governments acquire and clear areas to create small parks and squares, malls and playgrounds. In addition I recommend special grants to cities for landscaping, the planting of trees, the improvement of city parks and other measures to bring beauty and nature to the city dweller.

But beauty is not simply a matter of trees and parks. The attractiveness of our cities depends upon the design and architecture of buildings and blocks and entire urban neighborhoods. I intend to take further steps to ensure that federal construction does not contribute to drab and ugly architecture. But in this field, as in so many others, most of our hopes rest on the concern and work of local governments and private citizens.

### CONCLUSION

This message can only deal with a fragment of the effort increasingly directed toward improving the quality of life in the American city. The creation of jobs, the war against poverty, support for education and health, programs for natural beauty and anti-pollution are all part of an effort to build the great cities which are at the foundation of our hopes for a Great Society.

Nor can we forget that most of our programs are designed to help all the people, in every part of the country. We do not intend to forget or neglect those who live on the farms, in villages, and in small towns. Coordinated with the Department of Agriculture, the programs I have outlined above can do much to meet rural America's need for housing and the development of better communities.

Many of these programs are intended to help the poor and those stripped of opportunity. But our goal is more ambitious than that. It is nothing less than to improve the quality of life for every American. In this quest the future of the American city will play the most vital role. There are a few

more

whose affluence enables them to move through the city guarded and masked from the realities of the life around them. But they are few indeed. For the rest of us the quality and condition of our lives is inexorably fixed by the nature of the community in which we live. Slums and ugliness, crime and congestion, growth and decay inevitably touch the life of all. Those who would like to enjoy the lovely parks of some of our great cities soon realize that neither wealth nor position fully protects them against the failures of society. Even among strangers, we are neighbors.

We are still only groping toward solution. The next decade should be a time of experimentation. Our cities will not settle into a drab uniformity directed from a single center. Each will choose its own course of development -- whether it is to unite communities or build entirely new metropolitan areas. We will seek new ways to structure our suburbs and our transportation; new techniques for introducing beauty and improving homes. This is an effort which must command the most talented and trained of our people, and call upon administrators and officials to act with generosity of vision and spaciousness of imagination.

I believe today's proposals are an important start along that road. They should help us to look upon the city as it really is: a vast and myriad complex of homes and communities, people and their needs, hopes and frustrations. It can liberate the expectations of men, or it can crush them in body and spirit.

For underneath all the rest, at the very bottom of all we do, is the effort to protect, under the conditions of the modern world, values as old as this nation and the civilization from which it comes. We work in our cities to satisfy our needs for shelter and work and the ability to command a satisfying way of life. We wish to create a city where men and women can feed the hunger of the spirit for beauty and have access to the best of man's work; where education and the richness of diversity expands our horizons and extends our expectations. But we also look for something more.

The American city should be a collection of communities where every member has a right to belong. It should be a place where every man feels safe on his streets and in the house of his friends. It should be a place where each individual's dignity and self-respect is strengthened by the respect and affection of his neighbors. It should be a place where each of us can find the satisfaction and warmth which comes only from being a member of the community of man. This is what man sought at the dawn of civilization. It is what we seek today.

LYNDON B. JOHNSON

THE WHITE HOUSE,

March 2, 1965.

####



MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

February 26, 1965

FOR THE PRESIDENT

FROM: Bill Moyers *BM* *L*

I have okayed the draft on the Urban Affairs message. It will be coming to you directly from Dick Goodwin. It is our hope that we can get final approval on it this weekend.

Our tentative schedule on messages for next week is Voting Rights on Tuesday and Urban Affairs on Wednesday.

RECEIVED  
FEB 27 1965  
GENERAL FILES

 MEMORANDUM

EXECUTIVE

FG999-6

THE WHITE HOUSE  
WASHINGTON

CH/ 27  
May 5, 1965

TO THE PRESIDENT

Government Operations Committee reported the Department of Housing and Urban Affairs 20 to 8 -- one Republican for, Reed of New York -- one Democrat against, Fountain of North Carolina -- Mrs. Dwyer of New Jersey was absent but left specific instructions for her proxy to pass.

LARRY O'BRIEN

10:10 6/7/65  
MEMORANDUM

EXECUTIVE

FG 999-6

THE WHITE HOUSE  
WASHINGTON

25

Saturday, June 5, 1965  
3:10 p.m.

FOR THE PRESIDENT

From: Larry O'Brien

RE: Department of Housing and Urban Development

We expect a rule on this bill Tuesday with a rule on the Housing Bill the following day. Our judgment is the Departmental Bill should be calendared before the Housing Bill in the hope this would hold a few additional votes for the Department.

This is a tough fight -- our current Democratic count is 193 right, 19 possible, 6 ?, 50 wrong and 23 blank (Texas). We can expect very little Republican support -- we must anticipate this Bill has to be passed with Democrats. (Outside sources say we have 11 Republicans as possibilities with none of them really solid.) Certainly we cannot depend upon any Republicans on the re-commit motion.

RECEIVED  
JUN 9 1965  
CENTRAL FILES

Filed: 3/30/66

~~CONFIDENTIAL~~

C. F.

76170

Q. Is ~~ANYONE~~ <sup>ANYONE</sup> the Acting Secretary of the new Department?

A. No. ~~ALL OF THE PERSONNEL~~ <sup>ALL OF THE PERSONNEL</sup> ~~will continue with the~~ <sup>will continue with the</sup> Housing and Home Finance Agency, which on November 9 will become a part of the Department of Housing and Urban Development. ~~(As a practical matter, until the President makes his nomination of the new Secretary, Dr. Weaver will be the highest ranking officer in the new Department.)~~

Q. Doesn't the Act abolish ~~positions and certain agencies~~ <sup>ALL POSITIONS AND CERTAIN AGENCIES</sup> in the Housing and Home Finance Agency as of the effective date of the Act?

A. No. The Act provides ~~that these~~ <sup>THAT THESE</sup> positions and certain other jobs and agencies, "shall lapse." However, that provision, according to the Attorney General and the Comptroller General, is intended to take effect only after the Secretary is ~~appointed~~ <sup>CONFIRMED</sup> and has had an opportunity to issue the orders required to establish a new departmental structure. Until that occurs, all of the jobs and agencies continue as they were except that they are now part of and situated within the Department of Housing and Urban Development.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

SIGN THEIR NAMES.

