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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
VICE PRESIDENT'S COUNCIL WITH CITY MANAGERS

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

VICE PRESIDENT'S COUNCIL WITH CITY MANAGERS

Room 207, Capitol Building, Washington, D. C.

Tuesday, March 14, 1967.

The hearing was convened at 3:00 p.m., Mr. David Rowlands, presiding.

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PROCEEDINGS

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MR. ROWLANDS: Since it is now three o'clock,

we thought we would get this meeting underway.

It is my understanding the Vice President will be here around 3:30 so we will continue other discussions with representatives of HUD.

We are very happy these men are taking time out of a busy schedule to be with us and participate in comments on the programs -- perhaps get some suggestions from the managers here.

We appreciate that you responded so nobly -a very fine representation -- about thirty or forty.

I thought it might be well for me to introduce Dwight Ink, Assistant Secretary Administrator in HUD.

Dwight, we had a fine relationship with Dwight and his staff.

Harold Horn in our Washington office has developed excellent rapport and we appreciate the many courtesies extended our organization.

It is a pleasure to introduce Mr. Ink and you might introduce the other participants at this time.

MR. INK: It is good to see you gentlemen again. Some of you I worked with quite a while ago and

I hope at the end of the meeting I can say "Hello" to the

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rest of you.

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I might say that we have been exceedingly pleased with the fact that ICMA has an office here in Washington now and Harold has been extremely helpful from our standpoint. He has been very useful.

We are getting thinking from the city managers.

We are able to take some soundings and I think hopefully able to take into our view the thinking of you people far better than we otherwise could.

Harold, thanks very much. It is a pleasure to work with you.

We have here today from HUD of course really an old friend of yours, Mark Keen and I don't really need to introduce Mark Keen.

In a minute I will ask him if he has one or two comments about some of the programs, where they stand, that he is particularly associated with.

We have here Norm Beckman who I think has been with you through at least some of the session today and Norm has been developing our framework for inter-governmental relations which is I think looking ahead toward the work we have — the respondibility the Department has under the statute, the Departmental Act, — the responsibility it has under the President's order for taking the initiative and drawing people together at the federal level to deal with urban problems — respond to urban

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1 needs.

Today Norm has probably the most interesting job in Washington from the standpoint of trying to formulate -- trying to give form and substance to what the President refers to as "creative federalism."

If time permits we would like to hear from Norm a minute too.

Glen, I think you were introduced at an earlier session.

MR. STAHL: No. I happen to know a few of the gentlemen.

MR. INK: While we can't claim the distinction of having him in the department as well, he certainly has been working closely with us as he has with you and with the other federal departments and has taken a very keen interest and done a great deal of work with respect to cooperation, intergovernmental cooperation, in the personnel area.

Finally, we have here Mr. Eisman -- raise your hand, Nat.

If you have some questions coming up in the budget area or at the end of the session and would like to inquire a little bit about where the budget stands, Mr. Eisman can give you all the answers because he is Deputy Director of the Budget.

We have this year in our program of particular

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significance, I think, is the funding for model cities.

This is going to be a crucial issue insofar as our urban programs are concerned and we think the funding of this program will be keyed really with respect to whether we begin to move forward on a concerted basis and begin to tie together the various program aids or whether we continue on a relatively fragmented basis.

We also have, I think -- Dave, this is worth highlighting, I think of particular interest to this group -- you probably are aware of it -- what is for this area a very substantial increase in the research and development area, fund-wise, this year.

As you well know, unlike the fields of agriculture, space, defense, atomic energy, what have you, there have not been substantial sums of money directed specifically toward research and development that is geared to meet the specific urban problems. Some of the funds that have gone to HEW and other agencies have been, of course, very beneficial to urban problems, but there has been no program of any significance truly directed toward the urban scene.

This \$20 million that we have in the budget this year is an effort to, for the first time, really begin to mount a program directed toward what can be done, working primarily through industry and universities and cooperation of cities toward cheaper housing, how you build cheaper

housing. Toward how you build better utility lines.

Urban mass transportation. So although \$20 million is

small compared to the research and development that goes on
in some other areas, we think it is extremely important in
terms of getting off the ground in the urban field.

We expect to have with us in a few minutes

Secretary Taylor who, as you know, has responsibility for

launching the model city program and we hope that he

arrives in time. He can fill you in precisely where we stand.

If he doesn't, we can give you a general picture of it anyway.

Dave, I wonder if now, before he arrives, if it wouldn't be helpful to look to Mark and --

Well, come on in, Ralph. Ralph, while you are walking up here, we will ask Mark to highlight very briefly some of the things which are most significant in the metropolitan development field that Mark has as his reasponsibility.

MR. KEENE: Thank you, Dwight.

It is always a pleasure for me to be with city managers, particularly now since it is sometime since I had very much contact with them. I would want them to know, Dwight, that from my viewpoint, and I see you pretty closely, Mr. Ink is one of the closest friends that the city manager profession has. He has a sincere respect for your ability.

He sincerely wants to know your viewpoints. He never

misses an opportunity to, such as on this occasion, get

together with the city manager. It is a great pleasure for

me to be able to work with a guy like Dwight.

The same is true of Under Secretary Wood, in particular, whom a good number of you know, and is certainly one of the government's greatest assets. It is a pleasure to be able to serve with him.

The Assistant Secretary I serve with is Mr. Har, former law professor from Harvard, who was certainly one of the country's leading authorities on the law of zoning and land use. He is in charge of metropolitan area planning, the urban transportation program, and the public facilities and land grant programs.

The one I have is the latter one with one of the longest titles in Washington known as Director of Land Facilities Development and Administration. This is one of the two administrations under Assistant Secretary Har, the other being Ubran Transportation.

The basis of our metropolitan development operation is comprehensive metropolitan planning. This is the quid pro quo. This is what the national interest is. This is what we expect a region to show progress in before we are, under the statute, able to give a grant or a loan relative to metropolitan facilities.

