

THOMAS L. ASHLEY, OHIO, CHAIRMAN

WILLIAM S. MOORHEAD, PA.
BERNARD J. ST GERMAIN, R.I.
HENRY B. GONZALEZ, TEX.
PARRELL J. MITCHELL, MD.
JAMES M. HANLEY, N.Y.
WALTER E. FAUNTROY, D.C.
JERRY M. PATTERSON, CALIF.
JOHN J. LAFALCE, N.Y.
LES AUCOIN, OREG.
GLADYS NOON SPELLMAN, MD.
JAMES J. BLANCHARD, MICH.
CARROLL HUBBARD, JR., KY.
PAUL E. TSONGAS, MASS.
MARK W. HANNAFORD, CALIF.
DAVID W. EVANS, IND.
STANLEY N. LUNDINE, N.Y.

U.S. HOUSE OF REPRESENTATIVES

SUBCOMMITTEE ON HOUSING AND COMMUNITY
DEVELOPMENT
OF THE

COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS

NINETY-FIFTH CONGRESS

WASHINGTON, D.C. 20515

February 22, 1977

GARRY BROWN, MICH.
J. WILLIAM STANTON, OHIO
JOHN H. ROUSSELOT, CALIF.
CHALMERS P. WYLIE, OHIO
STEWART B. MCKINNEY, CONN.
RICHARD KELLY, FLA.
CHARLES E. GRASSLEY, IOWA
THOMAS B. EVANS, JR., DEL.

GERALD R. McMURRAY,
STAFF DIRECTOR

225-7054

Mr. Mark E. Keane
Executive Director
International City Management Association
1140 Connecticut Ave., N.W.
Washington, D.C. 20036

Dear Mr. Keane:

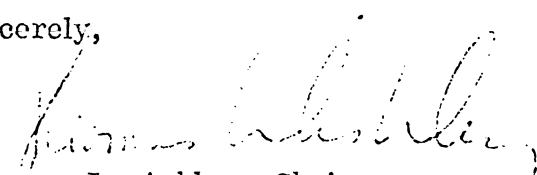
Enclosed is a tentative witness list for the Subcommittee hearings beginning February 24 and continuing through March 9 on the extension of housing and community development authorizations. I should like to emphasize the word "tentative" since in hearings as extensive as this, unforeseen events or new priorities are likely to require revisions as the hearings progress.

All hearings, unless otherwise notified, will be held in the main Committee hearing room - 2128 Rayburn House Office Building.

If the tentative witness list does not show the specific names of the persons who will appear on behalf of your organization, or if there are errors in the listing, please notify us as soon as possible, but not later than 48 hours before your organization is due to testify.

In general, we are asking each witness to limit his oral presentation to ten minutes. Statements of greater length may, of course, be submitted for the hearing record. If you will have a prepared statement, we strongly urge you to bring 100 copies in advance of the hearing for distribution to Subcommittee members and to the press.

Sincerely,


Thomas L. Ashley, Chairman

Enc.

THOMAS L. ASHLEY, OHIO, CHAIRMAN

WILLIAM S. MOORHEAD, PA.
FERNAND J. S. GERMAIN, R.I.
HENRY B. GONZALEZ, TEX.
PARREN J. M. SELL, MD.
JAMES M. HANCOCK, N.Y.
WALTER E. FAUNTROY, D.C.
JERRY M. PATTERSON, CALIF.
JOHN J. LAFALCE, N.Y.
LES AUCOIN, OREG.
GLADYS NOON SPELLMAN, MD.
JAMES J. BLANCHARD, MICH.
CARROLL HUBBARD, JR., KY.
PAUL E. TSONGAS, MASS.
MARK W. HANNAFORD, CALIF.
DAVID W. EVANS, IND.
STANLEY N. LUNDINE, N.Y.