Q. How will ~~Dr. Weaver~~ <sup>THE PERSONNEL</sup> sign ~~his name~~ <sup>his name</sup>?

A. THEY will sign as ~~Administrative~~ <sup>[JOHN DOE]</sup> Housing and Home

Finance Agency, Department of Housing and Urban Development.

~~Other~~ <sup>TOP</sup> Officials, such as the Commissioner of the Federal Housing Administration, will sign in a similar way.

Q. What salaries will be paid to ~~Dr. Weaver~~ <sup>THE</sup> and the other principal officers <sup>AND TO OTHER PERSONNEL</sup> of the Housing and Home Finance Agency after the new Department comes into existence?

A. The same as they now receive. In ~~Dr. Weaver's~~ <sup>case</sup> ~~\$30,000 a year.~~

~~CONFIDENTIAL~~

Rec'd 6/10/65  
Thurs. 6:00 PM  
MEMORANDUM

THE WHITE HOUSE

WASHINGTON

June 10, 1965

4:30 P.M.

EXECUTIVE

LE/DIS

FG 999-6

LE/LG

HS

(3)

MEMORANDUM TO THE PRESIDENT

FROM: Henry Wilson *HW*

The House leadership this afternoon scheduled for next Tuesday the new Northwest Disaster bill and the Urban Affairs Departmental bill.

The Rules Committee put over till Tuesday consideration of the Housing bill.



MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

June 10, 1965  
4:30 P.M.

EXECUTIVE

LE/DI 5

FG 999-6

LE/FA 4

HS.

MEMORANDUM TO THE PRESIDENT

FROM: Henry Wilson

The House leadership this afternoon scheduled for next Tuesday the new Northwest Disaster bill and the Urban Affairs Departmental bill.

The Rules Committee put over till Tuesday consideration of the Housing bill.

Rec'd  
Thurs 6/10/65  
6:00 P.M.  
MEMORANDUM  
JW

7  
(2)  
JUN 6/10

THE WHITE HOUSE  
WASHINGTON

June 10, 1965  
4:30 P.M.

EXECUTIVE

LE/DIS

FG 999-6

LE/FA 4

HS

MEMORANDUM TO THE PRESIDENT

FROM: Henry Wilson *HW*

The House leadership this afternoon scheduled for next Tuesday the new Northwest Disaster bill and the Urban Affairs Departmental bill.

The Rules Committee put over till Tuesday consideration of the Housing bill.

*June 15, 1965*

## THE SPEAKER

We discussed the legislative program with the President.

Today, the bill creating a Cabinet Department of Housing and Urban Affairs will be on the floor of the House. This is an important measure, flowing out of the visible and urgent needs of the city dweller. Next week, the housing bill will be brought to the floor for debate and vote.

Our projection into the future includes final House passage by July 4. We are hopefully confident of the Voting Rights bill and the authorization for the poverty program.

Rec'd  
Wed. 6/16/65  
5:15 p.m.  
MEMORANDUM

FG 999-6

THE WHITE HOUSE  
WASHINGTON

77  
June 16, 1965  
5:00 pm

TO THE PRESIDENT

On the Department of Housing and Urban Development  
we had 208 Democrats and 9 Republicans For with  
66 Democrats and 118 Republicans Against --- this was  
a good victory and worth the effort that was put into it.

LARRY O'BRIEN

EXHIBIT

FG 717

Consensus

FG 999-6

June 16, 1965

Memorandum for Mrs. Esther Peterson

Attached is a copy of your memo to the President with his notation.

Please prepare the pros and cons as you suggest.

Marvin Watson

WMW:

Has Mrs. Peterson said anything further about this to you -- or am I expecting it in too soon?

*Must be in  
by 6/21/65  
Will call  
when ready  
mjc*





HOUSING AND HOME FINANCE AGENCY  
OFFICE OF THE ADMINISTRATOR • WASHINGTON, D.C. 20410

Federal Housing Administration  
Public Housing Administration  
Federal National Mortgage Association  
Community Facilities Administration  
Urban Renewal Administration

June 18, 1965

MEMORANDUM FOR:

George Reedy  
Assistant to the President  
The White House

SUBJECT:

Probable Evans-Novak column saying the  
President is uninterested in the rent  
supplement program

This morning Roland Evans had breakfast with Jim McEwen of the House  
subcommittee on housing and was exploring the idea that the President  
is not interested in the rent supplement section in the Housing and  
Urban Development Bill, and that this is why Congress may not vote  
it through.

There was no indication when the column might carry such a specula-  
tion, which of course would hurt us whenever printed. The supple-  
ments are the heart of the bill, and the vote on this will be  
closer in the House than the vote was Wednesday on the Department  
proposal.

*Bob Murray*  
Robert W. Murray, Jr.  
Assistant Administrator  
(Public Affairs)

RECEIVED  
JUN 21 1965  
CENTRAL FILES

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

Tuesday, July 13, 1965  
10:05 am

EXECUTIVE

FG 999-6

PE 2

HU 2-1

REPORT TO THE PRESIDENT:

Subject: Personnel

1. I have talked with John Macy and have him ready to recommend William W.<sup>x</sup> Sherrill, of Houston, formerly Treasurer of the city of Houston and former chief administrative officer of that city, as Assistant Secretary of the new Housing department. Sherrill is a graduate of Harvard Business School, and one of the ablest men I know.
2. While you have made some spectacular Negro appointments let us not forget that the largest ethnic group in this country (larger than the Negro) is the Italian.

We have made no significant Italo-American<sup>x</sup> appointments.

Suggestion:

That we look seriously at the Italo-Americans already in the government for promotion to higher jobs --

such as

Mario T.<sup>x</sup> Noto, Associate Commissioner for Operations, Immigration and Naturalization Service.

Dr. Edward<sup>x</sup> Re, Chairman of the Foreign Claims Settlement Commission.

as well as:

other Italo-Americans in the country. Why shouldn't we ask all the Italo-American congressmen to submit to us the name of the best qualified Italo-American they know and from that pool draw, over the next several years, appointments to key jobs in the government.

Jack Valenti

July 13, 1965

~~MEMORANDUM~~ ANDUM FOR

JOHN MACY

I just wanted you to see a copy of this  
memorandum I sent to the President.

Jack Valenti

Memo to the President dated July 13, 1965 from JV. re William W. Sherrill.