Now our particular program that is sometimes referred to by you fellows as "boodle" is the water and sewer grants which is extremely a very popular and attractive item among you and mayors all over the country.

We also have the open space program which also is doing a tremendous amount of good throughout the nation.

Wes McClure, in the back particularly, has a great interest in this program and we have been able to be of some assistance to him and his community already, but instead of being eternally grateful and taking his chips and going home he keeps coming back for more.

(Laughter.)

And with considerable success.

It is a pleasure to be able to say yes once in a while to a city that has a city manager friend of mine but of course we are completely objective about this program.

We have a very effective analysis system for determining those projects which are most worthy of a federal investment. This, as you can guess, is rather d difficult to do since you have turned in about 25 applications for a water and sewer grant for each one to which we can say yes. On open space we are running at the rate of about five or six to one.

With Assistant Secretary Taylor here now, I think
I will cut my remarks brief at that point and make myself

available to you if time permits or at the end of the
meeting to answer any questions you might like to pose about
mass transit, water and sewer, open space, metropolitan
area planning, public facility loans, advances for public
works planning and particularly Title II of the model city
bill on which I want to spend some time lobbying with you
after this meeting breaks up.

Again it is a great pleasure to be with you and I hope to see a lot more of you.

MR. INK: Thank you, Mark.

Dave, I suggest we turn to Secretary Taylor who, in my book, has the toughest, most challenging and most interesting and most fascinating job in Washington. I think that the model city program is, as you all know, really a landmark in terms of domestic legislation in this country, as well as any other country. Ralph has the job of launching it, moving it ahead successfully and the timetable is short. He has to bring along not only the rest of us in the department, and that is not always easy, but most of the other federal departments in Washington as well as working closely with state and local people. So Ralph, I am glad you were able to pull yourself away from the Secretary and tell us how you will do this little task.

MR. TAYLOR: Thank you.

I feel somewhat like the pretty gal who thinks she

is marooned on the desert island and finds a division of Marines there. She hasn't said no to anybody and she hasn't said yes yet and they are all really beginning to flock around.

Very seriously, we have got a program that is a challenge to us and a challenge to you at the local level. It differs from other programs that have been on the books in several very important ways.

First of all, it is not a program program at this point in its development. We are not interested in getting it out to the maximum number of cities as quickly as we can. It is a demonstration program. We have money for a limited number of communities. We are interested in having this money go to communities of all sizes in all parts of the country provided they have one thing in common: The capacity and the commitment to face up to their problems and try to meet them. If they have that, then we are interested in doing business with you. If you don't have that at this point of time, we suggest to you that you take the time to develop it. I know nobody will say, "We don't have it." So I am not asking for a show of hands as to who has it or doesn't have it.

The key fact about this program is that it is not the program that is going to solve all urban problems. It is not the program that will inundate, lubricate the

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solution of problems in a flood of money. It is a program that will test whether we, at the federal level, have the management capability and you, at the local level, have the innovative management and determination capability to fit programs together so that they make a program that is as broad and wide and deep as the problem of a badly deteriorated neighborhood in your community. This is a tremendous challenge to you because nobody at the federal level can fit those programs together in a way that will meet your needs. You have to fit them together. You have to diagnose your situation. You have to work from that diagnosis to the objectives to the identification of the specific programs to the development of the gap fillers, the innovative kind of things not now financed by any program that you can use your supplemental funds for under the formula of this legislation.

We expect and hope that out of the understanding of the problem and the availability of the funds will come solutions to these problems that will teach us a lot more about the way programs can be fitted together and must be fitted together at the local level to meet the problem -- teach us a lot that we can use in that happy day when the steady growth of resources available for the urban area will make it possible to hit these problems with more resources than we now do.

In saying that I am not going to apologize for the level of resources that are available now. If you take a look at the kind of money that has been going into the urban area there has been a steady progression. This program gives us an opportunity to show we can handle the money, that we can work out the new directions and if we can show that, then I am convinced the Administration and the the Congress will make much more money available to the urban area to meet the problem.

Now that is the general philosophy of the program.

Let me start talking specifics.

This program is now in the application stage.

We are going to have -- my guess is 300 to 350 applications

given us in the next two months. We will have received

before the end of today four applications here in Washington.

Ceremonial, complete with Congressmen.

(Laughter.)

This is the basic reason why I was late.

Congressmen and pictures taken of the delivery of the application. Because there is a sense locally that what we are proposing in this process makes good common sense to the community. There is a feeling that just the pulling together of the pieces that has been involved in preparing for an application has been good for a community. It has been healthy. There have been elements in this community

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talking together that haven't been talking together before and we require that the community look at every level of government which has the power to deliver the services and the facilities that are needed so that if you have a county welfare authority or an independent school board or you have welfare and education and other programs that are funneled through state plan mechanisms at the state level, you have to sit down with the county people and the state people and they all have to be brought in.

Now that is a challenge to you. This creates a challenge and an opportunity for us. This has been a problem in the management of the proliferation of grant programs, that this problem should develop really shouldn't have been unexpected.

There has been such an expansion of grant programs in such a short period of time that the development of the administrative mechanisms and the administrative capability to make full use of them inevitably has fallen a bit behind. We have responsibility for trying to close that gap and it means that we are trying to develop at the federal level a federal approach to helping you work out the plan, the answers to the plans that you have developed. This is a tremendous challenge. We are doing it by involving other agencies and departments with concerns in the urban area in the preparation of the program guide, in the review process.

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They will be working with us arm and arm in the planning 1 process with those communities that are selected. We think 2 that out of it is going to come some new patterns of the way 3 applications are processed and the way grants are tied so that we can ultimately meet one of your real needs which is 5 if you are counting on a federal grant to fit into a certain 6 time period or a certain phase of your program, of your effort to meet your problem, you ought to be able to rely on it 8 and it wouldn't be luck or chance for it to come through for 9 you. If we can develop that kind of capability at the 10 federal level we will be responsive to your analysis of the 11 problem at the local level and the relationship between us, 12 not only between the cities and the federal government, but 13 between the cities, counties and states and the federal 14 government is going to be a relationship which will be a 15 lot smoother, lot easier and a lot more satisfactory at the 16 place where it has to be satisfactory. The point of 17 delivery of services to the consumer. That is at your 18 19 level.

