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URBAN RENEWAL IN THE UNITED STATES -- UNFINISHED BUSINESS

Excerpts of Remarks By SENATOR HUBERT H. HUMPHREY

Metroplex Assembly - Washington University St. Louis, Missouri Sunday, February 4, 1962

______I'm particularly glad to be talking with you here today about urban renewal because this program represents a most significant part of what I hope will soon be our new Federal Department of Urban Affairs and Housing. The growth and development of this program in a little over 12 years is not yet generally known. The inevitable setbacks and difficulties experienced in individual localities too often have obscured an overall national picture of

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progress -- of a new stirring and fermenting as evidence of the resolution to solve the problems of slums, blight, congestion, overcrowding, and haphazard growth.

Now, in 1962, we can begin to see that urban renewal is being used to remake the *What* face of America -- to bring us closer to the image we all carry in our dreams. One fact is apparent -- urban renewal is here to stay. | So we must but unless we see it as "unfinished business" -unfinished business for all of us, urban renewal may not develop to succeed in doing the job that needs to be done.

In his message to Congress last week, establishing the new Department of Urban Affairs and Housing, President Kennedy said:

"The times we live in urgently call for this action. In a few short decades we have passed from a rural to an urban way of life; in a few short decades more, we shall be a nation of vastly expanded population, living in expanded urban areas in housing that does not now exist, served by community facilities that do not now exist, moving about by means of systems of urban transportation that do not now exist.

"The challenge is great, and the time is short."

We must be alert to the "unfinished

business" in this challenge. The mere establishment of a new Department of Urban Affairs and Housing is not enough . The urban renewal program is still only beginning to get underway. With over 15 million of the Nation's housing units still dilapidated, deteriorated, or lacking essential plumbing facilities -- and with evidence of urban decay for all of us to see in almost every city -- we have made only the first preliminary steps in providing the kind of housing -- and the kind of environment -- to which we all

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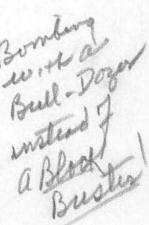
With Let me touch on a few of the areas of specific concern in urban renewal -- housing, and relocation my I a relocation of the displaced,

downtown rejuvenation, mass transportation. good design, new sources of income, and the special problems of small cities. Each of these areas poses a very special challenge. Basic Puntral The basic purpose of urban renewal is to prevent and correct urban blight and decay, and to set in motion long-range, planned redevelopment -- to create neighborhoods with a better level of urban living through better schools, adequate parks, improved streets and parking and public buildings, and better commercial and industrial facilities which cities need for employment and tax revenue -- all this as well as homes and apartments. It is a community renewal"

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effort to achieve the community-wide improvement goals which our cities have set and determined for themselves. One of the hard facts of American life is that most of our cities suffer from slums and blight, obsolescence and deterioration -- with areas that are unproductive, inefficient, and wasteful of city revenue. Such areas contribute to human unhappiness, delinquency, and high rates of fire, crime, and disease.

With our urban renewal program we are facing up to this fact -- and we are doing something about it! Urban renewal gives us the machinery to carry out the plans we have dreamed of and finded on paper so long.



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Not so many years ago, planning was the business of planners only. Today planning flogalhoged has been plunged into the action field. The time has come for us to decide specifically what is to be done this year and next -- and the year after -- and to make sure that our cities are rebuilt as we want them to be.

First, let's consider housing. Through urban renewal, thousands upon thousands of families are being provided with good, safe, sanitary homes that they can afford. Some are for low-income families, those forced to live in slum areas through no fault of their own. Some are for middle-income families, long the "forgotten" families as far as housing is

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concerned. And still others are for the higher-income families who have left the central cities for the suburbs, taking with them the possibilities for revenues that cities need -- and who are now coming back to the cities because the housing they want is being built for them.

This housing is being provided in two ways: through new construction, most of it built by private builders with private funds; and through rehabilitation of sound existing structures. Through the Housing Act of 1961, which I am proud to say I supported vigorously, many new financing and other aids have been made available for the rehabilitation of

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existing housing. This will help provide untold thousands of good homes for our middle-income families.

