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HD Challenge



TABLE OF CONTENTS

Volume III, Number 3 / March 1972

- 4 The Law Firm at HUD
- 9 Special Counsel for the Poor
- 14 The Uchida Mission
- 16 Look Around
- 18 Model Cities Come in All Sizes
- 20 Rebuilding Harlem
- 23 Operation Housewarming: Volunteers in Housing
- 28 Cooperative Commissioners

DEPARTMENTS

- 3 Looking Ahead
- 13 Editor's Notebook
- 31 Lines & Numbers

HUD Challenge

U. S. Department of Housing and Urban Development

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IN THIS ISSUE:



PAGE 4



PAGE 16



PAGE 20



PAGE 23

PAGE 4: In an interview, HUD General Counsel David O. Maxwell discusses the role of HUD lawyers.

PAGE 16: A photo story of the inner city describes the landscape of core areas in Washington, D.C.

PAGE 20: The initiative of a Harlem community organization, working together with two of Manhattan's largest savings banks to rebuild the community, has served as a model for savings bank investment in low- and moderate-income housing throughout New York State.

PAGE 23: With the help of neighborhood and city-wide volunteers, the National Capital Housing Authority in Washington, D.C., has attracted national attention for its program to rehabilitate abandoned public housing units.

NEXT MONTH:

Housing allowances—an early experiment and HUD's mounting interest in this form of direct payments to tenants and homebuyers—will be explored in articles written by HUD officials.

COVER: A padlocked door and wired mailbox are the last signs of a human touch in this abandoned building. Some of the despair of inner city life is captured in the photo story in this issue by free-lance photographer Dick Waters.

looking ahead

Revenue Sharing in Proposed HUD FY 1973 Budget

In a new Urban Community Development Revenue Sharing Program, the Open Space Land program has been proposed as an addition to the four HUD programs already designated in legislation pending in Congress. The proposed FY 1973 budget reflects a level of \$2.3 billion for this new program. It includes \$490 million for new Urban Community Development Revenue Sharing funds and \$1.81 billion for the other programs—\$1 billion for Urban Renewal, \$620 million for Model Cities, \$40 million for Neighborhood Facilities, \$50 million for Rehabilitation Loans, and \$100 million for Open Space Land.

Progress for Minority Contractors in Rehab Work

The first findings of a HUD survey to determine whether minority contractors are receiving an increasing percentage of federally assisted rehabilitation work may indicate a possible trend. Hartford, Conn., reported that as of January 1970 there were no minority contractors active in a two-year-old code program. Now 12 of 34 contracting firms are minority owned and have received 44 of 99 contracts awarded since 1970, which amount to 41 percent of the dollar volume of the work. In Oakland, Calif., there were only three minority contractors active in rehab work in 1966. Now 28 of 43 contracting firms are minority owned and are receiving about 50 percent of the work.

A Stimulus to Decentralization of People

In order to help achieve balanced national distribution of population, Dr. Alvin Weinberg, director of Oak Ridge National Laboratory, (ORNL) has suggested locating power plants in nonmetropolitan areas. In an energy policy symposium of the Senate Interior Committee, he asked why plants are not located "where we want people to go, rather than where we expect them to go." He compared nuclear power plants as a stimulus for development with the historic influences of waterways, rail junctions, interstate highway intersections, and natural sources of energy. ORNL has done population decentralization studies for HUD. One publication, "An Introduction to Urban Decentralization Research," which outlines possible application of energy to a small town, is available from the National Technical Information Service, Commerce Department, Springfield, Va. 22151, for \$3.

Meetings on Abandonment

Secretary Romney has announced that he will soon hold meetings with Federal, State, and local officials, and private leadership in five cities to determine the extent to which available resources and leadership can be applied more effectively to preventing the spread of abandonment in central cities. The cities involved are Boston, Detroit, Philadelphia, St. Louis, and Wilmington. Representatives of the Federal departments funding social, economic and physical urban programs, the governors and mayors of central cities and suburbs, county and area-wide officials, and representative private leadership will be invited.

Interest for Public Housing Tenants

Increasingly, State and local regulations are requiring interest to be paid on security deposits of tenants living in public housing developments. The Governmental Unit Deposit Protection Act of New Jersey, for example, requires landlords to pay such interest. And the Resident Advisory Board of Baltimore's housing authority decided that public housing tenants will receive interest on their security deposits. These new regulations are in compliance with HUD's Model Lease and Grievance Procedures, which advocate that, where local laws permit, the authorities collecting security deposits should place these funds in interest-bearing accounts.

Financial Forecast

Record sales of \$3.5 billion in "Ginnie Mae" mortgage backed securities have been forecast for 1972 by GNMA President Woodward Kingman. He also predicts a further decline in long term interest rates, an adequate supply of mortgage money, and a continuing strong demand for housing in the coming year. His views on long term interest rates are based on increased investor confidence in the effectiveness of Phase II of the President's new Economic Program, as well as evidence of a more aggressive policy on the part of the Federal Reserve in expansion of the money supply. "Furthermore, mortgage money, which might ordinarily be in short supply in a time of business recovery should be in adequate supply for the rest of 1972 because of a number of new sources of funds which are now available." Among these he includes the GNMA mortgage-backed securities, real estate investment trusts, State housing finance agencies, and the Federal Home Loan Mortgage Corporation.

The Law Firm at

David O. Maxwell, former Secretary of Administration and Budget Secretary for the Commonwealth of Pennsylvania, was sworn in as HUD General Counsel in November 1970. A native of Philadelphia, Mr. Maxwell joined the Pennsylvania State government in January 1967 as Insurance Commissioner after eight years with a private law firm. Later, as Secretary of Administration and Budget Secretary, he served ex officio as secretary of the Executive Board of the Commonwealth, chairman of the Governor's Council on Human Services, chairman of the Governor's Committee on Labor Relations and Collective Bargaining, and a member of the Governor's Council on Urban Affairs. As HUD General Counsel he serves as legal advisor to the Secretary with the support of over 300 HUD lawyers, more than 200 of them in the field.

Q: What exactly is the role of the General Counsel of HUD and how is your office organized to carry out this role?

A: The General Counsel is the chief law officer of the Department. As the legal adviser to the Secretary and to the Assistant Secretaries, he provides legal opinion, advice, and services with respect to all activities of the Department and provides counsel and assistance in the development of the Department's programs and policies.

He is a member of the Department's Policy Committee. He works closely with the Secretary and the Policy Committee in developing and presenting the Department's legislative program and plays a major part in monitoring and reviewing legislative activity affecting the Department. He directs all litigation involving the Department and refers cases and other actions to the Attorney General for appropriate legal action.

In Washington, our Office is organized into five divisions—Housing Production and Mortgage Credit; Community Development; Housing Management, Property Insurance, and Sales; Equal Opportunity, Litigation, and Administration; and Legislation. Like the rest of HUD, the Office of General Counsel operates in the field as well as in Washington.

Q: What action does the Office of General Counsel take when litigation occurs involving HUD programs?

A: Litigation involving almost every HUD program has increased dramatically in the last few years. Some of these cases are of enormous significance in the development of the American law of housing and related fields.

Once we are notified of a suit, we inform the Assistant Secretary and Regional Office concerned. The former provides comments and the latter prepares a draft litigation report with pertinent facts. The General Counsel's office then prepares a final litigation report which we send to the Department of Justice. This report contains the facts, the law, and recommended action. The Department of Justice decides on an appropriate course of action and prepares a brief, if necessary, for the U.S. Attorney who actually handles the case.

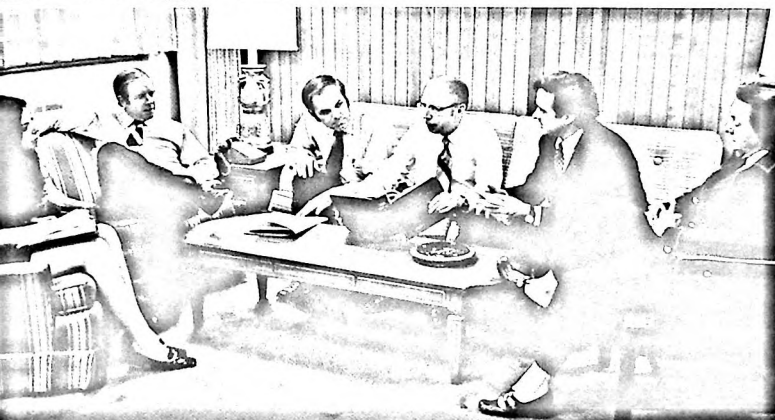
The relationship between our office and the Department of Justice is roughly analogous to that of British lawyers; our job being that of the solicitor and Justice's that of the barrister who actually handles the case in court. Naturally, during the trial, our lawyers act as advisers to the U.S. Attorney who is trying the case.

Q: It is often said that equal housing opportunity policy is being decided by the judicial rather than by the Executive and Legislative Branches. Do you agree?

A: While it is true that recent court cases have had a dramatic effect on housing policy, it is not true that the Executive Branch has relinquished its leading role in this field. On June 11, 1971, the President released an historic statement reaffirming the responsibility of the Federal Government to play a paramount role in bringing about equal housing opportunity. HUD has responded to the President's direction by moving ahead with several regulations designed to expand freedom of choice in housing. Among them:

- A Project Selection System for rating applications for HUD's assisted housing funds. In this system there are eight criteria for rating a pro-

HUD



The General Counsel discusses HUD business with his immediate office staff, (left to right) Bette Uhrmacher, Special Assistant to the General Counsel; Leslie J. Carson, Deputy General Counsel; Ashley Foard, Deputy General Counsel; Kathleen Sauerbrunn, Director, Administrative Services Staff.

posals, "adequate" or "poor." HUD's program administrators will use these criteria to weigh factors affecting the acceptability and desirability of a project. For example, one criterion measures the degree to which the project will result in increased housing opportunities for minorities. Projects must receive at least an "adequate" rating on each criterion before the application will even be considered for Federal assistance.

- Affirmative Fair Housing Marketing regulations requiring that sponsors of virtually all HUD-FHA insured as well as assisted housing submit plans describing how they plan to market their housing so as to attract buyers or tenants of all races.