Thanks.

MR. INK: Ralph, I think it would be good to open for questions now.

MR. TAYLOR: Let's keep talking until the Vice President comes, sure.

MR. INK: After the Vice President is here, if

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there is time, we would like to hear briefly from Norm in the intergovernmental area.

QUESTION: How many model city grants are you going to --

MR. TAYLOR: I try to avoid the numbers game.

The legislative history talks of about 70. The real answer as to whether it will be more than that will depend on the application of communities that come in and show they have the capability. We could fund three or four smaller communities for one large one. We reached the 70 figure on the assumption that we would get a certain pattern. Right now we seem to be having more smaller communities than we anticipated coming in.

I am defining smaller as under 50,000.

If that holds we may go above 70 but won't be able to tell yet.

QUESTION: I am George Eblin from Shelbyville,
Tennessee.

MR. TAYLOR: Will see you at 5 o'clock.

QUESTION: Yes, sir.

The problem that arises with us and many of the smaller communities is the lack of facilities that we have to develop a real first class program.

Now we don't have any city planners on our payroll.

WE don't have any great engineering and architectural skill

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available. What you will get from us is a purely man's viewpoint on what we need. Is this about what you have in mind?

MR. TAYLOR: We try to develop a process that would give the community and the situation you are describing as good a crack at it as the next community.

What we are asking for is three things: We are asking first for your understanding of the problem, the diagnosis of the problem. We have gone around the country saying "Don't use consultants for this because it can't be packaged."

We haven't put out models because if we put out
a model we are afraid that somebody would take a cookie
cutter and we would get it back with a lot of different names
attached to it.

So step one, the diaganosis doesn't require outside skills. The setting of your goals don't.

The third thing, the administrative organization, what we are interested in there is that the various elements in your community whose participation is central to the ability to accomplish this, they have been part of the diagnosis and the goal setting. I am answering your question by saying we have set up a process where you don't really need a city planner. You don't need that kind of skill. You have to have the commitment and the desire and

1 willingness to face the facts honestly. That is what we 2 look for. 3 QUESTION: Are you given certain allocations of 4 the smaller cities in numbers? As you say, you could fund 5 a lot of us for one New York City. 6 MR. TAYLOR: We are going to -- without answering 7 that question head on -- what we are going to do is make 8 sure there are cities of all sizes in all parts of the 9 country. 10 QUESTION: You will give us our day in court. 11 MR. TAYLOR: You will have your day in court. 12 QUESTION: Thank you. 13 MR. TAYLOR: Definitely. 14 QUESTION: Secretary Taylor, I thought you might 15 be interested in knowing what we have done since I had this 16 letter from you last August. 17 I am J. Allen, City Manager, Fayetteville, West 18 Virginia. 19 I tried to get your office to chase you down. 20 MR. TAYLOR: I saw your message. I haven't been in the office much today. 21 22

QUESTION: We are a small community as you probably know. What I would like to know, I will tell you what we did so far on our own.

My purpose in making these statements is just

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where do we go from there?

Will you send somebody down to inspect what we think we can do?

Since August we have completed a complete comprehensive survey and survey plan, not only of the town but of the surrounding potential land use. WE have brought our street lighting system right up to the most modern there is in West Virginia. We have also just now completed the final phase of making a treatment plant that will finish all our treatment sewers, pollution.

We have in this comprehensive survey plan the recommendations of three playgrounds which is one of the things we hope to implement if we file this application for this model city.

MR. TAYLOR: Sir, I think you ought to file the application. We will have it reviewed. It will be reviewed both in the regional office and in Washington. We will have somebody come visit your city. We will be talking to the HEW people and OEO people and the others, anybody that had contact with your community in terms of federal programs, and we will be looking very hard at it.

Let me just make this point and I want to make it as a general point, not really in response to your questions.

Because I don't want it misinterpreted as being discouraging because I haven't seen your application and you haven't

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submitted it and we wouldn't discourage anybody until after we had reason to discourage them. But I am saying that we are hopeful that the Congress will fund a second year of planning for the reason that we think there may very well be more than 70 or 80 well qualified communities this first go-around and we would like to have this process of pulling yourself together encouraged and extended and we think that if the second generation of planning funds come along, it is going to pick up a great many smaller communities that just because of the number of communities that are interested and involved passed the threshold or capability might otherwise not be able to make it. That is why I make the comment in general and not in response to you. But I do think it is very important that this process of -that our program is started. I think we ought to take credit for it, although I think it had been under way somewhat before hand. This process, we certainly encouraged a great deal, is very healthy at the local level.

On additional point I didn't make when I made my general comments: We are pinning responsibility for this program at the level of the chief executive and the local governing body.

This program is not one that is put off in an in-agency of any kind. We figure that the guys who run the city not only are the people who should be making the

decisions as to resource allocation, which is essentially what this program is, but they are the people who should be bringing up into the level of operational responsibility and procedure. The responsibility for and the concern were a combination of human physical problems that this program calls upon you to have. WE think that it is an integrated and strengthening force for local government and we think in those terms particularly that the city managers group should be with us.

QUESTION: I don't think the kit you sent me included an application form.

MR. TAYLOR: I will see to it that the people in the regional office are in touch with you. This is not really a form.

QUESTION: Can I give you this letter to refer to?

MR. TAYLOR: I will take it, yes.

QUESTION: As a reminder?

(Laughter.)

MR. TAYLOR: Yes.

QUESTION: Donald Ziemke, Muskegon Heights, Michigan.

I understand that one of the new guidelines that the area carved out of the city be about 10 percent of the population. We have a community of about 20,000. How rigid

will you be on this?