78.  
Tuesday, August 3, 1965  
7:00 p.m.

EXECUTIVE

ESIDENT

FOR THE PRESIDENT'S NIGHT READING

FROM: (Bill) Moyers

1965

76  
76 11-1  
76 999-6

*use this to press*  
*L*

*orig to Mrs Luntz*

ganization program

We are having a very successful year from the standpoint of Government reorganization.

- You transmitted 5 reorganization plans to the Congress this session. None was disapproved. All 5 plans are now in effect. (See attached list)
- Your authority to transmit such plans was due to expire June 30. Congress extended it to December 31, 1968. This 3½-year extension is considerably better than the 2-year extensions which have been the rule over the past several years.
- The bill to establish a Department of Housing and Urban Development is moving well. It passed the House June 16. Yesterday the Senate Government Operations Committee ordered it reported by a 9-4 vote. Floor action is scheduled the week of August 1.

All told, this promises to be the best year for Government reorganization in more than a decade.

*Charles L. Schultze*  
Charles L. Schultze  
Director

Attachment

THE WHITE HOUSE  
WASHINGTON

7/30/65

FOR THE PRESIDENT

From: Larry O'Brien

(2)  
THE WHITE HOUSE  
WASHINGTON

July 29, 1965

"L" 7  
EXECUTIVE

FG 215

FG 170

LE/LG

FYI.

TO: Larry O'Brien

FROM: Claude Desautels

I took a call for you from Adam Clayton Powell.

*Robert*  
He says that Bob Weaver has got to go, and he wants you to get this to the President.

Also he wants you to know that if you and the President deem it advisable he will issue a public statement in support of someone like Albert Rains for the new Cabinet post, and it will be issued whenever you deem it most advisable --

- a. Prior to Senate debate of the Departmental bill
- b. During debate
- c. After passage

He wants you to know he will be out of the city about 10 days.

He can be reached in this period through the Miami Marina.

He said, I'm going to be on a ship called the Little Seas, Claude-Baby".

Nothing else sent to  
Central Files as of

10-27-65



*galy*

EXECUTIVE  
76170

June 5, 1963

TO: LEE WHITE  
FROM: LARRY O'BRIEN  
SUBJECT: Department of Housing and Urban Development

This bill will be calendared in the House soon.

We expect the Republican Recommit will be to substitute for the Department a White House Office to coordinate urban problems which of course we oppose. We anticipate that both the Recommit and Final Passage votes will be close.

Attached are House Members from your assigned backup list who need contact in each instance where you feel you are in a position to do so at this time.

I will appreciate a progress report by 5:00 pm Wednesday/ June 9th.

A fact sheet is enclosed for your use.

attachments

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Background

In 1961 President Kennedy sent a bill to Congress to establish a Department of Urban Affairs and Housing. The Committee on Government Operations reported favorably on the bill, however, it failed to obtain a rule from the Rules Committee. In 1962 President Kennedy sent up a reorganization plan which would incorporate a Department of Urban Affairs, but though approved by the Committee it (H.R. 530) was rejected Feb. 21, 1962 by the House, 150-264.

President Johnson called for a Department of Housing and Urban Development in his 1965 State of the Union message; he subsequently renewed this proposal in his budget message and in his message March 2, 1965 on "Problems and Future of the Central City and its Suburbs".

Rep. Dante Fascell (D.-Fla.) introduced the Administration's bill, H.R. 6927 March 30, 1965. Sen. Abraham Ribicoff (D.-Conn.) introduced the bill, S. 1599, in the Senate March 25, 1965.

Differences between previous legislation and H. R. 6927 are : 1) the name of the new Department would be Housing and Urban Development instead of Urban Affairs and Housing to emphasize the Department's concern with the development (but not other "affairs") of large and small urban areas; 2) FHA functions transferred to the Secretary instead of the Agency being transferred as a separate entity to the Department; 3) new functions and powers delegated to the Secretary.

Need for Legislation

No exact criteria have ever been prescribed for determining at what stage in its development an agency may merit departmental status. But the general tests have related primarily to the permanence, size, scope, interrelatedness, and, above all, the national significance of the proposed department.---Kermit Gordon, Director of the Budget, 4/5/65

Today, our national welfare is dependent upon the orderly growth and development of our urban areas. Our 220 metropolitan areas:

Size

- \*\*\*Contain over 70% of our entire population, almost 135 million people;
- \*\*\*Account for 84% of the increase in the nation's population;
- \*\*\*Contain more than 75% of our wealth and productive capacity and provide major parts of our tax base for the Federal Government.
- \*\*\*In the last 60 years, the population of these urban areas has quadrupled, while the rest of the nation has increased only one and one-third.

Permanency

- \*\*\*In the next 15 years, 30 million people will be added to our cities--the combined populations of New York, Los Angeles,

Philadelphia, Detroit, and Baltimore.

\*\*\*In the next 20 years, we can expect more than half of our population to live in the 40 great urban complexes.

\*\*\*In the next 40 years, the urban population of the United States will double, more than 270 million people will live in our cities.

\*\*\*Each year, in the coming generation, we will add the equivalent of 15 cities of 200,000 people each.

\*\*\*Today, the process of urban sprawl consumes one million acres per year.

#### Scope

\*\*\*In 10 years we will need over 2 million new homes a year, schools for 10 million more children, transportation facilities to move 200 million people daily, and more than 80 million automobiles.

#### Interrelatedness

\*\*\*Today, over 43 programs are arranged to cover the needs of an urban society--they are scattered over 5 executive departments and 8 independent agencies.

\*\*\*Much of the success of a program depends upon the effectiveness with which they are carried out--the creation of this new department would provide a focal point for closer inter-program and intra-program coordination and cooperation.

\*\*"What is being sought here is an organizational structure better able to deal with the complex interrelationships among the many programs." Budget Director, Kermit Gordon--4/5/65

#### National Significance

\*\*\*When, in 40 years, our urban population doubles, we will face the unprecedented task of duplicating the entire national stock of urban facilities: Housing, streets, utilities, schools, recreation.

\*\*\*Today, we live in an urban society, and our success or failure rests on the progress or decline of our cities.

#### Committee Hearings

The Government Operations Subcommittee on Executive and Legislative Reorganization held hearings on H. R. 6927 April 5 and 6, 1965. Organizations favoring the Administration-supported bill include the U. S. Conference of Mayors, National League of Cities, National Association of Home Builders, AFL-CIO, National Association of Mutual Savings Banks. Those opposing the legislation are the National Association of Real Estate Boards, Chamber of Commerce, and the National Association of Manufacturers.