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Second, let's consider downtown -- a new and different downtown, reflecting the needs and challenges, not of 1912, but of 1962 and 1972. Downtown rejuvenation is receiving more attention today than perhaps any other element in urban renewal because we need downtown. We need its variety, its retailing and office space facilities, its "excitement, romance, and glamor," its interaction of businesses, cultures, people. Downtown is the concentration of regional market forces, a major contributor to the community's tax base,

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to employment opportunities and general area prosperity.

But our downtown problems are not set off - and by themselves in a vacuum. As sonn as we begin to come to grips with them, we must face another basic decision area -- population distribution, both as to kind and location. Locating a corporate headquarters, for instance, goes beyond criteria based upon corporate financial interests. Corporations now look at a city in terms of the quality of its public service, the character of its schools, the location and quality of its housing and neighborhoods. Throughout the country there is growing interest in providing

good neighborhoods in close-in locations. The long commute is taking its toll. The utopia of the suburbs is no longer what it has often been pictured in the past.

So we must look hard at the transportation problems of our cities. Housing Administrator Robert C. Weaver recently said: "The key to the role of the city as the focal center for the metropolitan area is the mass transit system. There has been considerable hardening of the arteries in recent years. In fact, we have reached a point where the success of everything we are doing in urban renewal depends on our ability to keep these arteries open."

Man Tramfortation And President Kennedy has said: "To solve the problems of urban transportation will test our ingenuity and put a heavy drain on our resources. While the responsibility for working out these solutions rests primarily with local government and private enterprise, the Federal Government must provide leadership and technical assistance."

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In the Housing Act of 1961, the Congress created three programs which are beginning to get underway: (1) grants for mass transportation demonstration projects; (2) loans for mass transportation facilities and equipment; and (3) grants for urban transportation planning.

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Among the many other problems and challenges we must face, the necessity for good design also is a major factor. Good design, for example, is going to become more and more important in the next few years as urban renewal moves into greater production. Our postwar years have taught one great lesson -people want pleasing, stimulating environments in which to work and live, and they will go to great lengths to achieve them.

Of course, good design is more than pleasing appearance. Efficient relationships between the parts is equally important. We must realize that designing a single building is not enough in large renewal areas. Good design is concerned

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with the <u>total</u> relationship between people and their environment in time and space.

Civic beauty is good business. With the higher standards, increasing personal wealth, and more leisure time available to our population, there is a stronger yearning for the "finer" things -- not just material goods. A community that can appeal to this yearning not only can keep a more stable population, but will attract new people, new markets, and new wealth.

Urban renewal, we have found, pays sound financial dividends. Local communities have realized tangible dollars-and-cents benefits through their urban renewal projects.

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New structures in renewal areas ordinarily result in a substantial increase in tax revenues to the city. At the same time the value of properties adjacent to former slums tends to increase as the blighting influence is removed, and investment in rehabilitation and in new buildings begins to take place.

Jobs, Industries

Equally important, the elimination of slums has meant that the cost of providing an unusually high level of fire, health, police, and welfare services goes down very sharply.

There are also less direct benefits. For example, urban renewal enhances the economic base of the entire community as a result of construction activity, new business coming into formerly deteriorated areas, and the consequent increase in employment and payrolls.

In Washington, the Nation's Capitol -just to cite one example -- redevelopment of one big urban renewal project is adding \$450 million to the economy of the city -- at an average rate of \$30 million a year. More than 1,100 men are engaged in construction work on new buildings renewal in the area. Their weekly payroll is \$156,500 -about \$8 million a year. The local tax revenues from the project area will be \$5 million a year after it is developed, compared with the \$530,000 the same area paid before urban renewal work began.

But, however important the economic aspects

of urban renewal are, we must never lose sight of the deep significance of its social aspects.

Urban renewal is much more than dollars -first and foremost it is a program for people. And with the large number of people in this country who live in small cities, you may be particularly interested to learn that urban renewal is here to stay in small cities, too. It seems to come as a revelation to many of us that the determination for improved neighborhoods and communities is just as strong in small cities as it is in the large cities. Urban renewal is not just a "big city program." Since the urban renewal program began in

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1949, over 60 percent of the cities undertaking projects have been small cities with populations of less than 50,000. Of 938 projects undertaken, 409, or about 44 percent, have been in cities of less than 50,000 population. The percentage of projects is naturally smaller than the percentage of cities because most small cities have only one or two projects while a large metropolis, with its more extensive areas and problems, may need several.