MR. TAYLOR: Our guideline says 10 percent or 15,000. Reason? When the city is small, that size, a neighborhood may not -- the neighborhood just may not be big enough so you can deal with it. It may be bigger than 2,000 is what we are saying. There is a great deal of flexibility, particularly with a smaller community. We recognize the difference in treatment or the difference in problem.

MR. ROWLANDS: I have a question.

The application is supposed to be in for the request for the grant by say April 15?

MR. TAYLOR: May 1st.

MR. ROWLANDS: So that gives us a little lead time. Assuming we get them in and they are approved, say a number in the room here and the grant is made, then I think you have something like 8 to 12 months to put your program together. What I am saying is this: The funding -- when would the funding take place? At the end of the year? And how is the situation from your standpoint right now in the Congress?

The Vice President speaking to us this morning was pessimistic saying a lot of work has to be done and you mentioned the fact you might have a second year for planning grants. What is your analysis of that situation?

How can we be of help other than of course getting on our Congressman?

MR. TAYLOR: A lot of work has to be done. There has to be an understanding in the Congress of what this program means to the community. There is no other way of describing it. I think if there is that understanding the support will be forthcoming.

The President didn't cut a dime from the authorized amounts when he went in with the budget request for this program. In fact, the whole community development area did very, very well in the Presidential budget. Research, particularly in the technology side, we went from a half-million dollars, which is the research money the whole Department of Housing and Urban Development has, to \$20 million in his budget.

Now you people, all of you, have been dealing with -- well, you have been dealing with the companies that make mechanical equipment that you use. There isn't one of them that hasn't been spending more money on research and research and development than this Department has been spending in general on the problem of the city and the problem of the city does not only mean the big city and the big city ghetto. The problem of the city means all of the range of the problems that affect the metropolitan area and the growth of our population. We had a half-million dollars

last year. So it is just essential that there be an understanding that money can be spent effectively, that the purpose for which it is spent relates to the needs out in the countryside. There is that understanding and I think, with good fortune and the continued support of the President and Vice President, we are likely to get it but we need your help.

MR. ROWLANDS: Anyone else have any other question: QUESTION: Tom Kay from Flint, Michigan.

We are a little over 200,000 now, large enough to have metropolitan problems but still small enough to be compact for treatment.

There is an impetus in all the other federal programs to funnel projects to the federal government that are in compliance with the metropolitan area development plan program. This created a Metropolitan Program Planning Commission in our area. The Metropolitan Planning Commission feels it should be its prerogative now to submit a demonstration project, model cities project along with the approval of the grants on all of the others.

Do you feel this is a necessity in this particular program or even advisable?

MR. TAYLOR: At the risk of perhaps annoying some of my compatriots on the planning side I will say no. I will say no because I don't think our sophistication and

maturity at the metropolitan planning level has gone to the point where I am willing to see the future, the ability of a central city to handle its problems controlled by a suburban ring that may or may not be willing to face up to the reality of the facts. When that suburban ring is willing to take its share of the load, open up the doors on housing and other things, I will be more willing to have them given more power.

(Applause.)

At this point --

(Applause.)

MR. INK: Ralph, I might just interject a brief comment on Title II which we deferred a moment ago.

MR. KEENE: This model city bill has what you might call a sleeper in it in Title II to which very little attention has been paid in the press and it hasn't been played up much in the local government journals because it has no funding behind it yet but it is really set up as a parallel to the model city program and it bears I think directly on your question.

The model city program as Secretary Taylor said is aimed at these problems of get to neighborhoods in our core cities. Title II is aimed at what the President and Congress recognize as an qually important and complex problem, and that is the total metropolitan area.

What can we do to help them get together and solve their own problems? So the Title II carries the present metropolitan planning requirements that you referred to several big steps further and without going into any detail on what our standards might be, it will try to bring along further those metropolitan areas that have already done as you indicated Flint has done, so that they will start programming and actually building their metropolitan facilities on the basis of plans that they get together and make themselves.

Under Title II, again oversimplifying it, it says that if this is done in a metropolitan area, that the basic grants will be increased by 20 percent so if a water grant or an open space grant is going into any one of those cities at 50 percent and a total metropolitan area complies with our Title II programming requirements, then the grant would be supplemented by an additional 20 percent, making the equivalent of 70 percent of the project cost. This was a phenomenally important thing for every metropolitan area in the country. We are delighted, and I am personally amazed at the kind of metropolitan area planning that has gone on, that has been started and made such phenomenal success as a result, as a direct result of the federal government's metropolitan area planning requirements.

We are very hopeful that if Title II gets funded

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1 and this additional supplement is offered, this additional 2 attraction to induce the cities to get together, that the 3 metropolitan area problem can be aired a long way down the road. This is a big thing. It is right in that model city 4 bill as Title II.

MR. TAYLOR: Let me go back to your point.

Section 204 nor Title II, neither of them, require the submission of a model city plan to a regional planning agency. There is no bonus. There is no requirement. Some of the components of a model city's plan that have region-wide implications, if you were doing as part of this you intended to do a water or sewer project, if you intended to do a transportation project, some other component that really made sense only in a regional context, then that component ought to be in.

Now that is the compulsory end of it. Let me move to the other side of it. The voluntary side.