#### Committee Action (H. Rept. 337)

The Committee on Government Operations by a 20-8 vote, favorably reported H. R. 6927 with an amendment May 5, 1965. The bill would establish a Department of Housing and Urban Development replacing the present Housing and Home Finance Agency.

The amendment provides for one of the Assistant Secretaries of the Department to administer programs carried out by the Department relating to the private mortgage market. These include programs presently under the Federal Housing Administration and the Federal National Mortgage Association; the

amendment assures continuity and effective administration of these programs.

The legislation provides for improved operation of the Federal Government's housing and urban development programs. The Secretary will be more closely responsible to Congress and the President. The bill does not increase the Federal Government's authority in these fields.

Urban areas are defined as communities with a minimum population of 2500--the Department's activities would deal with small as well as large areas.

Major Provisions of H. R. 6927 as Reported (H. Rept. 337)

- I. Establishes Department of Housing and Urban Development within Executive Branch
- II. Department to be administered by a Secretary appointed by the President subject to Senate confirmation
- III. All functions of present Housing and Home Finance Agency (HHFA), Federal Housing Administration (FHA), and Public Housing Administration (PHA) transferred to Secretary.
  1. Federal National Mortgage Association transferred to new Department
    - a. Secretary becomes Chairman of Board of Directors of FNMA which will be separate entity within Department.
    - b. Rights and interests of common stock issued by FNMA will not be affected.
- IV. Staff:
  1. Provides for a) 1 Under Secretary b) 4 Assistant Secretaries c) 1 General Counsel, to be appointed by the President and confirmed by the Senate
  2. Assistant Secretary for Administration appointed by the Secretary with the approval of the President
- V. Responsibilities of the Secretary:
  1. Advise the President on Federal programs dealing with housing and urban development.
  2. Develop and recommend to the President policies to provide for orderly growth and development of urban areas.
  3. Co-ordinate Federal activities, at the discretion of the President, affecting housing and urban development.
  - 4
  4. Provide technical assistance and information including a clearing house service to aid State and local governments in developing solutions to urban development problems.
  5. Encourage comprehensive planning by State and local governments with view to coordinating Federal, State, and local development activities.

6. Conduct continuing studies of housing and urban development problems.

VI. Act would take effect 60 days from the date of its approval or earlier if specified by the President.

5/27/65



8/3/65

EXECUTIVE

FG/110  
FG/170

## SENATE MAJORITY LEADER

We told the President that the bill to create a Department of Housing and Urban Affairs is in the final stages of consideration and we promised prompt action on this important legislation when it reaches the Senate floor.

We also indicated to the President that we have every reason to expect final approval by both House and Senate of the Saline Water measure this week.

Other important elements of the President's program will be completed in the coming days. We assured the President that the Congress will stay in session until its work is finished.

EF:ew

Sheet 1 of 4

August 9, 1965

TO: Marvin Watson

FROM: Claude Desautels

The following people have  
Housing and Urban Development

Vice President Hubert H.  
SENATORS:

MANSFIELD, Mike  
LONG, Russell B.  
SMATHERS, George A.  
ROBERTSON, A. Willis  
SPARKMAN, John J.  
DOUGLAS, Paul H.  
MUSKIE, Edmund S.  
LONG, Edward V.  
TOWER, John G.  
BENNETT, Wallace F.  
HICKENLOOPER, Bourke B.  
NEUBERGER, Maurine B.  
MONDALE, Walter F.  
THURMOND, Strom

CONGRESSMEN:

Speaker John W. McCormack  
ALBERT, Carl  
BOGGS, Hale  
PATMAN, Wright  
BARRETT, William A.  
ASHLEY, Thomas L.  
MOORHEAD, William S.  
STEPHENS, Robert G.  
St. GERMAIN, Fernand  
GONZALEZ, Henry B.  
REUSS, Henry S.  
WIDNALL, William B.  
FINE, Paul A.  
DWYER, Florence P.  
McGRATH, Thomas  
HANSEN, J. R.  
ANNUNZIO, Frank  
HALPERN, Seymour  
BROCK, W. E.  
TALCOTT, Burt L.  
CLAWSON, Del  
HOMSON, Albert  
MIZE, Chester L.  
MULTER, Abraham  
MINISH, Joseph  
WELTNER, Charles  
NANNA, R. T.

EXECUTIVE

LE/LG

FA 4

HS 2

HS 3

LG

HS

FG 440

FG 412

FG 245

ST 5

Accepted the invitation to attend the signing of the  
act, 8/10/65.

Key

GRABOWSKI, F.  
WHITE, C. I.  
GETTYS, T. S.  
TODD, P. H.  
OTTINGER, R. L.  
CABELL, E.  
COAN, Carl A. S.  
BARRIERE, John E.  
LINDLEY, Jonathan  
NELSON, Paul  
IRELAND, Casey  
FINK, Orman S.  
WEAVER, Robert C.  
SOMERS, Milton P.  
SLAYTON, William L.  
STILL, Richard L.  
BROWNSTEIN, Philip N.  
McGUIRE, Marie  
BAUGHMAN, J. Stanley  
SCHUSSHEIM, Morton J.  
MURRAY, Robert W.  
SPECTOR, Sidney  
SMITH, Charles M.  
FOARD, Ashley A.  
BARCIA, Joseph J.  
MALONEY, Philip N.  
NIBLACK, Monte Ray  
PETERSON, Neal D.  
WILLITS, Perry, Nat'l Assn. of Home  
Builders

BLACKMAN, Larry  
WEINER, Leon N.  
CLARK, Lloyd E.  
BOUTIN, Bernard  
LINNEHAN, John L.  
ABELSON, Norman  
MORGAN, Robert M., Nat'l Assn. of Mutual  
Savings Banks  
SCHWULST, Earl B.  
KEITH, Nathaniel S., Nat'l Housing Conf.  
HENDERSON, Laurance G., Joint Council on  
Housing and Urban Deve.  
MEANY, George, AFL-CIO  
BIEMILLER, Andrew W.  
SHISHKIN, Boris

EF:ew

Sheet 2 of 4

August 9, 1965

EXECUTIVE

LE/LG 4

FA 4

HS 3

HS 2

LG

HS

FG 440

FG 412

FG 245

ST 5

TO: Marvin Watson  
FROM: Claude Desautels

The following people have accepted the invitation to attend the signing of the Housing and Urban Development Act, 8/10/65.