- Project Selection Systems for community development programs under which points are awarded not only for fundamental statutory factors but also for the expansion of housing for persons of low- and moderate-incomes on a non-discriminatory basis.

Q: What have been HUD's principal legislative initiatives in 1971?

A: In 1971, the Administration recommended to Congress three proposals which affect HUD's programs in a major way.

The first of these is Urban Community Development Special Revenue Sharing. Under this proposal, Federal assistance would be made available to localities for broad community development purposes rather than through narrow categorical grants. This would give local government discretion to determine its own local needs, rather than having to tailor its development activities to the types and requirements of Federal aid which might be available.

Five present development assistance programs would be folded into Special Revenue Sharing: Urban Renewal, Model Cities, grants for the construction of Neighborhood Facilities, Rehabilitation Loans, and Open Space Land. A recipient of Special Revenue Sharing funds could spend them for any of the purposes presently authorized under these categorical programs as well as for any other community development purposes. Localities would not have to use scarce funds to match Federal categorical grants.

The second legislative initiative is the Department of Community Development, one of four new departments proposed by the Administration to reorganize the Executive Branch in accordance with major purposes and goals in order to serve the people better. All of HUD's programs, except

college housing; the Farmer's Home Administration and Rural Electrification Administration from the Department of Agriculture; Highway and Mass Transportation Administrations from the Department of Transportation; Community Action Programs from the Office of Economic Opportunity; and Economic Development activities from the Department of Commerce would be major elements of the proposed new Department of Community Development. The new Department would operate under a strong Secretary through Urban and Rural Development, Housing, and Transportation Administrations.

The third legislative proposal seeks to consolidate and simplify more than 50 existing housing programs, and thus to improve the capacity of our programs to stimulate the production of homes for American families. If this legislation is passed, only four basic Federal housing programs will remain, and many complexities of our current laws will be eliminated.

The Office of General Counsel helped to develop these proposals, to prepare the testimony of the Secretary and others on them, and to brief members of Congress, their staffs, and members of the public interested in the legislation.

I believe that chances of passage of all three of these bills in a form reasonably close to what the Administration proposed are a distinct probability in 1972.

Q: You have said in speeches that you think the courts will be pressed to strike down zoning laws. Would you discuss the questions of zoning, why you expect such court action, and what you think are the alternatives?

A: This Administration opposes zoning regulations used as a subterfuge to achieve or perpetuate racial segregation. For example, after a request by HUD, the Department of Justice instituted a suit against officials of Black Jack, Mo., where zoning appears to have been motivated by racial discrimination. Prior to a proposal by a religious organization to sponsor federally assisted, racially integrated rental housing in the area, Black Jack was an unincorporated town in

the outlying suburbs of St. Louis. Zoning by the county in which Black Jack is located permitted the proposed housing. After the project became public knowledge, however, the area incorporated as Black Jack and the new governing body enacted a zoning ordinance, which effectively blocked the project. The Federal Government is seeking in Federal Court to have this zoning set aside so the project can proceed.

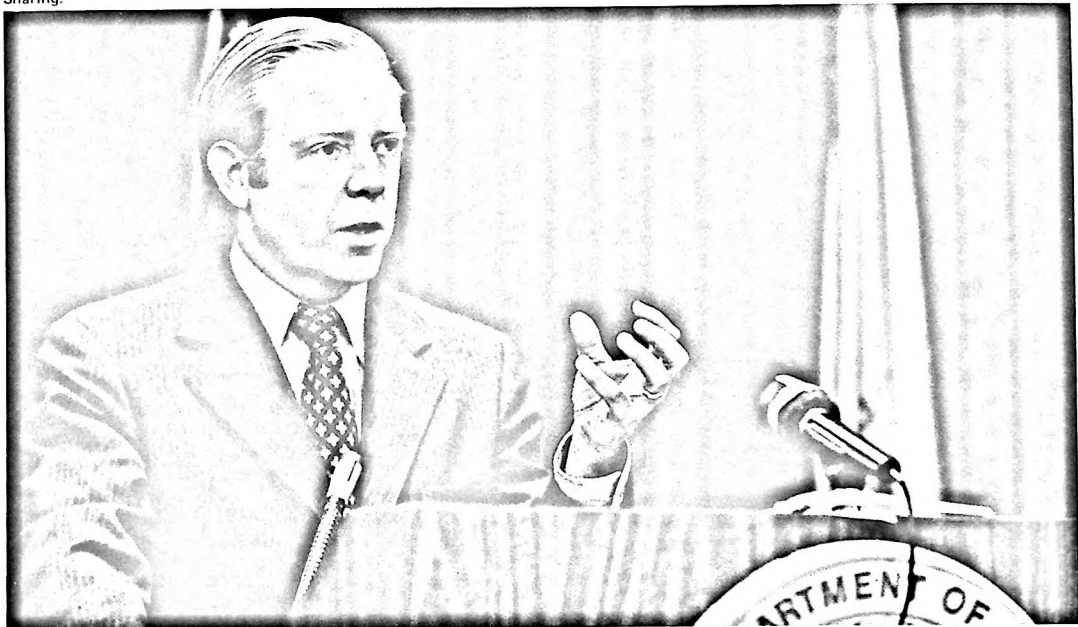
Aside from cases involving racial discrimination, there will undoubtedly be increasing litigation initiated to strike down zoning laws which restrict home building, particularly in the suburbs, for persons of low and moderate incomes. And when one considers how extensive and restrictive zoning laws have become, zoning has been misused. As a matter of fact, courts in New Jersey and in my home state of Pennsylvania have already confronted issues like these in a number of cases and have decided against the zoning restrictions in each case. Some of these cases are noteworthy for the broad view they take of a community's control of land use in a metropolitan context. At the same time, they do suggest an urgent question. Are the courts the best place to make these decisions relating to zoning and regional development?

If the issues involve racial discrimination, then it seems to me they are. On the other hand, some issues related to zoning should perhaps never reach the courts in the first place. The issues raised in the New Jersey and Pennsylvania cases, for example, are largely economic questions related to urban growth, seemingly more suitable for decision by political jurisdictions than by jurists.

Another fact which argues against compelling courts to make economic zoning decisions is that courts can deal with cases only one at a time. They are thus limited in the degree to which they can take into account the situation throughout a metropolitan area, which is clearly the best way to deal with land use problems.

Q: There have been some notable judicial decisions involving the location of building sites

In making speeches for the Department, Mr. Maxwell usually discusses the current legislative package or Special Revenue Sharing.



for HUD-assisted housing. Would you discuss some of these cases?

A: Decisions in cases based on allegations of discrimination in housing site selection have generally been in two categories: those where Courts have found an intention on the part of local officials to discriminate on the basis of race in choosing locations for assisted housing; and those in which Courts have not found that there was an intention to discriminate, but have nevertheless decided that the effect of selecting a particular site was racially discriminatory and thus improper.

One of the first cases in which plaintiffs proved an intention on the part of local authorities to select federally assisted housing sites on a racially discriminatory basis was *Gautreaux v. Chicago Housing Authority*, decided by the U.S. District Court for the Northern District of Illinois

in February 1969. The plaintiffs, all blacks, were tenants in public housing or applicants for public housing in Chicago. They alleged on behalf of themselves and others similarly situated that the Chicago Housing Authority had an established practice of locating public housing for blacks solely in black neighborhoods.

The method by which the Authority imposed racial segregation involved an informal "pre-clearance" procedure under which the Authority submitted proposed sites for housing to the City Council Alderman in whose ward the housing was to be built. The Alderman had power to veto the site. Because the waiting list for public housing in Chicago was 90 percent black, Aldermen from white wards invariably vetoed projects proposed for their wards. As a result, 92 percent of public housing units in Chicago were located in neigh-

borhoods which were more than 75 percent black.

It was clear that potential tenants of a proposed project and the racial composition of the neighborhood surrounding its site were the major factors in determining the location of public housing in Chicago. The system of site selection inevitably led to the maintenance of the existing racial segregation of residential neighborhoods.

Having found for the plaintiffs, the Court confronted a novel and thorny issue in framing the remedy. Clearly, previously built and occupied housing should not be torn down. Therefore, the Court granted an injunction against future discriminatory acts, such as the City Council "pre-clearance" procedure. But more significant, the Court also required that there be a plan to undo the past effects of the Chicago Housing Authority's unconstitutional site selection procedures. The plan required that 700 units had to be built in white neighborhoods before any could be initiated in black neighborhoods. Thereafter, 75 percent of public housing had to be built in white neighborhoods.

In the companion case, *Gautreaux v. Romney*, the Court of Appeals reversed the trial court's dismissal of the action, holding that by approving and funding discriminatory housing programs, however reluctantly, HUD's officials had violated Title VI of the 1964 Civil Rights Act and the Fifth Amendment to the Constitution. The Court of Appeals remanded the case to the trial court "for appropriate affirmative relief." The District Court judge has since enjoined payment by HUD to Chicago of Model Cities funds until the Housing Authority complies with his earlier order regarding low rent housing.

At our initiative, the Justice Department has noted an intention to appeal this injunction because we do not believe holding up Model Cities' money will have the effect desired by the Court on Chicago's officials. Also pending in *Gautreaux v. Romney* is an interesting motion by plaintiffs to compel the parties to submit plans to the Court to remedy past effects of discriminatory site selection, including alternatives not confined to the City of Chicago.

Shannon v. Romney, is a landmark decision which demonstrates that governmental action having the effect of increasing residential racial concentration is actionable, regardless of intent. The *Shannon* case is also particularly instructive because it was the first to place a specific duty on HUD to consider affirmatively the racial character of a neighborhood in making site selection decisions. The Constitution was once said to be "color-blind." Now the Courts are saying that classification by race is required to help end segregation.

The *Shannon* plaintiffs were residents and businessmen in an urban renewal area in Philadel-

phia. Some were black, some not. They complained that a federally approved plan for housing to be built in their neighborhood had been changed from one involving homeownership by persons of moderate-income to one involving rental by persons of low-income whose rents were to be supplemented by Federal funds.