We are asking for innovation in the approaches to the problem. WE would be delighted and we will consider and give brownie points on it, I think is the best term to describe it, we will give brownie points to those community that will get together and work out regional solutions. We are not trying to discourage it. All I am saying is that it is not required so that it can't be blocked under the conditions I posited earlier but if you can get together and show that you are doing something over and beyond what is necessary, that you are working out a ----

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2 love to see it. 3 Yes? QUESTION: Either yourself or Mark might comment 4 5 on this. 6 Under Section 204, and I was talking about this at lunch, will it be mandatory there be an agency for 7 8 review? 9 MR. TAYLOR: I bow to you, Mar, 10 MR. KENNE: The question is: Is it mandatory there be a regional planning agency through which these 11 projects would clear? 12 13 I heard this answer both ways. 14 (Laughter.) 15 MR. INK: Which projects are we talking about? 16 MR. KEENE: The metropolitan area porjects required to clear through the regional planning agency under Section 17 18 204. 19 MR. TAYLOR: The 204 projects. 20 QUESTION: After June 30 I am speaking of now. MR. EISMAN: The 204, these are the projects that 21 are covered. Open space land projects. Hospitals, airports, 22 libraries, water supply and distribution facilities, 23 sewage facilities, water treatment works, highways, 24

transportation facilities and water development and land

the solution of your problems, God bless you and we would

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conservation projects.

Now as I read this, it applies to all of these projects that, before you come in with your application, and I am not talking about it now as part of the model city's program but for the projects themselves, I think as Mr. Taylor said it would apply to the specific project in the model city's plan, is to be submitted to this areawide planning agency if there is one for their review and comment.

The review and the comments are to be submitted with your application to the federal agency concerned. If the local planning agency or the area-wide planning agency does not submit its comments to you within 60 days, then you submit your application without their comments and I guess, unless they come in later, we don't have to --

MR. TAYLOR: To answer your specific question, does there have to be one: As in the collegial spirit of the Department we now are, this is not my program responsibility, but I think I can answer it. If there is a regional planning agency, it goes to it, as described. If there is none existing in the area, we go to the governor. The governor or the state planning board can designate the agency that will review this and make comment. If they fail to designate, then I think in that circumstance we go ahead because not having designated there wouldn't be

any comments in the 60 days and we have that out. But we do hope and expect that either at the regional level through a regional planning commission or a council government that has a planning operation or at the state planning level, there will be some larger planning agency to which this can be referred for checking.

Now notice that that planning agency does not have a veto power. They comment on it and it is those comments that are reviewed along with the review of the application and the objective of this, as Mark indicated, is to encourage metropolitan planning to achieve the economies of scale, the working together that it's time we really began to achieve.

QUESTION: You are referring to the model city itself?

MR. TAYLOR: I am referring to your --

QUESTION: How about separate grant for sewage facility?

MR. TAYLOR: That is what I am referring to. I am talking about a question you raised.

QUESTION: Is there, anything in the law that states, at least as we read it, that this smallest area can be SMSA, is this the way you gentlemen are interpreting it?

MR. TAYLOR: This would generally be it, yes.

QUESTION: Thank you.

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MR. KEENE: As far as Section 205 is concern the metropolitan area specifying defined as SMSA, unless modified or extended by the Secretary. So Secretary Weaver would under certain circumstances of the operation of

modifying that but generally speaking it is the SMSA.

MR. INK: I think, if there are no more questions at the moment, we might, Ralph, ask Norm if he might want to comment briefly and highlight where we are going in the intergovernmental area.

MR. TAYLOR: I think he will say yes.

MR. BECKMAN: I would first like to reiterate something Dwight said. That is how glad we are to have Harold Horn here. He is a real tower of strength to just speaking provicially to our Department in trying to accomplish the things we are trying to do, which is essentially to strengthen local government so they can do the job.

And I think generally, insofar as the interests of communities are concerned, I really -- if I don't get interrupted by the Vice President I will cite some chapter and verse on that.

We are discovering all sorts of new things in intergovernmental relations. Federal government discovered metropolitan areas about five years ago. Some people think

almost to a fault we have discovered the metropolitan area.

But in addition we rediscovered a couple of other levels.

One, the neighborhood. There is a new level of government.

And the other is the state. We are finding ourselves

increasingly working with both these new dimensions as far

as -- or revitalized dimensions as far as I am concern.

Ralph mentioned the role of -- we are really talking about model neighborhoods. Is that the official title of this?

MR. TAYLOR: The title is not official.

MR. INK: It was demonstration cities. Then model cities. It may be the brownie point program before we are through.

(Laughter.)

MR. BECKMAN: We are not the only ones to discover the crucial nature of the neighborhood and the fact you all have to be more sensitive to that as a level of government so to speak. The neighborhood youths corp, the small business practices, the community action agency activities, neighborhood facilities in our own program to put a range of services close to people that will use them. All have made the neighborhood a new dimension for us.

Likewise, at the state level we have -- we are trying to develop a more balanced approach, a comprehensive

approach to a meeting here of problems and the states that are showing great interest in this end of potentiality for great contributions and we intend to work with them.

We have a new program, Title IX, still would be funded which would give grants to states to provide technical assistance activities, to provide city manager type services on an advisory basis, consultant basis, to all communities in the state under 100,000. We think this is crucial, especially for those smaller communities that don't have the ability to attract specialists to recruit experts in everything from municipal finance to air pollution.

We are hopeful the states will set up litt HUD's, set up state offices in local affairs to provide a continuing base for us to relate to and provide service to local governments. This is in the budget.

Likewise, we have a Title VIII program to get the states directly involved in providing training services, both for their employees and for local employees.

Everything again from two-week seminars to sending people to the Harvard Business School or School of Public ADministration for a year. Here again we want to build a new institutional base at the state level directed to improving performance of urban services.

At the metropolitan area itself we have a new program that I think you people can relate to very easily,

and that is the metropolitan expedite.

We want to put HUD people in a region, in a metropolitan area, at the request of the local governments there to help be a focal point for relating federal activities in that metropolitan area to the needs of the metropolitan area itself, to help local governments, local officials find their way around the large number of federal grants that have similar or somewhat different requirements, advantages, disadvantages, given a specific case.

We want him to be kind of an objective person that is available to help promote cooperation, area-wide approaches, innovations. He should be there to serve the local governments. He will be a source of intelligence both for the city managers and federal people as to what the most crucial needs of the individual communities and the region are concerned. We have a pilot program under way this year. We hope if the budget comes through to get into this in a larger way next year.

I would like to mention two things that Harold's office that we are working on as examples of what we are doing in the research and demonstration area.