KEENAN, Joseph D., Internat'l Brotherhood of Electrical Workers	BOSWORTH, Francis, Friends Neighborhood Guild
MAIER, Henry W., Nat'l League of Cities	WASHBURN, Howard W.,
BLAISDELL, Neal S., U. S. Conf. of Mayors	UPTON, Lawrence M., Nat'l Council on the Aging
GUNTHER, John J.,	POSTON, Robert R., Nat'l Assn. of Mutual Savings Banks
HEALEY, Patrick, Jr., Nat'l League of Cities	DUMAS, W. W., Nat'l Assn. of Counties
VOORHIS, H. Jerry, Cooperative League of the U.S.A.	HILLENBRAND, Bernard F.,
TOWNSEND, Dwight	WARD, C. D.,
EDELMAN, John W., Nat'l Council of Senior Citizens	KETCHUM, Morris, Jr., American Institute of Architects
PATTON, James G., Nat'l Farmers Union	SCHEICK, William H.
CARSTENSON, Dr. Blue	LANDRY, Kenneth C.
GALLAGER, Raymond J., Nat'l Conf. of Catholic Charities	WILKINS, Roy, NAACP
HALDOCK, Hoyt S., Four Freedoms, Inc.	RUTLEDGE, Edward, Nat'l Committee Against Discrimination in Housing
MITCHELL, Clarence, NAACP	TOLLEFSON, Harold M.
TUCKER, Sterling, Wash. Urban League	MAYORS:
KROOTH, David L., Housing Legislation Information Service	EVERY, H. C., Jr., Midland, Tex.
DALEY, Richard J., Mayor of Chicago, Ill.	BRILEY, C. Beverly, Nashville, Tenn.
McKeldin, Theodore R., Mayor of Balto, Md.	GRAGSON, Oran K., Las Vegas, Nev.
CAVANAUGH, Jerome P., Mayor of Detroit	HOLLAND, John D., Vicksburg, Miss.
KELLY, James W., Jr., East Orange, N. J. Mayor	LOCHER, Ralph S., Cleveland, Ohio
TATE, James H. J., Mayor of Phila., Pa.	MARTIN, Roy B., Jr., Norfolk, Va.
WAGNER, Robert F., Mayor of N.Y.	McKINNEY, James B., Sacramento, Calif.
BROWN, Edmund G., Gov. of Calif.	ZINKIL, William G., Hollywood, Fla.
LIDDELL, Charles, Nat'l Fed. of Settlements and Neighborhood Centers	LEE, Richard C., Past Pres. Mayor of New Haven
WISE, Harold F., American Institute of Planners	BARR, Joseph M., Trustee Mayor of Pitts.
WILLIAMS, Robert L.	BUCKLEY, John J., Trustee Mayor of Lawrence
ELLIS, Elmer, University of Mo.	COLLINS, John F., Trustee Mayor of Boston
ELLIS, Calvert N., Juniata College, Pa.	McKINNEY, James B., Trustee Mayor of Sacramento
THACKERY, Russell L., Nat'l Assn. of State Universities & Land Grant Colleges	SCHRUNK, Terry D., Trustee Mayor of Portland
FERWERDS, Vernon L., Nat'l Council of the Churches of Christ in the U.S.A.	SMEKTA, Alex P., Trustee Mayor of Rochester Minn.
RAHN, Sheldon	ADDONEZIO, Hugh J., Newark
MALETTA, George D. M., Nat'l Council of the Episcopal Church	ALLEN, Ivan, Jr., Atlanta
REACH, Barbara, Community Service Society	BABIARZ, John E., Wilmington, Del.
	BROOKSHIRE, Stanford R., Charlotte
	GLYNN, William E., Hartford

EF:ew

Sheet 3 of 4

August 9, 1965

TO: Marvin Watson

FROM: Claude Desautels

EXECUTIVE

LE/IG

FA 4

HS 3

HS 2

LG

HS

FG 440

FG 412

FG 245

ST 5

The following people have accepted the invitation to attend the signing of the Housing and Urban Development Act, 8/10/65.

GOLDNER, Herman W., St. Petersburg  
KOWAL, Chester, Buffalo  
LOCHER, Ralph S., Cleveland  
McKELDIN, Theodore R., Baltimore, Md.  
MAIER, Henry W., Milwaukee, Wisc.  
MALTESTER, Jack D., San Leandro  
NAFTAIN, Arthur, Minneapolis, Minn.  
THOMPSON, Allen C., Jackson, Miss.  
WALCH, Louie, Houston  
YORTY, Samuel W., Los Angeles  
HUGHES, Richard G.

PAULSEL, Timothy  
YARBOROUGH, Joe C.,  
BURKE, Elmo J., Jr.

WEBB, Del

KLUTZNICK, Philip

BAKER, Robert, Riggs Bank

BANNER, Knox, Riggs Bank

MIELDS, Hugh, US CONF. of MAYORS

RAINS, Albert

SLATER, Don

KERVICK, John

NICHOLSON, Thomas L.

PORTER, Joe

HEARIN, William

JACKSON, Phillip

BONDS, Ray

PORTER, Nathan

GRAVLEE, Vondal

BRACEWELL, Hiram,

MURPHY, R. J.

TOWNSEND, Vincent, Birmingham News

TYREE, Karl T.

WOOD, Robert C., MIT

WHEATON, William L., University of Calif.

KELLY, Burnham, Cornell University

YLVISAKER, Paul, Ford Foundation

BEBOUT, John E., Rutgers

CAMPBELL, Alan K., Syracuse University

PERLOFF, Harvey S., Resources for the  
Future, Inc.

COLLINS, Morris W. H., Jr., University of  
Georgia

DUGGAR, George S., University of Pitts.

CAUDILL, William W., Rice University

ABRAMS, Charles, Columbia University  
School of Architecture

ESSER, George H., Jr., University of N.C.

BOHEN, Ervin E., Home Builders Assn. of  
Great Salt Lake

HENTHERN, Albert Lee, Home Builders Assn.  
of the Virgin Islands.

RADFORD, Frank R., Home Builders Assn.  
of Va.

LUNDSTROM, Boyd, Home Builders Assn. of  
Washington

RITENOUR, Woodrow, Home Builders Assn.  
of W. Va.

KILPS, Donald W., Wisconsin Builders Assn

FEDERER, M. V., Home Builders Assn. of  
Cheyenne, Wyoming

THOMPSON, Robert O., Home Builders Assn.  
of Ohio

O'CONNELL, W. J., Home Builders Assn. of  
Okla.