Plaintiffs argued that this change of plan from homeownership to rental housing would unlawfully increase the already high concentration of low-income black residents in the area and that HUD had not properly considered this effect or the residents' views when it authorized that change of plan. The Court agreed. It held that HUD was required by law, in approving sites for federally assisted housing in areas of minority concentration, to have an institutionalized method of making informed judgments as to whether the need for physical rehabilitation or additional minority housing at the sites in question clearly outweighs the disadvantage of increasing or perpetuating racial concentration.

And, as I have said earlier, HUD has taken steps to make such informed judgments by issuing project selection criteria to be as uniformly applied as possible by our local offices throughout the Nation.

Q: You are known in HUD as an advocate of women's liberation. What are your opinions and how many female attorneys are in HUD?

A: I am indeed a strong supporter of equal rights for women. My opinion is based on my observation of the appalling extent to which our society—consciously and unconsciously—denigrates the intelligence and personality of women. This deprives women of their worth and dignity as human beings. It costs society dearly to indulge this bias. The sooner we rid ourselves of these attitudes, the better off we will be.

Of the 300 attorneys at HUD, almost 50 are women, 26 of whom are located in the field.

Q: You have worked both for a private Philadelphia law firm and as a Cabinet officer in Pennsylvania. How do the lawyers at HUD and the legal work you do there compare with your prior professional experience?

A: I am tremendously proud of the legal staff at HUD. In my opinion, they do an excellent job and compare favorably with any law firm, public or private, with which I am familiar.

Particularly satisfying to me are two aspects of our legal duties at HUD which one does not ordinarily encounter in private practice. The first and most fundamental is the nature of the client—nothing less than the public interest itself. The second is our opportunity to play an important part in the legislative process—shaping laws and regulations intended to benefit the Nation. ☞

Special Counsel for the Poor

The National Housing And Economic Development Law Project

That the law "intended residents of blighted areas to be the beneficiaries, not victims of urban renewal" was the observation of a Federal court in *TOOR v. HUD* last year as it entered an order enjoining a major San Francisco urban renewal project from demolishing the homes of more than 3,000 disadvantaged persons for whom relocation housing had not been planned.

In a wide range of cases such as this one, lawyers representing low-income people and their community groups, particularly OEO-funded Legal Services attorneys, are pressing the courts for enforcement of the legal rights of displaced under relocation statutes; of community organizations looking for citizen participation under

HUD's Workable Program guidelines; and of tenants in public housing, HUD-FHA subsidized housing, and private housing. For the last group, new landlord-tenant laws better suited to the realities of a modern urban society, are an urgent necessity. One group spearheading this movement is a small organization of lawyers established three years ago at the Earl Warren Legal Institute at the University of California, in Berkeley, known as the National Housing and Economic Development Law Project.

The Project's staff consists of 12 lawyers, one planner, and one political scientist. It is supported by graduate students in Berkeley's Schools of Law and City Planning. The staff maintains close working relationships with a network of Legal Services attorneys in other cities, many of whom are also specializing in the area of housing law or economic development.

Services Provided

The Berkeley project, a grantee of the Legal Services Division of the Office of Economic Opportunity, was created to provide Legal Services lawyers with specialized legal advice and strategy-oriented guidance in the two-pronged areas of housing law and community based economic development. It developed and published *The Handbook on Housing Law*, which

The economic development aspects of the law project are typified in aid given a catfish farm in Georgia. Project lawyers serve as special counsel enabling the enterprise to take advantage of special financial programs. The money can then be used to purchase needed equipment, such as automatic feeders to fatten the catfish for harvest.



contains comprehensive practice materials for lawyers and planners representing low-income clients and their community organizations.

Volume One, *Guide to Federal Housing, Planning, and Redevelopment Programs*, explains in detail the various HUD programs which affect the interest of low-income people and their organizations and recommends approaches and strategies for their use. Volume Two, *Landlord-Tenant Materials*, includes a detailed guide for lawyers representing tenant unions, as well as chapters on rent withholding, retaliatory evictions, actions for housing code violations, and lead poisoning of slum children.

The Project works closely with such organizations as the National Tenant's Organization (NTO), a coalition of low-income tenant unions in public housing and private housing; the National Association of Non-Profit Housing Organizations (NANH); and the National Congress for Community Economic Development. Along with NTO it played an active role in deliberations leading to the issuance of HUD's new regulations governing public housing leases and grievance procedures. The regulations oblige all housing authorities to conform their leases to model documents which provide various tenant protections and insure impartial hearings on tenant grievances.

In its three years of operation, the Project's attorneys have achieved significant results in several important areas, one of which is relocation housing for all persons displaced by such Federal programs as urban renewal and highway construction. The Project, as co-counsel to Legal Services lawyers in several lawsuits instituted to compel compliance with statutory and regulatory requirements, has been effective in insuring realistic planning for displacees and the production of replacement housing. As in other areas of its operation, the Project supplies model complaints and briefs to attorneys challenging relocation plans.

The Project's relocation work illustrates its method of approach and operation: a combination of legal research, litigation, counseling, negotiation at the Federal, State, and local levels, and legislative effort. It has applied a similar variegated approach in its work in the area of public housing management. Here it has supported efforts of Legal Services units around the country, based upon the tenant participation requirements of the HUD modernization program, to encourage tenant participation in management decisions and to build tenant unions or councils.

The Project also played a major role in the development of the Brooke Amendments to the 1969 and 1970 Housing Acts. The amendments limit the rent payable by a public housing tenant to a percentage of income, provide subsidies to



cover maintenance costs, and require significant tenant participation in management decisions.

Function of Poverty

The Project sees the housing problem as a function of poverty, not as a shortage of housing. As its Director, Kenneth Phillips, put it: "A slum is where poor people live, and if you tear that slum down and move them someplace else and



FAR LEFT—A proud fisherman displays his catch from one of the farm's ponds. Although the harvest produces a bigger catch, it could not produce a happier fisherman.

LEFT—John McCowan (right), Director of the East Central Committee for Opportunity in Sparta and a major force behind the catfish farm, and Dr. Earl Evans, a consultant, survey one of the feeding ponds.

ABOVE—Earthmovers helped construct one of the largest catfish farms in the Nation in Hancock County, Ga. In the background are the raceways constructed for the catfish.



they are still poor people, you are going to have another slum. You have to think about the total problem of low-income families, who may have no male adult; who, if they have jobs, are probably underemployed in the sense that they are unable to earn enough to support themselves and their families."

Phillips sees a system of housing allowances, to fill the gap between what the poor can afford

to pay for housing and the costs of operating and maintaining housing, plus finance costs and property taxes, as the only promising approach. He recognizes that this would require increased Federal funding for housing, although he believes that over a period of time housing allowance programs would prove much less expensive than present approaches.

As to the functions lawyers can perform he

says, "First of all we must be alert to every opportunity to document and dramatize the reality of the poverty situation. This can be done through litigation and administrative strategies. The country must not be allowed to forget the dimensions and realities of the poverty problem if we are ever to hope for realistically funded programs. Second, we must emphasize strategies that have the potential for the development and encouragement of local organization and leadership, such as community development corporations and tenant councils. Third, it means specific gains, wherever possible, whether that is more units of housing or the recognition of tenant councils in public housing, or whatever."

Workable Program Task Forces

Possibly the most ambitious and comprehensive strategy the Project has developed to date has been based on the statutory requirement that every city have a Workable Program certified by HUD as a condition of eligibility for urban renewal and certain other HUD funds.

In some 20 cities across the country, citizen task forces, supported by Legal Services lawyers with Project assistance, have been organized for that purpose. These task forces include low-income community organizations from all parts of these cities, as well as local Urban Leagues, the local NAACP and the chapter of the League of Women Voters. The activities of the task forces and the administrative complaints filed in several cities have resulted in a variety of specific agreements including undertakings to build more low-income housing, to halt displacement pending the availability of relocation resources, and to rezone land for HUD-FHA subsidized housing.

Finally, the Project is assisting the growing tenant union movement through research and publication, litigation assistance, and the development of a detailed manual for tenant union organization and operation. Most of this work involves new law in the area of housing code violations, including the emerging legal doctrines of retaliatory eviction and implied warranty of habitability. The Project's latest effort in this area has been the development of a comprehensive Eviction Defense Manual for California attorneys, which covers the procedures and substance of eviction defense, from the receipt of first notice through appeal. The manual is in turn intended to serve as a prototype for other States.

ECONOMIC DEVELOPMENT

The Project's economic development section provides specialized legal assistance to approximately 30 Community Development Corporations (CDC's) and serves as legal adviser to their association, the National Congress for Community Economic Development. The Project sees the

movement for community-based economic development as offering, more than any other anti-poverty strategy, a potential for the mobilization of resources and the development of local leadership, and for building long term institutions that will be really responsive to community needs.

The legal assistance and related business assistance provided is often complex and sophisticated. It must take into account the many uncoordinated sources of governmental and private funding and technical assistance. Difficult problems of finance, tax, corporate, securities, and anti-trust law are commonly involved. Relationships of trust and confidence must be carefully developed with local community organizations and their members.

The Project's work with the East Central Committee for Opportunity, Inc. (ECCO)—a rural, primarily black organization which, with government and foundation support, is establishing a commercial catfish operation and other auxiliary enterprises—typifies its approach in this area. As special counsel to ECCO, a Project attorney recently negotiated a substantial loan from a private foundation, drew up articles of incorporation and by-laws for the several corporations, arranged for day-to-day legal services from a VISTA lawyer in Atlanta, and formed a minority enterprise small business investment company to permit ECCO to take advantage of maximum support available through the Small Business Administration programs. ECCO's catfish business is now underway. It involves some 250 low-income farmers as cooperative members and employs 32 people in its operations.

Related to its special counsel assistance to specific community development corporations and their counsels are two other important Project functions. Through its research, the Project is presently preparing a comprehensive, practical lawyer's manual on all aspects of community-based economic development. Second, working with OEO, the Project is meeting with representatives of various Federal agencies and bureaus in an effort to create a more favorable climate of response for CDC's.