U.S. HOUSE OF REPRESENTATIVES

SUBCOMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT

OF THE

COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS

NINETY-FIFTH CONGRESS

WASHINGTON, D.C. 20515

GARRY BROWN, MICH.
J. WILLIAM STANTON, OHIO
JOHN H. ROUSSELOT, CALIF.
CHALMERS P. WYLIE, OHIO
STEWART B. MCKINNEY, CONN.
RICHARD KELLY, FLA.
CHARLES E. GRASSLEY, IOWA
THOMAS B. EVANS, JR., DEL.
GERALD R. McMURRAY,
STAFF DIRECTOR

225-7054

TENTATIVE SCHEDULE OF HEARINGS ON HOUSING AND COMMUNITY DEVELOPMENT AUTHORIZATIONS

Thursday,
February 24

10:00 AM

Honorable Patricia Roberts Harris
Secretary of HUD

Friday,
February 25

10:00 AM

U. S. Conference of Mayors
Hon. Neil Goldschmidt, Mayor of Portland, Ore.

2:00 PM

National League of Cities
Walter Orlinsky, Chairman, and President of
Baltimore City Council; and Ann Crichton, Vice
Chairman, and Mayor of Decatur, Georgia
International City Management Association,
Jim Sullivan, City Manager, Cambridge, Mass.

Monday,
February 28

10:00 AM

National Association of Housing and
Redevelopment Officials,
Robert W. Maffin, Executive Director

National Association of Counties,
Jim Scott, Supervisor, Fairfax County, Va.
William Dodge, Director, Planning & Community
Development, Allegheny County, Pa.

2:00 PM

National Association of Regional Councils

American Institute of Planners -- American Society
of Planning Officials

American Institute of Architects

Ad Hoc Committee on Adequate and Assured
Community Development Program Funding

Tentative Schedule of Hearings on
Housing & Community Development Authorizations

2

Tuesday,
March 1

10:00 AM

Brookings Institution,
Richard Nathan, Paul R. Dommel, and
Sarah F. Liebschutz

Panel:

LBJ School, University of Texas,
Victor Bach
Harvard-MIT Joint Center for Urban Studies
Bernard Freiden and Marshall Kaplan

National Council for Urban Economic Development
Walter D'Alessio, Executive Director,
Philadelphia Industrial Development Commission

2:00 PM

Panel:

Southern Regional Council
Peter Petkas, Executive Director
Working Groups for Community Development
Reform, Andy Mott
Potomac Institute, Herbert Franklin

Wednesday,
March 2

10:00 AM

National Governors Conference
Hon. William G. Milliken, Governor of Michigan

National Council of State Legislators

National Urban Coalition

2:00 PM

Northeast--Midwest Economic Advancement
Coalition

Advisory Commission on Intergovernmental Relations

New Jersey Department of Community Affairs
Commissioner Patricia Q. Sheehan

Tentative Schedule of Hearings on
Housing & Community Development Authorizations

3

Thursday,
March 3

10:00 AM

Panel: Neighborhood Rehabilitation & Conservation
Norfolk Redevelopment & Housing Authority,
Jack H. Shiver, Executive Director
Boise City Building Department,
Timothy J. Hogland, Assistant Director
Madison Department of Housing & Community
Development, Sol Levin, Executive Director
Redevelopment Agency of the City of Fresno
James Hendricks, Secretary
Division of Community Improvement,
Metropolitan Development Agency,
A. William Benitez, Director

National Economic Development Law Project
Earl Warren Legal Institute

2:00 PM

Urban Reinvestment Task Force
Bill Whiteside and Robert Warwick

Panel: Large Scale Projects
Department of Community Development,
Commissioner John Stainton, Rochester, N.Y.
Greater Minneapolis Chamber of Commerce &
Greater Minneapolis Housing Corporation,
Charles Krussell, Executive Vice President
Chicago Department of Development & Planning,
Commissioner Lewis W. Hill
Redevelopment Commission of Winston-Salem,
James K. Haley, Executive Director

Friday,
March 4

10:00 AM

Mayor Hudnut, Indianapolis, Indiana

Mayor Denney, Leavenworth, Kansas

Commissioner Allen, Orange County, Florida

2:00 PM

Eight Northern Indian Pueblos Council

All Indian Pueblo Council

Action Housing, Inc., Allegheny County, Pa.,
Paul Brophy

1140
Connecticut
Avenue
Northwest
Washington DC
20036

Area Code 202
293-2200

International
City
Management
Association



STATEMENT

OF

JAMES L. SULLIVAN

CITY MANAGER

CAMBRIDGE, MASSACHUSETTS

ON

REENACTMENT OF HUD

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

FEBRUARY 25, 1977

MR. CHAIRMAN - MEMBERS OF THE SUB-COMMITTEE:

ON AUGUST 22, 1974 THE NEW HUD BLOCK GRANT PROGRAM FOR COMMUNITY DEVELOPMENT WAS ENACTED INTO LAW. THE CDBG PROGRAM TOOK SEVEN PREVIOUSLY ESTABLISHED FEDERAL ASSISTANCE PROGRAMS --- URBAN RENEWAL, MODEL CITIES, WATER AND SEWER FACILITIES, OPEN SPACES, NEIGHBORHOOD FACILITIES, REHABILITATION LOANS AND PUBLIC FACILITY LOANS AND INCORPORATED THEM INTO A SINGLE NEW GRANT PROGRAM FUNDED AT AN AMOUNT OF 8.3 BILLION DOLLARS OVER A THREE YEAR PERIOD. THE THREE YEAR PERIOD TERMINATES IN SEPTEMBER OF THIS YEAR.

I APPEAR BEFORE YOU THIS AFTERNOON AS A REPRESENTATIVE OF THE INTERNATIONAL CITY MANAGEMENT ASSOCIATION AT ITS REQUEST, AND AS A CITY MANAGER FOR TWENTY YEARS, I BELIEVE THAT I SPEAK FOR THE PEOPLE OF URBAN AMERICA IN URGING THIS SUB-COMMITTEE AND THIS CONGRESS TO REENACT FAVORABLY A NEW COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM.

THE CDBG PROGRAM AS ORIGINALLY ESTABLISHED BY THE CONGRESS HAD AS ITS AIM TO SIMPLIFY FEDERAL GRANT-MAKING PROCEDURES TO CITIES AND AT THE SAME TIME TO INCREASE THE FLEXIBILITY OF COMMUNITY USES OF FEDERAL FUNDS. THE PROGRAM HAS IN MY JUDGMENT ACCOMPLISHED THIS DESPITE THE USUAL CONTINUING EFFORTS OF THE HUD BUREAUCRACY TO GO BEYOND THE INTENT OF CONGRESS AND APPLY RESTRICTIONS THAT DO NOT CONTRIBUTE TO THE GOALS OF THE PROGRAM.

IN A STUDY RECENTLY COMPLETED FOR THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT BY THE BROOKINGS INSTITUTE ON THE FUNCTIONING OF THE COMMUNITY DEVELOPMENT BLOCK GRANTS IN THE CITIES THE FOLLOWING CONCLUSIONS WERE ARRIVED AT:

1. THE BASIC IDEA OF THE BLOCK GRANT WAS WORKING IN THAT THERE WAS AN EMPHASIS ON CAPITAL EXPENDITURES FOR COMMUNITY DEVELOPMENT AND A GREATER FLEXIBILITY ON THE PART OF THE RECIPIENT GOVERNMENTS IN DETERMINING THEIR COMMUNITIES' NEEDS AND PRIORITIES.
2. THE EMPHASIS IN THE FIRST YEAR ALLOCATIONS HAS BEEN ON NEIGHBORHOOD CONSERVATION STRATEGIES AND PROGRAMS INTENDED TO PREVENT URBAN BLIGHT.
3. THERE IS A GENERAL FOCUS ON HOUSING REHABILITATION AND RELATED PUBLIC IMPROVEMENTS IN TRANSITIONAL OR MARGINAL NEIGHBORHOODS.
4. THE MAJORITY OF THE FIRST YEAR ALLOCATIONS BENEFITTED LOW AND MODERATE INCOME PERSONS WITH ABOUT ONE-QUARTER OF THE FUNDS ALLOCATED FOR COMMUNITY-WIDE PURPOSES.
5. ATTEMPTS WERE MADE BY MANY JURISDICTIONS TO LEVERAGE PRIVATE FUNDS AS WELL AS OTHER PUBLIC FUNDS.
6. THE ROLE OF THE CHIEF EXECUTIVE HAS BEEN CONSIDERABLY IMPROVED IN THE PROCESS AS HE HAS TENDED TO PLAY A MORE PROMINENT ROLE IN THE DECISION MAKING.