We were visited by the National Bureau of Standards
people a while back who said we have come up with a lot of
new ways of doing this. Systems analysis, operations research,
fresh ways of administering urban services in ways we haven't

thought about traditionally, in packaging programs, in analytical techniques, mathematical tools that could be applied. How about giving us, the Bureau of STandards, a grant to really get the word out to local governments on this? That is all well and good but we drew off a little bit. What does the Bureau of Standards really know about local government administration? In fact what do most of our people know? We are in Washington. We are not as close as we should be to what it takes to run a city. So it was just a great pleasure to be able to call Harold up, have him come over. He and his staff have been working with the Bureau of Standards people and ourselves to get a viable training and development program going, work with the city managers, to try this out.

Another area --

MR. ROWLANDS: Mr. Vice President, we wanted to express the fine cooperation we have had with your executive office. We are certainly gratified. We are grateful for your support. I know you are busy and won't infringe on your time.

VICE PRESIDENT HUMPHREY: Thank you very much.

I have had one of those days again which is traditional. Following our luncheon at the White House for the Prime Minister of Korea, I had to spend some time at the White House on some other matters and then I arrived

over here and we have a few legislative problems with the Rural Electrification Cooperatives on their supplemental financing and a certain man of rather substantial authority spoke to me and said it would be well if I would visit with them.

(Laughter.)

And I spent a little time doing that despite your presence here in this room.

My next assignment, you will be interested in knowing because I am sort of the general practitioner in the government -- I am not sure I have a certificate but I am a general practitioner --

(Laughter.)

Mrs. Humphrey and I are the host and hostess for 6,500 needy and deprived youngsters in the District of Columbia and surrounding areas to a circus and since I gained some fame taking my granddaughters to the circus I have become the official circus goer --

(Laughter.)

-- for the Administration.

When I took my granddaughter for her fifth birthday to the circus I ended up with chocolate frosting and candy floss and Crackerjack and butter spots and Cheerio bars on my new suit which made me look like I was a member of the younger set.

You have had a discussion here now with our officials from the departments, I gather, with at least two here,

Dwight and Ralph -- Dwight I think and Ralph Taylor and possibly others. I don't know who else has been participating.

MR. INK: Just bringing them up to day briefly on the new activities and legislative programs.

VICE PRESIDENT HUMPHREY: Many of you, I think most all of you must have been where I was about 11 o'clock today so you heard that well organized --

(Laughter.)

-- speech of mine over there.

I had originally planned on being at the luncheon but because of other events, as I have indicated, I had to change my schedule.

I would emphasize two things here. We are really going to have our problems before the respective appropriations committees of the Senate and the House. I am not critical of the men who were in charge of those committees because there are tremendous demands upon them but all of the programming of the Administration has been based around certain assumptions as you can imagine, like the passage of the surtax and a certain degree of prosperity in the economy which will lend itself under the present tax system an estimated amount of revenue.

We don't know how the economy will do. We think

it will move ahead and we think it maybe will move ahead a little faster than we had contemplated. If that is the case, then the revenue situation eases itself.

We surely have no guarantee that the surtax will be readily passed by the Congress. If I am taking the temperature of the members of Congress on taxes right now, I would say that there isn't any fever. There may be slightly subnormal.

(Laughter.)

So that everybody on these committees, the Appropriations Committees from the chairman of each, the House and the Senate, will be looking very carefully at the budget request.

I don't need to tell you those budget requests are minimums. They really are. Fortunately, in the model cities programs we went as far as the authorization would permit.

On some of the water -- on pollution programs, sewage disposal and so on, those are less than the authorizations so that we are going to be asking only for the most modest -- for modest amounts.

I think we are asking for more than had been asked before in other days but in light of the needs of the communities, the amounts are still very modest.

We are going to need your help.

Now how does that help become effective?

When I say we are going to need your help, let's put it this way: You will need to help yourself for your respective communities. The only way I know to make that help effective is to ask for the right and the privilege, personal testimony before those subcommittees that hold these hearings.

I am of the opinion that much of the testimony that comes from the Executive Branch before subcommittees of Congress, while it is essential and while it lays the base of factual information, that it is not nearly as persuasive, may I say, as city manager or a mayor or councilman or legislator coming in with a degree of righteous indignation that you have been denied justic for these many years. You know, a little pounding, pounding of the table, particularly if a member of Congress from your area happens to be on thatsubcommittee. And you ought to speak privately to these members, you ought to tell them why you think these requests are essential.

I think most of you would tell them they are not enough because I think that is a fact that we could use much more and I believe that you can make, with complete integrity, a statement or a case in support of the minimum amounts that are in these budget requests. I can't overemphasize to you the importance of that. Because my own

evaluation today would be that those requests of the President would be cut as of now. I think they would be cut substantially.

I see a couple of Assistant Secretaries getting pale here.

(Laughter.)

But that is about what I think is going to happen, unless we can do something about it. That is why I have been around the country in labor and business and the municipal groups and country groups and city managers, to urge you now really to do a job, to do an effective job. They call it lobbying. I think what we should call it is representation of your interests in what you need to have done. That is number one.

So far as coordination of programs are concerned, gentlemen, we got so many coordinators in this government that we got to get the coordinators coordinated first. We are making a desperate effort to coordinate. I think we are doing pretty well. I really do. Your own association is very helpful to this.

As I said to the league this morning, your people that are here, that represent you, are helping us put these pieces together to get these programs to work together in a synchronized, harmonious manner. But more important in coordination is action and one of the things that we tried to

encourage now in the government departments after they have been properly set up now and the programs are filtering through the departments and the regulations are being developed and the administrative staff is being properly set up, we want action.

When you apply you get an answer and if you don't get an answer, write the Vice President. It is just that simple. I want you to feel to do that.

I know the department heads want to work with you.

Many times these things get bogged down on technical details.