A long term solution to the problem of deteriorated housing—interrelated as that problem is to the myriad and complex social and economic issues of poverty, welfare, employment, health, and education—will require a multi-faceted approach. It will have to insure, through some system of subsidy, the continuing availability of sufficient funds to cover operating and maintenance costs and to reduce the heavy burden of high rents in relation to income under which the poor now suffer. The Project is doing its part to support such a multi-faceted approach by aiding those pledged to solving the housing and community economic development problems of our time.

editor's notebook

Approximately half the appropriations proposed in the Fiscal Year 1973 budget for HUD will go to community development programs. The appropriations requested in the FY 1973 budget total \$4.66 billion compared with \$3.883 billion in FY 1972 and \$3.407 billion in FY 1971. (See "Lines and Numbers," this issue).

Three daily Chicago newspapers—the *Sun-Times*, *Tribune*, and *Daily News* are carrying ads in their classified advertising sections calling attention to Federal and State laws prohibiting discrimination in the sale and rental of housing. The papers say they will not publish discriminatory advertisements. Chicago is the second major city where newspapers are adhering to the advertising guidelines, although these guidelines do not have a published effective date. Dallas was the first city to comply.

The Secretary's mail is reflecting an increased interest by grade school children in Government functions and a widespread desire to see people in better housing. Although the usual letters from college students requesting information have not changed, 10 letters a day from younger children are new to the mail flow. The youngsters ask what they can do to help, what a day in the life of Secretary Romney is like, and say that they would like to work for the Government.

Population density in urbanized areas fell from over 5,000 per square mile in 1950 to less than 3,500 in 1970, in part due to hollowing out of central cities. Intermediate projections for the year 2000 foresee a population of 270 million; in metropolitan areas 200 million with 35 million blacks, according to HUD estimates.

Residential construction accounted for 4 percent of the Gross National Product (GNP), but it accounted for about 14 percent of the growth in the GNP during 1971. The value of residential construction jumped by a third in 1971 and promises to show another 10 percent gain in 1972, according to Philip C. Jackson, Jr., President of Mortgage Bankers Association of America.

Amendments to the Flood Insurance Regulations expand the existing program to include, in addition to one to four family dwellings and small businesses, coverage for properties used for residential, agriculture, business, and religious purposes, State and local government-owned property, and property occupied by private nonprofit organizations.

Entries are now being submitted for the Fifth Biennial HUD Awards for Design Excellence, the Department's continuing effort to recognize and stimulate superior design and planning quality in all HUD-assisted local programs and projects. Architects, planners, engineers, landscape architects and other design professionals; builders and developers; and local governments and public agencies are invited to submit entries for work which has been substantially finished since January 1, 1967. Entry blanks and additional information are available by writing Fifth Biennial HUD Design Awards Program, HUD, Washington, D.C. 20410.

In the first attempt to apply HUD's Operation Rehab to an entire city, Hoboken, N.J., has been designated a Rehab City.

Preliminary plans are being developed for HUD participation in TRANSP0-72 (See *HUD Challenge*, Feb., 1972), the international transportation exhibition being sponsored by the Department of Transportation at Dulles Airport from May 26 through June 4, 1972. The program calls for a cooperative effort between HUD, the U.S. Army, selected BREAKTHROUGH Housing Systems Producers and Sikorsky Aircraft Company, which would airlift and erect modular units using the Sikorsky "Flying Crane."

The Wide Area Telephone System line, initiated in June 1971 to provide citizens with toll-free telephone service to register housing discrimination complaints with HUD, has been used frequently during its six months of operation. Originally including the States under the Philadelphia Region, the campaign was expanded last November 1 to include the Boston, New York, Atlanta, and Chicago Regions. Calls have increased considerably since November with 116 calls in a single week, the largest number since the campaign began. Of the 22 States where service is available, Maryland, Pennsylvania, Virginia, West Virginia, Ohio and the District of Columbia have had the heaviest volume of calls.

Associated Mortgage Companies, Inc. has delivered the first GNMA guaranteed mortgage-backed security to be secured by a HUD/FHA project loan. The certificate was purchased by The Greater New York Savings Bank, Brooklyn, N.Y. The project loan is secured by a mortgage on the Charles Parrish Memorial Nursing Center, Inc., Dunn, N.C. The project is insured by HUD/FHA under Section 232 of the 1968 National Housing Act.

The Uchida Mission

Editor's Note: October 17, 1971 and November 4, 1971 bracketed thousands of miles of intensive travel by plane and bus by 47 members of a Japanese study team and one HUD official. During a 20-day nationwide working tour organized by HUD's Office of International Affairs, the Fourth Housing Industry Study Team was led by Morris Cohen, Director of Education and Training in the Office of International Affairs. Mr. Cohen, an indefatigable traveler and amateur diarist, kept a voluminous log of the cross-country trek. What follows is a condensation of his full account.

On October 17, 47 members of a Japanese housing study team arrived at San Francisco on the first leg of a nationwide tour of U.S. industrialized housing developments. HUD's Office of International Affairs planned the professional and technical aspects of the visit as part of its international cooperative program.

The Fourth Housing Industry Study Mission was headed by Genko Uchida, of the Uchida Consulting Firm, Tokyo. The group included three Japanese government officials and representatives of 37 businesses and organizations and was self-financed. Altogether, the group visited 10 housing sites and developments and six housing factories in 10 states during the 20 days it spent in this country. The group also visited two new communities and the Industrialized Building Exposition and Congress (INBEX) where they saw over 350 exhibits of materials, equipment, and systems.

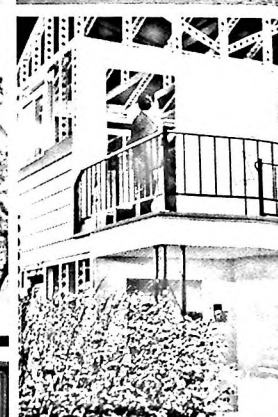
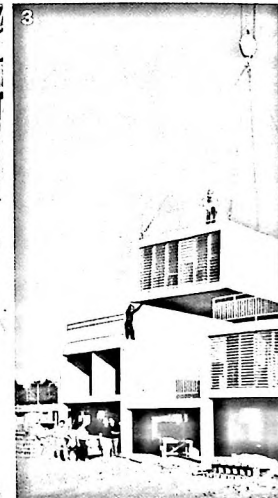
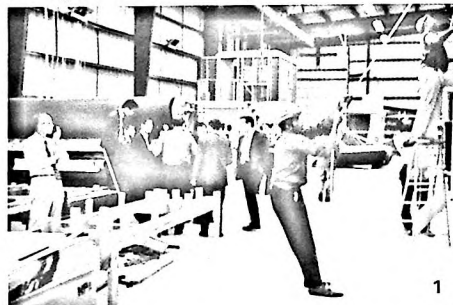
In San Francisco, the "Uchida Mission," armed with cameras, notebooks, a barrage of questions, and unlimited enthusiasm, opened the study tour with a visit to the new community of Foster City where Mayor Wayne McFadden explained the background and future plans for the community. Then the group inspected two

new housing developments being built by Kaufman and Broad and L.B. Nelson, before heading across the Bay to see two other housing developments, the Mission Bay Mobile Homes Park and then the Golden Gate urban renewal area in downtown San Francisco.

The second day found the group in Seattle where E.K. Muller of the Boeing Company welcomed them and gave the background on Operation

BREAKTHROUGH. Another highlight was a guided tour through the St. Regis housing factory in Tacoma, which produces wood modular homes.

Kalamazoo, Mich., was the next stop. Here, the group was "greatly impressed" with the 166 structures already erected on the BREAKTHROUGH site, reflecting a wide range of building materials and designs. The group traveled by bus to the Guerdon factory at Elkhart, Indiana, to see how Pacemaker Mobile Homes are built. On succeeding days, the study mission visited the Boston area (San Vel Concrete Corporation,



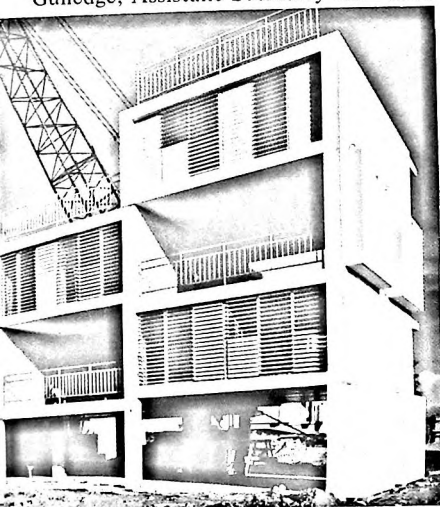
Littleton, and Fountainhead Apartments, Westboro); New York City (Shelley Systems); King of Prussia, Pa. (General Electric's module manufacturing facility); and Philadelphia, Pa. (Society Hill and Independence Hall urban renewal areas). Also, Macon, Ga. (Hercoform Homes at the BREAKTHROUGH site); Perry, Ga. (Systems Structures, Ltd.); Orlando, Fla. (DISNEY-WORLD); San Juan, Puerto Rico (Shelley Systems operations); Louisville, Ky. (INBEX); and Washington, D.C.

In Washington, the group was welcomed by Eugene A. Gulledge, Assistant Secretary for

Housing Production and Mortgage Credit, and Dale E. Barnes, Director of International Affairs. Discussions were conducted by Alfred A. Perry, Director, Operation BREAKTHROUGH; David C. Moore, Director, Special Projects; and Charles J. Orlebeke, Deputy Under Secretary for Policy Analysis and Program Evaluation. Their Washington activities also included a visit to the National Bureau of Standards to observe testing of BREAKTHROUGH modules; inspection of HRW Systems housing factory in Edmonston, Md.; the new community of Columbia, Md.;

and a farewell reception at the Mayflower Hotel.