7. CITIZEN PARTICIPATION HAS BEEN A VERY SIGNIFICANT FEATURE OF THE PROGRAM AND ONE OF ITS STRENGTHS.

IN THE LIGHT OF THE EXPERIENCE IN THE PROGRAM SINCE ITS INCEPTION IT IS CLEAR THAT IT IS PROVIDING A VITAL AND ESSENTIAL ROLE IN REVITALIZING THE NEIGHBORHOODS OF THE CITIES AS WELL AS CONTRIBUTING TO THE IMPROVEMENT OF THE HOUSING STOCK AND THE ECONOMY OF THE URBAN AREAS. IT IS MY BELIEF THAT THE GENERAL PREMISES LAID DOWN IN THE ORIGINAL BILL SHOULD BE CONTINUED AND THAT CERTAIN CHANGES SHOULD BE MADE TO IMPROVE THE PROGRAM SO THAT IT MORE ADEQUATELY SERVES THE PEOPLE IN THE CITIES AND TOWNS ACROSS THE COUNTRY.

- FIRST- THE FUNDING OF THE PROGRAM SHOULD BE SUBSTANTIALLY INCREASED TO AT LEAST A LEVEL OF 4.5 BILLION DOLLARS A YEAR.
- SECONDLY- THE CONGRESS SHOULD APPROVE ALTERATIONS IN THE CURRENT FORMULA TO ADDRESS THE NEEDS OF THE OLDER AND MORE DISTRESSED URBAN AREAS. THE PURPOSE FOR THE UTILIZATION OF A DUAL FORMULA APPEARS TO ACCOMPLISH THIS PURPOSE.
- THIRDLY- THERE SHOULD BE A TARGETING TO AREAS OF NEED.
- FOURTHLY- THERE SHOULD BE A SEPARATE FUND ESTABLISHED FOR THE CLOSE OUT OF URBAN RENEWAL PROJECTS AND THE FUNDING SHOULD NOT COME FROM THE CDBG ALLOCATION TO COMMUNITIES.
- FIFTHLY- CONSIDERATIONS SHOULD BE GIVEN TO THE ESTABLISHMENT OF A PROGRAM FOR ECONOMIC DEVELOPMENT THAT INTERRELATES TO THE

COMMUNITY DEVELOPMENT ACTIVITIES OF CITIES. IT MAY BE APPROPRIATE TO CONSIDER THE RELOCATION OF THE ECONOMIC DEVELOPMENT ADMINISTRATION FROM THE DEPARTMENT OF COMMERCE TO HUD.

AS THE CONGRESS DELIBERATES THE REENACTMENT OF THE COMMUNITY DEVELOPMENT BLOCK GRANT IT WILL BE CONSIDERING PHILOSOPHICAL AND POLITICAL ISSUES IN THE DISTRIBUTION FORMULA TO BE DEVELOPED. THE BURNING PHILOSOPHICAL ISSUE SHOULD BE TO DISTRIBUTE THE AID TO THOSE MOST IN NEED --- AND THE FOREMOST POLITICAL ISSUE IS THE CONTINUING VIABILITY OF THE CITIES. IT IS ABSOLUTELY IMPERATIVE THAT CITIES BE STRENGTHENED IN THEIR ABILITY TO SERVE THEIR DISPARATE POPULATIONS. CONGRESS HAS DEVELOPED A NUMBER OF TECHNIQUES FOR TARGETING ASSISTANCE TO THOSE GREATEST IN NEED. IT IS ESSENTIAL THAT THE FORMULA ENACTED IN THIS PROGRAM CONTAIN THE CAPACITY TO FOCUS DUALY ON THE NATION'S AND THE CITIES' NEEDS.



CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139
Tel. 876-6800

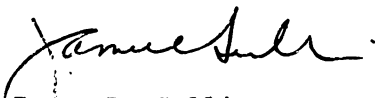
EXECUTIVE DEPARTMENT
JAMES L. SULLIVAN
City Manager

February 28, 1977

To the Honorable, the City Council:

I transmit herewith a copy of a communication from Thomas L. Ashley, Chairman of the U.S. House of Representatives Subcommittee on Housing and Community Development, with a tentative witness list for the hearings to begin February 24, 1977 on the extension of housing and community development authorizations. Also enclosed is a copy of my statement.

Very truly yours,


James L. Sullivan
City Manager

5-112

Re: to a tentative witness list for the
hearings to begin February 24, 1977 on the
extension of housing and community devel-
opment authorizations.

In City Council,

Feb. 28, 1977

2/24/77

Placed in File