You didn't fill out the application properly or somebody

didn't, or it got into a regional office where somebody

didn't get a hold of it right away or something else

happened.

Well, I have some people working for me that do not run the departments. The Vice President doesn't run anything. I can assure you we don't run one single thing.

(Laughter.)

I told a group the other night I am the only man in the government that has reasponsibility and no authority. We have responsibility. But what we can do for you is to get in touch with our friends, and they are our friends here who we greatly respect and I think the respect is mutual, to get at it, and when I call up Dwight Ink or if I call up Ralph Taylor or if I call up John Gardner or if

I call up Secretary Bob Weaver or Secretary Wirtz or one of these people, they get at it right away and put their people on it. We dig out the material and start getting you some action. That is what you mean by coordination. That is the kind of coordination that really counts.

We have also asked at the regional levels, as you know, that there be an improved in the coordinated structure. We are getting that through the federal executive boards. That is one of them. WE also have ad hoc arrangements in some of the key areas where we get HEW and HUD and OEO and Labor that do work together, where there is one of them that is sort of the crown prince of the outfit and he sort of calls the meetings and we try to get things worked out at the local or regional level and at that level we are asking that some of the state and the local representatives be brought in so that we are all talking the same language and on the same wavelength.

I don't think there is much more I can say to you.

Legislation is in. I think I know a good deal about your needs. I think you ought to know that we are hopeful some day that we can do more about them.

I mentioned this morning Gardner Ackley's role in this task force on post Vietnam.

I am sure that you know that we are looking at every one of these programs for their flaws and their

weaknesses. But don't sell them short. One thing I found out that happens is it is so easy to nit-pick and it is just to pick at the programs and say they are not good enough and they should have done this and should have done that. If you keep it up long enough the Congress will believe you and take away the programs.

What we need to do is, amongst ourselves, recognize what the limitations are of some of these programs and bring it in through your officer, bring it up through your secretariat, bring it on into the Departments HUD or HEW or whatever other department it is, and if you can't find one of them in bring it into my office, into Neal Peterson or bring it to me. I am available. Nobody has trouble getting hold of me. I got a whole damn fistful of telephone calls that thick, just what I got while I was up here while you were waiting for me. I am the best customer of AT&T.

(Laughter.)

So just feel free to keep in touch with us. We will have to coordinate on the basis of touch and go every day because your job and so am I.

I don't know what else I can say except that I better get along.

QUESTION: I am Bert Johnson across the river and I would like to make a suggestion to your Administration to

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try to involve our school people into the dialogue of the 1 Great Society and I think there is as many school teachers 2 as there are public employees but they are the least 3 knowledgeable about all these various problems that exist 4 in modern cities and I would like to see you get them in the 5 6 dialogue. VICE PRESIDENT HUMPHREY: I am glad you mentioned 7 it because I have a whole series of meetings with school 8 teachers. Elementary school principals, secondary school principals, superintendents. I have the whole gamut and 10

QUESTION: Give them hell.

(Laughter.)

I will give them --

VICE PRESIDENT HUMPHREY: You said that.

(Laughter.)

I get into so much trouble in all these things I say I have to be careful.

I was just going to give them a little of that solid information along the lines which you have indicated.

(Laughter.)

QUESTION: There are concentric circles beyond all these problems.

VICE PRESIDENT HUMPHREY: Yes, I agree with that and a very big part of the total public service area and sometimes they feel removed and remove themselves.

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QUESTION: I have a report from Oklahoma State
University and they were real appreciative of your visit
and said it did a tremendous job and had a real impact on
the programs the way you put them over up there and they
really appreciated it. One of the vice presidents, I
happened to be talking with him this morning.

VICE PRESIDENT HUMPHREY: Thank you. I read in the paper I received a respectful reception.

(Laughter.)

I thought it was darned enthusiastic. I must say I thought they were great.

QUESTION: They felt that way too.

MR. ROWLANDS: Anybody else?

MR. INK: I would like to say the Vice President, of course, has provided tremendous leadership as you know in this whole area and we certainly appreciate his help in supporting the new Department which has felt its guidance and support very continually over the recent months.

MR. ROWLANDS: One more thing, Mr. Vice President. The fact that you have before you a group of professional administrators that go on for some years is important because in all due respect to your county groups and areas you have turned over and we want you to know we are ready to assist this program and become involved and we are as dedicated as you are to improving the urban environment.

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VICE PRESIDENT HUMPHREY: I would like to leave this final thought with you. I want you to, in your workshops, so to speak -- here is a group of you -- you take a look at our programs very carefully. This is particularly true after you see how some of them begin to work. For example, we don't know very much about what model cities will do. It is an idea now. It is legislation. We don't even have money. As we go along and see how it works, make a kind of constructive analysis of it because you are the professionals. I mean you don't have to, you know, you really don't have to campaign as hard as I do to hold your jobs.

(Laughter.)

Except in a limited circle.

(Laughter.)

So give us the analysis of these programs and also the same of some of the smaller ones, particularly the projects that mean so much to our communities like the sewer and water program. What do you consider their weaknesses in our regulations? I am sure my friends in the Departments aren't angry with me when I tell them these regulations are not sacrosanct. These are put out by mortals, people who think they are doing the best they can. Sometimes they plainly just don't fit, you know, and I don't want us to be as stubborn on the regulations as the

1 If I don't get out of here I will lose a wife and 6,000 kids.

(Applause and standing ovation.)

MR. INK: Let me just mention in closing that since we last met with some of you, we have completed reorganization, at least on paper. When you get out into the different areas you find that there are a lot of tag ends that have to be still pieced together, a lot of processes that aren't quite functioning the way they ought to, but one of the main parts of that reorganization, you recall, was an effort to strengthen the field offices, strengthen the regional offices and enable them to provide better service out in the field to the local communites.

Norm has spoken of the pilot operation on the metropolitan expediters but I think we would like very much, Norm would like to and Ralph and I also would like to know from you how the operation is working, how the regional offices are functioning and we do appreciate constructive suggestions. They have been helpful to us during the past year and I am sure they will be helpful in the future.