GILBERT, Ken D., Master Builders of  
Oregon

HAWBAKER, J. Alvin, Home Builders Assn, of  
Pa.

TYLER, Curt, Home Builders Assn. of R.I.

GRIMSLEY, L. Dwight, Home Builders Assn.  
of S. Carolina

TESLOW, Ralph B., Home Builders Assn. of  
Sioux Falls, S. Dak.

JOHNSON, Aubrey H., Home Builders Assn. of  
Tenn.

LEE, Leland G., Texas Assn. of Home  
Builders

LEE, Virginia Gail

PACKER, Herbert M., Pa. Home Builders  
Assn.

DEASY, Robert, World Telegram and Sun

FOWLER, Glenn C., New York Times

HOLTON, James L., New York World Telegram

LYMAN, Richard B., New York Herald  
Tribune

EF:ew

Sheet 4 of 4

August 9, 1965

TO: Marvin Watson

FROM: Claude Desautels

The following people have accepted the invitation to attend the signing of the Housing and Urban Development Act, 8/10/65.

EXECUTIVE

LE/LG

FA 4

HS 3

HS 2

LG

HS

FG 440

FG 412

FG 245

ST 5

NARMORE, Allen R., Houston Post  
SAVAGE, Harry, New York Journal American  
SCHNEIDER, Ben, N.Y. World Telegram  
GAVIN, James, Chicago Tribune  
CAMERON, Thomas G., Los Angeles Times  
O'LEARY, Daniel F., Bulletin  
TELLER, Oscar B., Inquirer  
KEITH, James D.  
KNOZELMAN, F. Carl, Detroit News  
TSCHIMART, Don, Detroit News  
WOERPEL, John A. Free Press  
MOOSHIAN, Charles, Sun  
WILLIAMS, Carroll E., News-Post  
BROOKS, Chet, Houston Post  
EVANS, Charles, Houston Chronicle  
BRENNAN, Bob, Cleveland Press  
BROWN, David R., Cleveland Press  
GLEISSER, Marcus, Plain Dealer  
POOLE, Daniel Star  
WILLMANN, John B., Post  
LINK, David E., Sentinel  
KEELEY, Robert J., Chronicle  
TAYLOR, Brian W., Examiner  
BOLAND, Edmund, Globe  
DORMAN, William E., Herald  
FRANCIS, Edwin A., Record-American  
KNEELAND, Paul F., Globe  
WICKEY, Charles, Times Herald  
STEPHENSON, Jim, News  
Times Picayune  
States Item  
BOLLINGER, David, Pitts. Press  
TREUTER, Florance, Light  
SMITH, Clyde, Union  
STAPLES, Alice, Times  
HIGGINS, Joseph, Courier Express  
RICHMOND, Dean, News  
WEISKITTEL, Ralph J., Enquirer  
McGEE, Mike, Commercial Appeal  
PITTMAN, Kay, Press Scimitar  
Denver Post  
LOWE, Warren, Rocky Mountain News  
CLEVELAND, Bill, WAIL-TV  
CHUCKER, Harold, Star  
GOODPASTER, Ed, Minneapolis Star

BALDWIN, William, Sun Times  
JEDLICA, Albert, News  
BOLGER, J. F., American  
HOME BUILDERS ASSN. of (State) as follows  
PORTER, Joe T., of Ala.  
CLEMMER, Morris R., of Alaska  
GODWIN, Fredrick I., of Phoenix  
WITHERSPOON, Lawrence, of Little Rock, Ark.  
ELAM, Richard F., of San Fran, Calif.  
NEVILLE, Keith B., of Metropolitan, Denver  
SPOLL, Geo L., of Conn.  
HUTCHINSON, Charles F. L., of Dela.  
DUFFIE, Ralph J., of Wash.  
ALBERT, James M., of Fla.  
KANAAKI, Bert, of Hawaii  
DEWEY, J. W., of Southwestern Idaho  
HENDERSON, Leland H., of Ill.  
SMITH, John E., of Indiana,  
YODER, Earl M., of Iowa  
ROBB, Ronald L., of Topeka  
ROBERTSON, Norris, of Kentucky  
MONSUR, Hab., of La.  
BOAELY, Melvin G., of Md.  
SMITH, Robert F., of Mass.  
COBB, Richard, of Mich.  
ZUBECK, George W., Jr., of Minneapolis  
PARTRIDGE, Donald, of St. Paul  
LAYTON, Kenneth C., of Miss.  
THOMPSON, William V., of Greater Kansas  
City  
SCHNELDER, Everett, of Greater St. Louis  
CARPENTER, Harian E., of Montana  
JACOBS, W. L. "Jat", of Omaha  
CLELAND, C. R. "Bud", of Southern Na.  
DINWIDDLE, Stewart, of Northern Na.  
O'MALLEY, Andrew, of N. H.  
SOLONDZ, Philip J., of N.J.  
MOORE, Roy, of New Mexico  
STACKLER, Walter, of N.Y.  
ROBINSON, C. Phil, Jr., of N.C.  
WOLF, Joseph E., of Birmarch-Mandann  
SIMPKINS, Tal  
COGEN, Joel  
NICKERSON, Eugene



1 *[signature]*  
HUD

~~EXECUTIVE~~


FG 170

A SUMMARY OF THE MAIN PROVISIONS

"THE HOUSING AND URBAN DEVELOPMENT ACT OF 1965"

PUBLIC LAW 89-117

APPROVED AUGUST 10, 1965

 Issued by the Office of the Administrator  
Housing and Home Finance Agency  
Washington, D. C. 20410

October 11, 1965

*filed*  
*3/15/67*

*This is 1962-64  
average*

## HOUSING FOR LOW-INCOME FAMILIES

The Act will add significantly to the volume of good housing that can be provided for low-income families who are elderly, handicapped, displaced, victims of a natural disaster, or occupants of substandard housing.

Here are the programs that will help to do that:

### Existing Low Income Programs

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Low-Rent Public Housing: Provides for 60,000 low-rent public housing units a year--240,000 in four years--with an estimated 35,000 a year to be new construction, 15,000 to be bought and rehabilitated if necessary from existing housing, and 10,000 units to be leased for low-rent use from private owners.

*AAEP member now find public housing respectable*  
The Act modifies the public housing program to permit the use of existing housing, including leased units. The Act also makes it possible for a tenant in a detached or semidetached dwelling to enter into a contract to buy the dwelling.