On November 4, Mr. Cohen said "Mata Aimasho" (until we meet again) to the group at Baltimore's Friendship Airport. Some members went directly to Europe, a few to other U.S. cities, but most departed for Honolulu—where they toured local housing developments—before heading for Tokyo and home. Before leaving, the group members expressed their satisfaction with their program and their determination to organize another study tour to see Operation BREAKTHROUGH completed. @



On their 20-day tour of U.S. housing, the 47 Japanese visitors toured (1) an industrialized housing plant, (2) Operation BREAKTHROUGH site in Macon, Ga., (3) modular construction site in Puerto Rico, (4) Industrialized Building Exposition in Louisville, Ky., (5) the new town of Columbia, Md., and (6) the Seattle, Wash., BREAKTHROUGH site. Photos by Morris Cohen.

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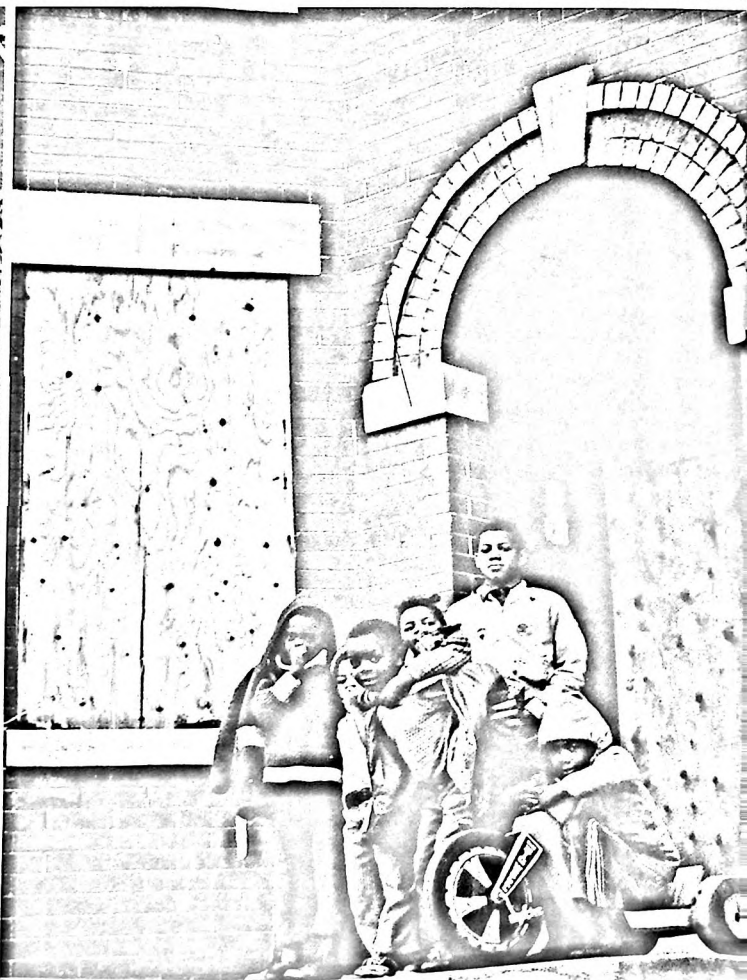
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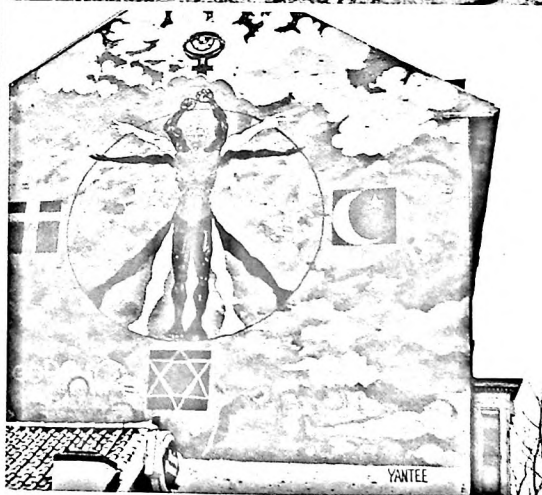
Look Around

"Despite all our efforts, despite the billions of dollars that have been expended, the decay of core cities goes on. We continue to suffer continuing losses of human and economic resources. Fragmented local governments, weakened State governments, and too numerous and complex separately financed Federal programs have not proved equal to the task of checking the rotting process."

Secretary Romney

Part of the story of inner city decay—boarded up buildings stretching endlessly, vagrants in garbage-strewn lots, remnants of crime and violence, children playing and growing amidst the rubble—is captured in this photo essay taken in Washington, D.C., by free-lance photographer Dick Waters.





Model Cities Come in All Sizes



Winooski's neighboring communities are no longer chuckling at the 7,400 or so residents who live in this northern Vermont community of one square mile. Instead, they are staring with amazement at this municipality's revitalization under its Model Cities Program, which many believe to be without peer.

In the past, Winooski has suffered like many other small towns. When its main industry pulled up stakes for the South 17 years ago, some of its citizens left with it. However, a substantial number of them remained; they wouldn't or couldn't move. It was a community with burgeoning physical, social, and economic problems. To a certain extent, it still is. But because of three \$788,000 Model Cities allocations the improvements are imminent.

Tangible Results

Ground has been broken for a much-needed sewage treatment plant. A recreation area, Landry Field, has been completely refurbished. An addition to the junior high school has been built.

Also through Model Cities a program for the elderly, including a Senior Citizen Center, has been initiated; books and other needed equipment have been supplied to the library; and, among other things, new street signs have helped provide the community with a clean, fresh image. Perhaps more important, a comprehensive and coordinated Social Services Delivery System has been started; it has become the center for all of Vermont's Social Service Agencies.



"The Winooski Model Cities program," claims William S. Cowles, Vermont's Secretary of the Agency of Human Services, "is an exciting example of what can be done if the various social service agencies coordinate and work together. The program conveys some idea of my eventual hope for the entire State."

Community Optimism

The enterprising spirit being generated throughout the community has not been reflected solely in Model Cities projects. For instance, because of the efforts of the Model Cities Agency, successive mayors, and the Local Public Agency, Winooski has been awarded a Neighborhood Development Grant by HUD to revitalize an area along the Winooski River and Main Street. In addition, a new telephone building has been erected and 53 units of turnkey elderly housing opened in September 1971.

Even though tangible results of Model Cities are becoming increasingly evident, a growing number of local residents are beginning to feel that the real impact of Model Cities may be the general wave of optimism throughout the community. Encouraged by a Model Cities governmental modernization grant, the citizens voted overwhelmingly in favor of streamlining the City Charter. In addition, they approved the hiring of an effective City Manager and, in the last election a former Model Cities Chairman was elected Mayor. As a result of this activity, the average Winooskiite has become more interested, informed, and active in matters of city government. ☺



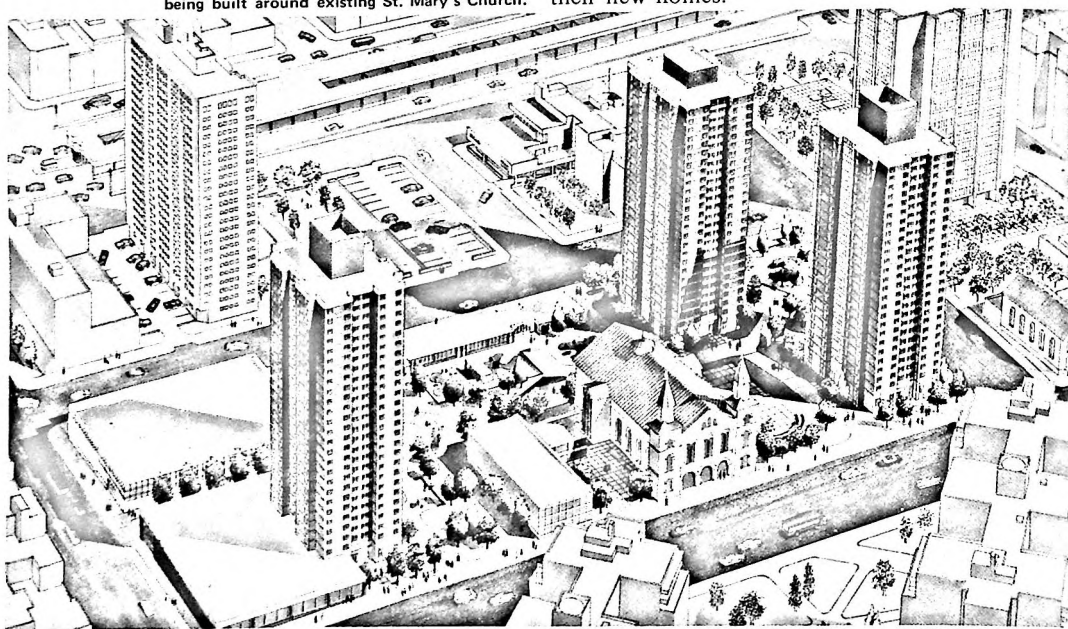
Model Cities activities in Winooski, Vt., over the last three years have provided citizens with highly visible evidence of the revitalization of the town. The town's appearance has been altered by new street signs on every corner and capital improvements which include road resurfacing. The attitudes of the citizens have also been changed as child health services, transportation for vocational education, and paraprofessional activity in education have all increased. One of the unique aspects of Winooski's Model Cities allocations of \$788,000 each year is that they are larger than the town's annual budget.

Rebuilding Harlem

A new way of life for hundreds of Harlem families has been made possible by the partnership of two Harlem housewives and the chief executives of Manhattan's two largest savings banks. Mary Iemma and Margaret Jenkins of the nonprofit Upper Park Avenue Community Association (UPACA) and Alfred S. Mills of the New York Bank for Savings and Morris D. Crawford, Jr., of the Bowery Savings Bank all shared a mutual concern—working together to build and rehabilitate housing for low-income families while attempting to upgrade slum neighborhoods. Since they began working together in 1969, they can boast that their modest undertaking has become a successful venture bringing new hope to many Harlem residents as well as benefits for low-income residents across New York State.

UPACA has been in the forefront of community organizations working to upgrade housing standards in East Harlem since it was organized five years ago. Then in 1969, the group asked the New York Bank for Savings for help in setting up its first housing project involving full rehabilitation of two six-story tenement buildings with 35 apartments. The Bank with its \$2 billion in deposits and its partner, the Bowery, with \$2.7 billion in deposits advanced the necessary funds for architects' fees and other expenses. UPACA approved the contractor, architects' plans, size of the rooms, color of the paint, and the day care center, selected the tenants, and instituted a training program to enable them to best enjoy their new homes.