Thank you very much.

MR. ROWLANDS: Thank you, Dwight and Secretary Taylor and Norm and Mark --

Since the hour is late I think the meeting is adjourned.

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Harold has one announcement first.

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MR. HORN: I want to take advantage of one more man if you have a minute, Glen Stahl from the Civil Service Commission. He is doing a lot of work in the area of personnel needs on local and city government. If we just had a couple of minutes --

MR. ROWLANDS: Can we have a couple of minutes to hear from Glen?

MR. HORN: Some of you heard John Macy's comments yesterday and I think this man specifically has some activity going on that is of direct interest to everybody in the state and local government so if you have just a minute we would like to hear from him.

MR. STAHL: Let me suggest I not prolong the meeting.

Since most of you, I assume, did hear John Macy yesterday afternoon in one of the sessions at least, I guess it was the open session, and he outlined the planning that we are now engaged in in developing a grant program and some related features in the manpower area to deal more directly with manpower problems in our states and cities than is now possible under the subsitute grant programs.

Let me, because Norm and Beckman made one reference to training, let me point out that the kind of training that we are working on is really supplementary to the

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programs that already exist in the way of training opportunities for state and local employees and not in conflict with those. Let me also add that, give you a little statistics that you may have bits and pieces of because you contribute to these statistics but the Bureau of Labor Statistics and our office recently estimated that in that classic category of personnel that the Municipal Manpower Commission referred to, administrative, professional and technical business apartment personnel, that the estimate is that our cities, for replacement purposes and expansion, are going to need on the average of a quarter of a million people in those categories each year for at least the next decade. Nobody can predict beyond that. That is 2-1/2 million people in a decade in the administration and professional and technical area so we are rather impressed with the extent and depth of the need here and this is why John Macy described the program that we are working on which hasn't reached the point of a final Presidential proposal although the President is committed to make a proposal along these lines and of course you are already aware that Senator Muskie's bill that has already been introduced on which some hearings were held last fall is roughly parallel to the kind of thing we are talking about.

If anybody has any question about this I would be happy to try to respond and talk at least in terms of

what we are thinking about openly and honestly about what we are planning on but there still is not a final bill so I can't say in Title II, Section 305 that something or other is provided.

John did yesterday in his remarks, he told me he stuck to his remarks just as we prepared them -- (Laughter.)

-- that he did descrube some of the particular features that he thought would be of interest to city administrations so let me just invite any questions, if any of you have any.

If not we will assume you are comparatively happy and go on with our planning.

MR. ROWLANDS: Anyone have a comment?

MR. STAHL: I already arranged Bert Johnson to keep quiet because I live in his community. He has to behave. I vote over there.

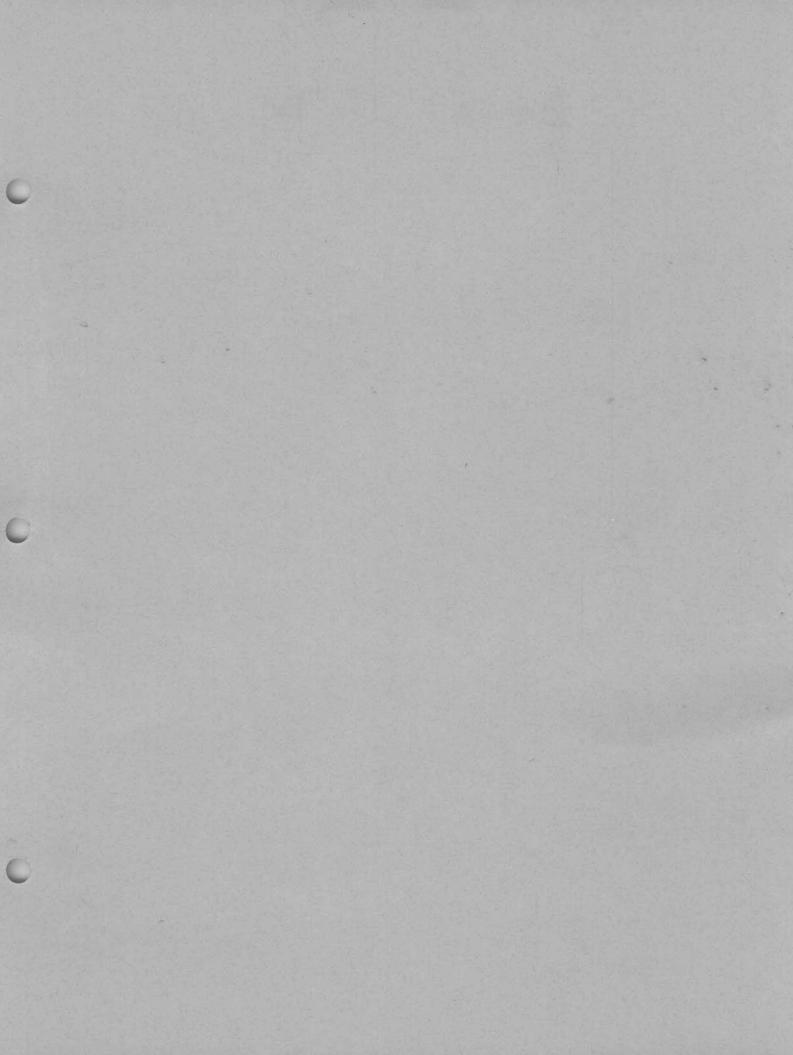
MR. ROWLANDS: We appreciate your remarks. I want to remind everyone we do have this Congressional reception, as you know, at 6 o'clock and then quite a few of the states and others are having their representatives and senators for dinner.

We appreciate all of you coming up here. I think it has been a most thought-provoking and stimulating experience for all of us and from this we hope will emerge a very

successful program for this session of the Congress.

If there are no general comments, we stand adjourned.

(Whereupon, the meeting was concluded.)



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