\* \* \*

FHA Moderate-Income Housing: This successful 1961 program to provide housing at below-market interest rates for low-and moderate-income families is continued, and the maximum interest rate is reduced to 3 percent to assure lower rents. Support for such FHA-insured mortgages is continued through the Federal National Mortgage Association.

\* \* \*

Direct Loans, Housing for the Elderly and the Handicapped: This active program for nonprofit housing for the elderly and handicapped of moderate means is extended with an additional \$150,000,000 authorization, and the maximum interest rate is reduced to 3 percent.

### New Low Income Programs

Rent Supplements: This is a major new program to provide a large volume of private housing within the means of low-income families. It is expected to generate some 375,000 units of nonprofit, cooperative, or limited dividend housing over the next four years by attracting private enterprise into the housing market for low-income families. With some half million families on the public housing waiting lists and some six million families with incomes below \$4,000 living in substandard housing, existing programs alone are not sufficient to make large-scale inroads on the problem.

Here is how the rent supplement program would operate:

How the Housing is Financed: The housing would be built by nonprofit, cooperative, or limited dividend sponsors under FHA's moderate income housing program at regular market interest rates (currently  $5\frac{1}{4}$  percent plus  $\frac{1}{2}$  percent insurance premium). It would be subject to FHA's requirements in this program which assure that the housing is modest in cost.

*Not yet started. 1966 supplemental appropriation request will contain language to get this started.*

Who is Eligible: Those families and individuals whose incomes are below the maximum that can be established for occupancy in public housing and who, in addition, are elderly, handicapped, displaced from their homes by governmental action, living in slums, or victims of natural disasters, are eligible for rent supplements.

What the Rent Supplement Pays: Eligible tenants would pay 25 percent of their income toward the established fair market rents. The rent supplement would pay any difference above that percentage. As family income rises, the supplement would be reduced, and when the family could pay the full rent, it could continue to live in the same unit without a supplement. If the housing is adapted for individual purchase, the family could also have an opportunity to buy it when its income permitted.

*These are '66 and '67 updates*  
Size of Program: The aggregate amount of rent supplement payments that the Housing Administrator can contract for is limited to amounts prescribed in annual appropriation acts, but cannot exceed \$30 million prior to July 1, 1966. That limit is increased by \$35 million on July 1, 1966, by \$40 million on July 1, 1967, and by \$45 million on July 1, 1968.

Experimental Program: As an experiment, the Act authorizes up to 10 percent of the rent supplement grants to be used on housing provided under FHA's below-market interest rate program, FHA's elderly housing program, and housing for the elderly or handicapped built with direct 3 percent Federal loans. The below-market interest rate program will receive half the grants under this program, with the other half going to the other two programs.

\* \* \*

*not sure and un really need*  
Rehabilitation Grants: The Act authorizes grants to enable low-income homeowners in urban renewal areas, whose homes are required by the urban renewal plan to be rehabilitated, to improve their homes and remain in them, rather than to compel them to leave and be relocated elsewhere. Such grants may be up to \$1,500 for families whose incomes do not exceed \$3,000 a year or a lower amount, based on needs, for homeowners with higher incomes.

IMPROVING URBAN AREAS

*hab projects. Budget proposals removing \$1.5 million annual limit set by 1966 supplemental appropriation act*  
Land Acquisition and Development: FHA is authorized to insure mortgages to acquire and develop land for residential and related uses, provided such development is consistent with a comprehensive plan developed or being developed for the area. Improvements financed could include water and sewer facilities, roads, streets, sidewalks and other site improvements. The intent is to encourage the provision of a large supply of properly planned and improved building sites, to small as well as large builders.

The FHA insured mortgage could (1) cover up to 75 percent of the estimated value of the property when developed, or (2) 50 percent of the value before development plus 90 percent of the cost of the site improvements, whichever is less. The insured mortgage amount could not exceed \$10 million.

*Regulations issued, 1st form application in 4/46, 4 more forms to be coming. Developers pleased with it*



Grants for Basic Sewer and Water Facilities: Grants are authorized to public bodies to finance up to 50 percent of the cost of expanding, enlarging and improving basic public water and sewer facilities, in accordance with an area-wide or comprehensive plan. Grants could not be used to finance ordinary repairs and maintenance of existing facilities. The Act authorizes \$200 million annually for each of four years for this program.

\$100 million  
appropriated  
for 1966.  
held up  
by (1) attempt  
to work with  
legislation  
authority (2)  
to get more

Vice  
President  
will not  
do it  
will work

Grants for Advance Acquisition of Land: Grants are authorized to public bodies to finance the acquisition of sites to be used in future construction of public works and facilities. Such grants would be equal to the reasonable interest charges on loans for such land purchases up to the time of construction, but for not more than five years. The Housing Administrator would require that construction of the facility would contribute to the economy, efficiency and the comprehensively planned development of the area. The Act authorizes \$25 million annually for each of four years for this program.

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1969

Grants for Neighborhood Facilities: Grants are authorized to public bodies to finance projects for neighborhood facilities, such as community or youth centers, health stations or similar public buildings. Emphasis will be placed on projects which support a community action program under the Economic Opportunity Act (anti-poverty program), and to projects which are so located as to be of special benefit to low-income families. Grants can cover up to two-thirds of the project cost, or 75 percent in areas approved under the Area Redevelopment Act, or any Act supplemental to it. The Act provides an annual authorization of \$50 million for each of four years for such grants.

Grants for Urban Beautification and Improvement: Matching grants are authorized to assist localities in programs of beautification and improvement of open-space and other public lands. Programs could be included for such things as street landscaping, park improvements, tree planting and upgrading of malls and squares. Ordinarily, grants can not exceed 50 percent of the cost over and above the locality's average previous expenditures for such activities. In addition, in order to encourage experimentation and innovation, the Act authorizes a \$5 million demonstration grant program under which grants can cover up to 90 percent of the total cost of experimental activities.

Open-Space Land Grants: Grants are authorized to States and local agencies to cover up to 50 percent (an increase over the previous 20 to 30 percent) of the cost of acquiring and developing land for recreational, conservation and other public uses, in accordance with comprehensive area plans. The Act also authorizes the purchase, clearance, and development of land in built-up areas for such open-space needs as parks, squares, playgrounds and pedestrian malls. The authorization for open-space grants is increased from \$75 million to \$310 million, of which not more than \$64 million may be used for the new program in built-up urban areas and not more than \$36 million for the new aids for urban beautification and improvement.