Architect's rendering of Seward Park Extension urban renewal project on Manhattan's East Side. The three 26-story buildings are being built around existing St. Mary's Church.





TOP—Two Harlem housewives, Mrs. Margaret Jenkins (left) and Mrs. Mary Iemma pose with New York savings bank officials who helped them in their ambitions to rehabilitate a section of Harlem. From the left are William P. Schweickert, senior vice president, The New York Bank for Savings; Alfred S. Mills, chairman of the bank; Morris D. Crawford, Jr., chairman of the board, and James M. Shea, assistant vice president-marketing of Bowery Savings Bank. RIGHT—Mother and daughter relax in the comfort of their new home in UPACA Gardens in Harlem. The two six-story buildings were built by a development corporation formed by two New York City savings banks, Bowery Savings Bank and The New York Bank for Savings.



Since 1969, the two banks have helped finance 16 projects and plan to supply funds for four others. They provided the "seed money" to get the projects started, using a revolving fund of \$2 million.

The purpose of these projects, according to William P. Schweickert, senior vice president of the New York Bank for Savings, was not to make money. "There are easier ways to make money," he says. "Our self-interest is to improve Harlem. As Manhattan goes, so goes our bank. Another reason we moved in, was to let the people in Harlem know that somebody from downtown wanted to help. I think we gave them the feeling of not being abandoned."

First Ventures

The first new construction for the banks and UPACA was a six-story elevator apartment. Several six-story apartment buildings were then built for the New York City Housing Authority under the turnkey program, which provided for the sale of the building to NYCHA after construction. Before the partnership was established UPACA renovated and rehabilitated about a dozen crumbling tenements between 116th and 125th

Streets, and Park and Lexington Avenues with construction loans from the two banks and an assist from the New York Life Insurance Company.

Under construction now are a \$2.2 million 100-unit apartment building and two rehabilitation projects costing about \$2.9 million. The banks are also working with other local neighborhood organizations and churches to plan further tenement rehabilitation and apartment construction.

"This is called human services, not just housing," says UPACA. "For the first time in their lives, these people have decent accommodations, including closets. Their bedrooms are large enough to accommodate a bed, a dresser, and a chair. They have standard plumbing and electricity. It means a whole new way of life for them."

Recently, a group of Harlem residents watched as a bulldozer dug a foundation for a 14-story, 98-family apartment house on West 147th Street. The \$3.3 million building will house families at an average monthly rent of \$34 a room. It is considered a possible solution for the Central Harlem resident who cannot afford a co-op but earns too much money to get into a low-income

housing project. The project marks a new approach to financing by interesting a large insurance company, New York Life, in participating in 20 percent of the loan.

Unique Urban Affairs Program

The UPACA redevelopment in Harlem, although dramatic in terms of human values, is just one area in which New York State savings banks have become involved in providing housing and other community facilities for low-income residents. The Committee on Urban Affairs of the Savings Banks Association of New York State, comprising all of the State's 120 savings banks, is encouraging members to invest in housing for low- and moderate-income families. Alfred S. Mills of the New York Bank for Savings established the urban affairs program more than three years ago, and the Savings Banks Association of New York State was the first banking group in the Nation to implement such a program.

The Urban Affairs Committee works with housing sponsors, community groups, government officials, and housing producers to arrange the practical details for financing low-income projects. In order to aggregate large enough sums in such a lending policy, the group uses a wholly owned mortgage company, the Institutional Securities Corporation (ISC). Through ISC needed financing can be provided anywhere in the State, without restricting the availability of funds in savings banks in particular areas.

More than \$250 million in commitments by the State's savings banks in low- and moderate-income housing and related projects are currently being made or processed through ISC. Of that sum, more than \$100 million has been supplied by the savings banks for projects in New York City.

In addition to the Bowery and the New York Bank for Savings many other banks are directly financing urban housing and other socially beneficial projects. Through ISC, the industry has been able to apply the principles of participation, roll-over, and leverage.

Under the Interest Supplement for Rental Assistance (Section 236) program, several upstate savings banks have joined with a major utility corporation to provide some \$10 million for the construction of new apartment houses in the Troy and Buffalo areas. Against the sponsors' investment of 10 percent equity, the savings banks are providing construction mortgage loans of 90 percent insured by HUD-FHA. Where construction programs are too expensive for any one bank to finance alone, the urban affairs program has arranged for financing through participations, an arrangement which allows several banks or companies to loan percentages of the total loan needed.

The ability of the banks to reinvest the construction loans in more low-income housing is another important factor. Under both the Rental and Cooperative Housing for Low- and Moderate-Income (Section 221(d)(3)) and Section 236 programs, the banks are able to roll-over construction loans when the Government National Mortgage Association (GNMA) or the Federal National Mortgage Association (FNMA) takes out the permanent mortgage on completed projects.

The use of leverage was made possible when FNMA agreed to participate with ISC up to 95 percent on construction loans. This enabled savings banks during periods of credit shortages to multiply by 20 each dollar invested in the Section 236 housing programs.

Examples of Involvement

Twelve new residential construction projects—in Troy, Buffalo, Rome, Newburgh, Elmira, White Plains, Manhattan, Brooklyn and the Bronx—were financed through the ISC. When these projects are completed, approximately 10,000 people will live in 3,358 modern, new low-income housing units.

West Farms, a Bronx project, is a typical example of the savings banks' direct involvement with the Community. Thirty-two New York City savings banks are working with the nonprofit sponsor, a local community group, and the Roman Catholic Archdiocese of New York, which is coordinating the project, to transform vacant land surrounded by overcrowded buildings into a new community of six apartment houses, an elementary school, day-care center, meeting rooms, and office space. The 32 savings banks will finance the project by providing nearly \$18 million for construction, under the Section 221(d)(3) program.

The Archdiocese also coordinated plans for Grand Street Housing, a 600-unit apartment complex in Lower Manhattan to be financed under Section 236. Financing for the \$18.7 million project is being provided by 61 New York State savings banks with HUD-FHA mortgage insurance.

The Bedford-Stuyvesant mortgage plan makes available mortgages at par under the One-to-Four-Family Home Mortgages program (Section 203(b)) for the refinancing and rehabilitation of existing homes in Brooklyn. The savings banks in New York City are playing an important role in this project.

The savings banks recognize that more than just decent housing is required in the life of a community. Their investments therefore cover hospital facilities, modern schools, and day care centers among other projects. These are also helping to stabilize communities and insure that the savings bank loans benefit both the people and the concerned institutions. ☞

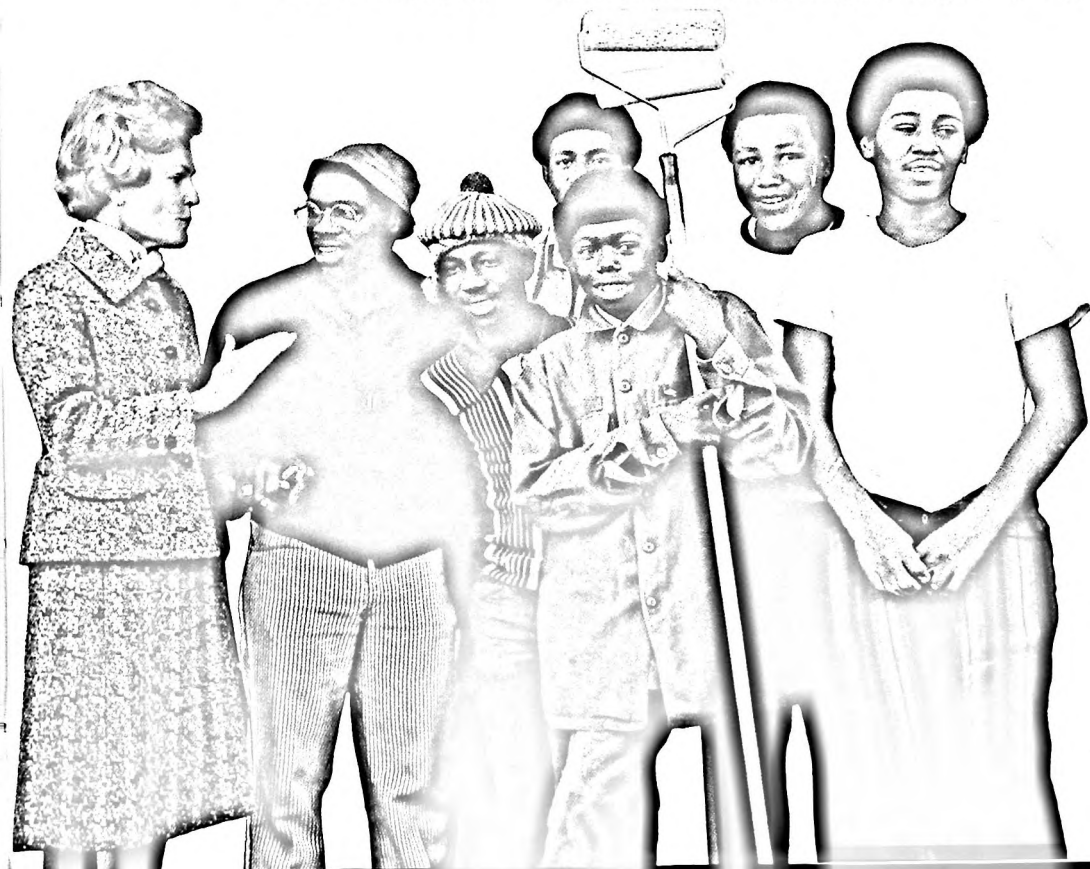
Operation Housewarming: Volunteers in Housing

When James Banks started a program to involve volunteers in fixing up public housing units, he encountered some surprises. The executive director of the National Capital Housing Authority (NCHA) in Washington, D.C., found that he had tapped a snowballing interest among public housing tenants to improve their community. And after only two months, Mrs. Richard Nixon and Mrs. George Romney came to see the early progress of this rehabilitation program.