All told, some \$700,000,000 in Federal grant funds are involved in projects in cities under 50,000 population.

It is not just in the urban renewal program,

however, that one finds considerable assistance being made available to the smaller city.

The Urban Renewal Administration has a program of Federal assistance for comprehensive planning for metropolitan areas and for small cities. Most of the assistance under this program has gone to cities of less than 50,000 population. For example, some \$10 million in grants have been made to nearly 1,700 small urban areas.

I find it significant that this same high degree of small city participation in urban planning assistance holds true for the other programs of what will soon be the new Department of Urban Affairs and Housing -planning and building public works, housing for low income families, housing for the elderly, and college housing.

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Nearly 61 million Americans live in urban areas of less than 50,000. This is almost half of the entire urban population in the United States -- and more than one-third of our total population.

But, as always, figures do not tell the entire story. Small cities serve the urban economy of the nation as much as do large cities. Their functions are equally urban. The small city often serves as the downtown of surrounding areas. There is little question but that relatively the small city is as much -- if not more -- in need of urban renewal than the large city.

Congress and the Federal Government recording of the special problems and needs of small cities. This has been shown in much of the urban renewal legislation in recent years. Last year Congress increased the Federal share of urban renewal costs from two-thirds to three-fourths for cities under 50,000; and if cities are in officially designated redevelopment areas the population ceiling for the higher percentage is 150,000. America is becoming increasingly urbanized -- as is the entire world. With 3,000 acres of farm land being developed for housing every day; with 41,000 miles of interstate highways due to criss-cross city and countryside within the next ten years; and with our gross national product already true for the book items past the \$500 billion mark, we cannot ignore our urban problems any longer.

All cities must now come of age. Large cities lacking the courage or foresight to face their problems squarely will deteriorate, living out a weary and unpleasant old age. Small cities may not have even this privilege. Many of those that do not change and adapt will stagnate and die.

Urban renewal is a local program -locally conceived, locally planned, and locally executed. Through it, financial and technical assistance is provided by the Federal Government to cities that desire and are

eligible to participate.

Affairs and Housing often fear the creation of a new Federal bureaucracy and a mushrooming of Federal expenditures. They sometimes cite the growth in the Department of Health, Education and Welfare as an example.

This is a fear which confuses cause and effect. The Department of Health, Education and Welfare was created because, as President Eisenhower said: "Such action is demanded by the importance and magnitude of these functions, which affect the well-being of millions of our citizens."

The importance and magnitude of those functions did not stop growing because the Department of Health, Education and Welfare was created. They continued to grow as Congress added to them. And Congress would have added to them whether or not the Department had been established.

The Department of Urban Affairs and Housing under the President's Reorganization Plan does not, and could not, create any new governmental

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function. Instead it establishes a more efficient administrative structure for the performance of the functions already authorized by Congress and assigned to the Housing and Home Finance Agency -- the parent agency of the Urban Renewal Administration.

The magnitude of the functions which would be brought under the new Department of Urban Affairs and Housing is one of the strongest arguments for its creation. For it does not make sense that government activities of such magnitude should be carried on outside the highest council of government.

The development of Federal legislation is an indication of our growing realization that urban problems cannot be solved in isolation. We have seen <u>housing</u> legislation evolve into <u>urban</u> legislation -- legislation that recognized the necessity for <u>broadening</u> the base of Federal assistance to urban areas.

The future domestic welfare of the United States depends very largely upon the productive efficiency of our cities, and on the productive capacity of the people who live and work in them. But our cities today are still struggling to work and live with vestigial tails, using the structures built generations ago when technology was crude and living standards lower. It is surprising that so many of our industries can function as well as they do in the places

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where they are. Think what they might accomplish in more efficient surroundings! Humany Buta

This is the Age of Challenge. Through urban renewal all cities -- small and large -will be able to meet more successfully the challenges of our changing national economy, and to accomplish the unfinished business spelled out in the Housing Act of 1949: "A <u>decent home</u> and a suitable living environment for every American family."

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