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#### URBAN RENEWAL

Urban Renewal Projects: The Act increases the authorization for urban renewal grants by \$675 million on enactment, \$725 million on July 1, 1966, and by \$750 million on July 1 in each of the years 1967 and 1968. In addition, it permits 35 percent (compared with the prior 30 percent of earlier authorization) of the amount of new capital grant authority provided by the Act to be used for non-residential renewal in order to promote economic improvement.

The Act increases the authorization for low-interest rehabilitation loans for improving structures in urban renewal areas by \$50 million for this fiscal year and by \$100 million for each of the next four fiscal years.

*This should be 11/127, 11/124*  
The Act authorizes grants to localities to assist them in carrying out concentrated code enforcement programs in deteriorating areas. These grants could be up to two-thirds (three-fourths for towns of 50,000 or less) of the cost of code enforcement activities. The Act also authorizes two-thirds grants to localities to cover the cost of demolition of unsound structures in urban renewal areas, or, in certain cases, outside of urban renewal areas. *int project just approved.*

The Act authorizes the District of Columbia Redevelopment Land Agency to undertake non-residential urban renewal projects in the District of Columbia.

#### PRIVATE HOUSING

The Act extends the FHA mortgage insurance authorization for four years-- under previous law it expired October 1, 1965.

The Act authorizes a new FHA mortgage insurance program for homes for veterans who have not received benefits under the VA loan program, with no down payment required on the first \$15,000 of value, 10 percent between \$15,000 and \$20,000, and 15 percent above \$20,000.

The Act reduces down payments on homes valued between \$20,000 and \$30,000 where the purchase is financed with a mortgage insured under the regular FHA home mortgage insurance program.

The Act increases the dollar limitation on the amount of an FHA-insured rental housing mortgage where the dwelling units have four or more bedrooms. It also increases the limitation on the amount of an FHA-insured rental housing mortgage that may be purchased by FNMA under its special assistance program, where the housing is to serve certain moderate-income families.

The Act makes various improvements in the FHA programs, including more liberal aid for rehabilitation in renewal areas, and higher mortgage limits (from \$20,000 to \$30,000) on insured mortgages for servicemen.

The Act provides progressive increases for the next four fiscal years in the FNMA's authority to purchase mortgages under its special assistance programs.

#### COLLEGE HOUSING

The Act increases the college housing loan authorization by \$300 million annually for four years and makes clear that new colleges can qualify for loans. The Act also reduces the interest rate on college housing loans to 3 percent.

#### RURAL HOUSING

The Act extends the rural housing programs to October 1, 1969. It increases authority for grants for nonprofit sponsors for low-rent housing for farm labor from \$10 million to \$50 million.

The Act provides a new rural housing insured loan program, authorizing \$300 million a year in insured loans for low- and moderate-income families, and for others above the level. It authorizes the FNMA to purchase mortgages insured under the new program in its secondary market operations.

The Act authorizes rural housing loans for purchase of previously occupied dwellings and structures and for suitable sites, in addition to new home construction.

#### NEW CONDEMNATION PROCEDURES AND RELOCATION PAYMENTS

The Act requires certain procedures to be followed in cases where real property is taken by eminent domain in the following Federally-assisted urban development programs: urban renewal, public housing, urban mass transportation, public facility loans, open space land, basic public works, neighborhood facilities and advance acquisition of land. These procedures require that every reasonable effort be made to acquire property by negotiated purchase; that no owner be required to surrender possession of his property before being paid the purchase price reached by negotiation, or 75 percent of the appraised value of the property if only the purchase price is in dispute; and that no occupant of property be required to surrender possession without 90 days' written notice.

The Act extends the relocation payment provisions of the urban renewal program (previously applicable to public housing and urban renewal) to families, individuals, businesses, and nonprofit organizations displaced under any of the above urban development programs, and raises from \$1,500 to \$2,500 the amount of the relocation adjustment payment to displaced small business concerns.



MISCELLANEOUS

The Act authorizes additional funds for the urban planning assistance program, the public works planning advance program, Federal-State training programs, and the low-income housing demonstration program.

The Act also authorizes the FHA and VA to provide mortgage moratorium relief for homeowners who are unemployed as a result of the closing of a Federal installation. In addition, the Secretary of Defense is authorized to acquire homes near military bases closed after November 1, 1964, where the owner's employment has been terminated as a result of the closing of the base.

MEMORANDUM

EXECUTIVE

FG170

THE WHITE HOUSE  
WASHINGTON

August 25, 1965  
1:45 p.m.

TO THE PRESIDENT

The Conferees are meeting on the Department  
of Urban Affairs at 2:00 p.m.

LARRY O'BRIEN

Nothing else sent to  
Central Files as of 10/1/65



THE SECRETARY OF COMMERCE  
WASHINGTON 25, D. C.

AUG 18 1955

EXECUTIVE (11)

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*File*

The President  
The White House  
Washington, D. C.

Dear Mr. President:

*National Transportation Council*

Transportation programs within the Federal Government offer a complex array of issues and administrative problems. In spite of an historic search for a rational organization to deal with these matters, comprehensive transportation policy formulation has continuously eluded us.

The most notable effort to achieve an administrative system of overall transport policy coordination was the implementation of the recommendations of the first Hoover Commission of 1949. As a result, the three major transport promotional programs in the Federal Government dealing with highways, aviation, and merchant marine were placed in the Department of Commerce. At the same time the position of Under Secretary for Transportation was created in the Department of Commerce and was given the responsibility not only to supervise the administration of the three promotional programs but to develop overall transportation policy.

Despite the implementation of the Hoover Commission recommendations, important issues of transportation policy have not received coordinated attention at the highest levels of Government.

New program emphasis led to the creation of a Federal Aviation Agency outside the Department of Commerce. The inception of a program to assist urban mass transportation has led to an increasing transportation function in the Housing and Home Finance Agency. Corps of Engineers continues to exert an important influence on transportation through its rivers and harbors program, and the Department of Defense, as the largest Federal user of transportation, has a vast influence on aviation, the merchant marine, and domestic surface transportation. The Department of State, through its foreign policy responsibilities, influences the development

# HOUSE WORKSHEET

(as of 11/20/64)

Department of Housing and  
Subject  
Urban Development  
Date

✓	-	204
✓?	-	6
?	-	2
X	-	70
absent	-	11



RECEIVED  
AUG 16 1965  
CENTRAL FILES