The First Lady and wife of the HUD Secretary—accompanied by Edwin Etherington, president of the National Center for Voluntary Action—praised the volunteers' work and the ingenuity of the housing authority. They inspected a vacant and vandalized unit—with peeling plaster, ripped out doors, smashed windows, broken stove and refrigerator—then went to two units where volunteers were painting. Mrs. Nixon offered to help before visiting with a public housing resident and her seven children.

The pilot project attracting this attention, "Operation Housewarming," began as a desperate effort to reduce the housing authority's increasing

Mrs. Nixon talks with volunteers who paint abandoned public housing units in Washington, D. C.



number of vacant and vandalized units. Its unique focus is the corps of volunteers—from the immediate project areas, community organizations, youth groups, universities, and members of the NCHA staff.

Every Saturday morning, between 30 and 70 volunteers gather to paint units that NCHA maintenance staff and contractors repaired the previous week. About four to six units each week have been completed. Tenants move in the same afternoon—forestalling vandalism that inevitably follows when rehabilitated units are left vacant.

The work of these volunteers saves the housing authority about \$160 in painters' fees per unit. But Banks finds most exciting the "new kind of spirit" the program has generated among tenants. "Since we started 'Operation Housewarming,' residents who have seen or heard or read about the program in our NCHA publication have started to care about their own buildings," he said.

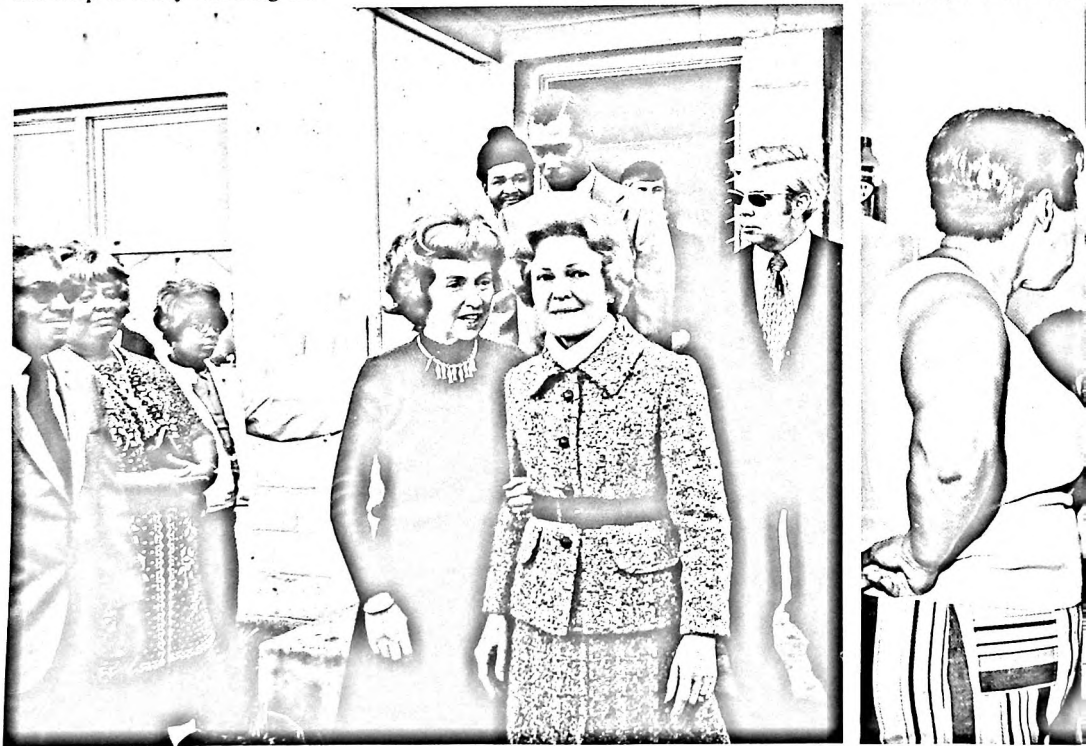
"We have had many requests for paint from tenants who want to brighten up their own apartments. Last week I visited a building that looked like a hell hole three months before. Now you could almost eat off the floors. The idea of self-help is really catching on."

Attracting New Tenants

The two housing projects which have benefited most from the new rehabilitation efforts—and where this changing spirit is most noticeable—are Barry Farm and Sheridan Terrace in Southeast Washington. About 30 of the 615 units there have been renovated and reoccupied. Both projects have become more attractive to prospective tenants.

"Three months ago people wouldn't accept units at Barry Farm because the whole environment was so depressing and security was bad. About one person in 20 accepted," said Frances Hunt, manager of the projects. "Now we get about 22 acceptances out of 30. I never thought it would happen. Since we put on new security locks and since 'Operation Housewarming' started, the units are too beautiful to turn down. The community is also becoming closer; more residents are coming to monthly counsel meetings than ever before."

In the crucial area of moveouts as well, the program is making progress—slowing down the previous trend that continuously drained the NCHA budget. As Banks explained, "Last June we began a remodeling program that included about 300 to 400 units. But despite all the



money we spent on improvements, we still found that people were moving out faster than they were moving in. We were about ready to give up when we hit upon 'Operation Housewarming.'"

By the end of this summer, Banks expects the total number of vacant units throughout NCHA's 11,300 units to decrease from 880 to about 200. At present the vacancy rate is 7.8 percent, or about five percent above the rate considered stable.

Such statistics don't mean much to the volunteers. Their pleasure comes from watching families move into the freshly painted apartments. "It really feels good to see people moving in," beamed Alvin Williams, a 17-year-old volunteer. "When we first came down to Barry Farm these places were a total wreck."

Another volunteer, 31-year-old Lemuel Belton, commented on his own changing views since he started helping out. "I used to think, 'Other people don't care, so why should I.' But once I got interested, I got other people interested in helping too. Now I feel like whatever I can do for my people, I want to do."

How To Do It

Although "Operation Housewarming" is still

new, its accomplishments are encouraging. For other housing authorities who might be interested in a similar activity, Denis Dryden, coordinator for this volunteer effort and chief of the NCHA's community organization and social services, explained how the program got underway and gained momentum.

In selecting a project to try out the volunteer pilot program, NCHA chose Barry Farm and Sheridan Terrace in Anacostia because a significant number of units were not seriously damaged. A combination of the efforts of local staff, internal task forces, and outside contractors—including Lorton Reformatory prisoners under a special program and small minority contractors—could prepare these units within a week to be ready on Saturday for the volunteers.

After the format had been clearly defined, NCHA brought the proposal to community leadership both inside and outside public housing projects. NCHA chose to work closely with the Southeast Neighborhood House, a community organization near the projects. From the earliest meetings with this group, NCHA personnel worked to establish trust, and stressed the importance of mutual cooperation. But first it was necessary to have a clear picture of the program to head



FAR LEFT: Mrs. George Romney and Mrs. Nixon, leaving an abandoned structure, are followed by Denis Dryden (center), organizer of Operation Housewarming, and Gerald Huard (right), HUD's Voluntary Action director.

LEFT: Among the volunteers gathered on Saturday morning is James Banks, (second from right), executive director of the National Capital Housing Authority.

ABOVE: Mrs. Nixon sits in the living room of a rehabilitated home, chatting with resident Mrs. Georgia Bellamy.

off confusion and doubts. "When you approach people with reason, they put suspicion on the back burner and give you a chance to see whether you're real," Dryden said.

In presenting the program to community residents, it helps to point out the problems and dangers of vacancies and how these affect the neighborhood. While everyone is aware of the physical blight created by vacancies, there are also larger issues. Vacant units attract vandals, who not only empty these units, but break heating and water lines, thus affecting adjacent units. Vacancies attract people with criminal intentions, like storing stolen goods or other illegal acts. As vacant units increase abandonment increases. And all this causes a spiraling drain on the NCHA budget.

So the commitment of the housing authority in making such a program work is clear. But it is also in the interest of the community to participate, since, as Dryden points out, "Physical improvements alone aren't enough. Everybody wants a good unit in a good community."

Finding Volunteers

Discussions with a local community group can yield sources of volunteers. Workers come from volunteer groups in the community: youth clubs, church groups, as well as colleges. When rounding up these workers, it is important to try to have enough people on hand to do the job, but not too many. On the average, about 30 people can do four units in about three or four hours. "Nothing kills enthusiasm as fast as nothing to do," Dryden says.

Younger people are most receptive to last-minute requests for help, since they don't stand on formalities. In addition to the rewards of making a visible impact on the community in just a few hours, they also enjoy the activity as a social event. The small change management fund is used to buy sandwiches and coffee.

To sustain the momentum of interested volunteers, Dryden believes in continually escalating the corps by approaching new groups. He also wants to develop a small nucleus of people with slightly higher level of skills to do additional work that will pass the license and inspection approval for safety, such as installing windows or electrical wiring. Basic beautification and cleanup are other useful tasks for volunteers, but enthusiasm often wanes when volunteers cannot see the functional value clearly, as they can when people move immediately into an apartment.

This short lead time is essential, since all the rehabilitation work and painting must occur within the same week. Some applicants, despite their desperate need and despite the waiting list of thousands, refuse to accept units in these housing projects. But if the prospective tenant


agrees to take a unit, the lease is signed on Thursday and arrangements for a mover can be made for the following Saturday.

Schedule Important

Problems encountered with "Operation Housewarming" to date have been mostly logistical—having all the supplies on hand in the necessary amounts. The person selected to coordinate the program should have administrative skills as well as the ability to act as a go-between with the community and residents. Initially there is the job of convincing the skeptics that such a volunteer effort can work. Providing the backup support so that each task is clearly identified, inspection and repair work scheduled, and then completed on time will keep the program running smoothly.

One reason for the immediate success of "Operation Housewarming," Dryden believes, has been the enthusiastic participation by NCHA officials. Banks, for example, comes to help out most Saturdays. When "wheels" work hand in hand with the community and project residents, Dryden said, "people are elevated to a common denominator. Residents not only come to appreciate these public figures as people, but the NCHA staff also gets a direct sense of who we serve."

Unlike bake sales and children-oriented activities, painting offers a productive outlet that both men and women can enjoy. People get a chance to meet their neighbors in a natural way, friendships develop, and besides the "jiving and playing," everyone has the visible rewards of seeing an apartment shine and helping a new neighbor become part of the community.

As Banks said, "The benefits of 'Operation Housewarming' are not only reflected in the finished product. The new attitude on the part of residents and their constructive involvement have been well worth all the effort." 

The National Center for Voluntary Action, a private nonprofit organization serving as the core of a growing network of local Voluntary Action Centers, sponsors the National Volunteer Awards. The following people and organizations received citations for work in the field of housing.

LaSalle Barnett, who has devoted over 7,470 hours to volunteer service in church and group community work in Austin, Texas, is known primarily for his work in improving housing standards and conditions in the city through the Booker T. Washington Housing Project.

Christine Gardner of Pittsburgh, Pa., has organized and worked with countless housing and social service projects to upgrade housing, in-

crease awareness of housing rights, and improve police-community relations.

John T. Hairston, a disabled postal clerk and former coal miner, organized a 100-unit, low-income housing project in Christiansburg, Va., which has created employment for 14 formerly unskilled and "unemployable" workers.

Esterfina C. Jones of Chicago, a life member of the National Council of Negro Women, encouraged members to work in the 1970 Census drive, "Black Count," and has worked for four years with the South Side Conservation Association, helping inner city homeowners to understand and follow directives from the Housing Authority.

Samuel O. Megantz of Scotia, Md., contributed his own consulting assistance as an engineer and recruited a team of professional and technical volunteers and monetary donations to develop 85 homes for low-income families in rural Maryland.

The New Jersey Tenant Organization, headquartered in Fort Lee, has been instrumental in the enactment of five new State laws to protect the rights of tenants, especially the poor. NJTO also handles tenants' complaints and maintains a staff of volunteer attorneys to represent the tenants in court.

PROJECT SCRUB in Charlottesville, Va., was organized to rehabilitate low-income units and undertake long-range remedies. In its first year, the project included 300 volunteers, who contributed professional and technical skills to rehabilitate 32 homes.

Charles Swan has devoted 40 to 50 hours each week as president of the North East Area Development, Inc., in Rochester, N.Y., an organization that brings together a broad range of citizens to rebuild and revitalize their neighborhoods.

Mr. and Mrs. Walter Decker of Youngstown, Ohio, have started a crisis intervention service for the needy, promote housing rehabilitation, and developed a volunteer group to assist the aging.

More information on Voluntary Action Programs relating to housing is available from the Voluntary Action Specialist on the staff of each Regional Administration, or from the Voluntary Projects Program Officer at HUD in Washington, D.C.



COOPERATIVE COMMISSIONERS

Editor's Note: The following article prepared by the Sacramento Housing Authority concerns a workshop involving Authority staff and Commissioners to inform each of their respective roles, responsibilities, and problems. To avoid boring speeches, the Authority, under former Executive Director Harry Zollinger and with the help of such techniques as sensitivity training, encounter groups, and role playing. The workshop was a great success and an effective learning experience. Such a workshop should be of great interest to other housing authorities and perhaps help them improve relationships between their staff and Commissioners.

"For the first time, I feel I have a basic understanding of what we are doing, the underlying philosophy of the Authority, our relationships with the Federal Government, the sorts of problems we encounter administratively as well as politically; and finally, some real feeling of acquaintance with key staff."

A Commissioner

It wasn't planned that way originally. A three-day workshop was planned to introduce Commissioners of the Sacramento (Calif.) Housing Authority to the staff and to some basic operations. The workshop was needed because changes within the structure of the Authority and increasing activity over three years had resulted in a search led by young staff members for better management systems to accommodate growth. It turned out to be a most effective educational technique—but only after the program had been revised using the methods of sensitivity training and encounter groups.

Despite the fact that the Authority had undergone drastic change, intended to undertake new projects, and needed the Commissioners' continued support, the staff reacted gingerly to the prospect. No one looked forward to three days of educating Commissioners to management, maintenance, tenant services and fiscal and administrative functions.

The planning staff came up with a heavy agenda. Predictably, subjects would include formal presentations by staff on the role and responsibility of housing commissioners, the history of public housing, organization of a local authority,



Commissioner Eugene Spencer

description of low-rent programs, turnkey, modernization, and so on. Department heads were asked to prepare outlines for each presentation. But the staff soon realized that three days of speech-making would be useless and boring to both the staff and Commissioners.

Redesign With Goal

The planners then called in a consultant whose specialty was planning workshops by borrowing techniques of education from sensitivity training and encounter groups. Elizabeth Bernheimer, Regional Health Director from the University of California School of Medicine, San Francisco, agreed that the outline looked too rigid. She doubted the Commissioners would stay with the program for a day.

So the agenda was thrown out and the planning staff began again. Mrs. Bernheimer pointed



Commissioner Achille Albouze



Commissioner Mary Irwin



Chairman of the Board of Commissioners Robert W. Dotters

out that, as frequently happens, the workshop was approached backwards: the agenda was written before the goals were defined. The planning staff must clearly understand what they wished to gain. Since in this case change in attitude and behavior of the Commissioners was the goal, speeches were irrelevant.

It was decided that each Commissioner must be confronted with typical problems faced by the executive staff and must follow a step-by-step process to experience options and choices in order to understand their consequences to tenants, staff, and the community. Hopefully, Commissioners and staff would reach a broader understanding and, at the least, share common aims.

Role Playing

The staff outlined a new agenda with role playing sessions. Commissioners would act as

department heads. With 20 people participating, each problem-solving session divided fairly neatly into groups of seven. In tenant services, a typical group attempted to decide whether to admit a homeless family of eight or to transfer to the unit a family grown too large for its apartment.

The agenda, structured in the beginning, was used only as a guide. Sessions were allowed to continue as long as they seemed productive. A highlight was an improvised "play" in which a tenant came before the Commissioners under a notice of eviction. A housing manager enacted the role of the tenant so convincingly that the Commissioners became totally immersed in their roles.

Fundamental Questions

Each session was planned in a different format. The workshop began with a slide show



Commissioner Harry Finks



Commissioner William Morebeck



Commissioner Eddie Smith


illuminating some major problems, including the plight of non-English speaking Chinese immigrants, anti-social youngsters, and desperate welfare mothers. The participants took part in role playing sessions on tenant selection problems, negotiations with HUD, contractors, and architects on new Turnkey developments, and ways to analyze the Authority's budget.

Certain fundamental questions from a Commissioner's point of view were structured into the discussions: Should we accept the responsibility of a tenant's success once we have housed him? To solve social problems, why are we taking on roles that institutions once played? Are these institutions changing? At what point do we say a tenant has failed and eviction is necessary? Should a housing authority allow itself to become a forum for discussing problems of other institutions? How do you maintain the physical and

mental health of those who are not "distress" cases—families potentially able to move to private housing? Is the Housing Authority in danger of becoming a hospital for the most desperately poor?

Facts and Experience

A workshop in which participants actively are involved in decision-making appears to be ideally suited for a brief learning session in which an educational experience affecting basic attitudes is the goal.

There is plenty of evidence of the workshop's success. Commissioners felt that for the first time they had some foundation in fact and experience in the daily business conducted by the Authority. They became familiar with key staff on a first-name basis. As proof of the experiment's success, they asked for a second workshop. 

lines & numbers

FROM PROPOSED FISCAL YEAR 1973 BUDGET FOR HUD

Departmental Totals

	Actual 1971	Estimate 1972 (Dollars in Millions)	Estimate 1973
Appropriations	\$ 3,407.7	\$ 3,833.0	\$ 4,660.3
Budget Authority	3,355.1	3,974.4	4,755.1
Budget Outlays	2,890.1	3,461.5	4,214.4
Urban Community Development— Revenue Sharing Program Levels	1,699.1	2,275.8	2,300.0
Contract Authority Utilized for Assisted Housing	619.3	684.7	551.0
Assisted Housing Starts: Fiscal Year	392,736	500,500	565,800
Calendar Year	398,260	508,900	—
Appropriations for Assisted Housing Payments	851.6	1,373.8	1,878.0
Full-Time Employees in Permanent Positions	16,030	15,200	15,950

Community Development Programs

Program Levels

	Actual 1971	Estimate 1972 (Dollars in Thousands)	Estimate 1973
Urban Community Development—Revenue Sharing			
Model Cities Programs	520,473	620,000	620,000
Grants for Neighborhood Facilities	40,000	40,002	40,000
Open Space Land Programs	74,846	100,284	100,000
Urban Renewal Programs	1,013,872	1,465,515	1,000,000
Rehabilitation Loans	49,886	50,000	50,000
Urban Community Development Revenue Sharing (Proposed Legislation)	—	—	490,000
Subtotal	1,699,077	2,275,801	2,300,000
Other Community Development Programs			
Grants for Basic Water and Sewer Facilities	149,924	200,000	200,000
Public Facility Loans	39,290	40,000	40,000
Subtotal	189,214	240,000	240,000
Total—CD	1,888,291	2,515,801	2,540,000

HUD Assisted Housing Programs

Calendar Year — Fiscal Year Comparison of Production Starts

Production and Rehabilitation Starts By:

		Six Month Period		In Budget Fiscal Year		In Budget Calendar Year
1-1-68 to 6-30-68	Actual	77,581				
7-1-68 to 12-31-68	Actual	77,167				
1-1-69 to 6-30-69	Actual	78,096	1969 }	155,263	1968 }	154,748
7-1-69 to 12-31-69	Actual	108,355	1970 }		1969 }	186,451
1-1-70 to 6-30-70	Actual	169,845		278,200	1970 }	396,121
7-1-70 to 12-31-70	Actual	226,276	1971 }	392,736	1971 }	398,260 p
1-1-71 to 6-30-71	Actual	166,460				
7-1-71 to 12-31-71	Actual	231,800 p	1972 }	500,500 p	1972 }	508,900
1-1-72 to 6-30-72	Estimate	268,700				
7-1-72 to 12-31-72	Estimate	240,200	1973 }	565,800		
1-1-73 to 6-30-73	Estimate	325,600				

p Preliminary.

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