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Challenge

THE HOUSING AND COMMUNITY
DEVELOPMENT ACT OF 1974



TABLE OF CONTENTS

Volume V, Number 11/November 1974

- 2 The Housing and Community Development Act of 1974
- 4 Project HOME
- 8 Rehabilitation Can Be Twofold
- 12 Community and Tenant Services
- 16 Research Priorities. . .
- 19 The British Warranty Plan
- 20 Trends in Local Governmental Revenues
- 22 Downtown U.S.A.
- 24 The Hurricane: An Unpredictable Giant
- 26 Nutrition Plus! Food and Fun for the Elderly
- 30 Measuring Residential Security
- 32 Saying It With Music

DEPARTMENTS

- 1 Looking Ahead
- 7 In Print
- 29 Forum
- 33 Lines & Numbers

HUD Challenge

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IN THIS ISSUE:



PAGE 2



PAGE 8



PAGE 12



PAGE 16

PAGE 2: The recent signing of the Housing and Community Development Act of 1974 ushered in a new era of Federal assistance to local communities to solve problems historically addressed by categorical grant programs.

PAGE 8: Through a joint effort involving the District of Columbia Department of Corrections and the city's housing agency, Corrections Department inmates—earning standard wages—are refurbishing Wash., D.C.'s backlog of public housing in need of major rehabilitation.

PAGE 12: Local housing authorities, in an effort to meet expanding needs of tenants for a wide range of social, health, and recreational services, are combining traditional and innovative approaches to securing paid and volunteer services using their own resources and those of the community.

PAGE 16: HUD Assistant Secretary for Policy Development and Research, Michael H. Moskow, delineates the sharpened focus of HUD's research activities, which will zero in on the Department's new challenges posed by the Housing and Community Development Act of 1974.

NEXT MONTH:

The Southeast Region: A glimpse of HUD's role in community development in the South

COVER: President Ford signs into law the Housing and Community Development Act of 1974.

looking ahead

Neighborhood Preservation Techniques

A catalog of neighborhood preservation techniques is being developed by HUD's Office of Policy Development and Research to identify workable, on-going neighborhood preservation actions to prevent or retard the process of decline in different types of neighborhoods. This catalog will provide a large information base from which local government officials and local community groups can select alternative approaches and develop preservation programs suitable to local conditions and needs. Plans call for potential users to be consulted in the catalog's development, and an advisory group of users will be constituted to insure its feasibility. It will profile the most effective approaches to neighborhood preservation; will include an outline of neighborhood conditions in target areas, and the general program concepts and results. HUD plans to make the catalog available at the end of 1974 and to update it periodically.

Mini-bus Service

The Mini-bus service introduced in downtown Washington, D.C., in an attempt to reduce traffic congestion and encourage mass transit, is reported a financial success. With over 20,000 riders weekly, farebox income—at a dime or a quarter a trip, depending on its length—is covering about 75 percent of operating costs, which is considered high for public transit and especially during the off-hours that the Mini-bus is in service.

Land Development

Further protection for the public is built into the 1974 Housing and Community Development Act which, in a section covering the land development industry, provides more time for the customer to consider his decision to purchase land. Under the new requirement, if a prospective customer is given a property report less than 48 hours before he signs a contract, he now has three business days, after the agreement is signed, to notify the developer that he has changed his mind and wants to revoke the contract. The old regulations limited the grace period under these conditions to 48 hours after signing the contract. Interstate Land Sales Administrator George K. Bernstein warns, however, that the extra margin of protection will serve its purpose only if the buying public takes the time to read the property report, or have it examined by an expert, in time to exercise the revocation option.

Urbanization

The long-time trend toward urbanization of the U.S. population continues, according to a Census Bureau report, but instead of moving into existing metropolitan areas, population has spilled over the suburbs into outlying areas that have become urbanized. The metropolitan areas record a net loss of population, and a slower rate of growth. Four million people have migrated from the central city in a continuation of a population flow from inner cities.

Property Taxes and the Elderly

HUD is funding a study of property tax relief measures that could keep older people from being forced into selling their homes. The study is aimed at reducing economic pressure on some 13 million older Americans who own their homes and might have to sell them because of mounting property taxes. While 85 percent of these homes are debt-free, most older people live on fixed incomes and the increasing burden of property taxes often forces the sale of a home the elderly person would prefer to keep. Development of property tax relief measures for the elderly was recommended by the White House Conference on Aging in 1971 and while many jurisdictions have instituted such measures, their effect has not been evaluated. The HUD-funded study will survey existing measures of tax relief for the elderly on Federal, State and local levels and evaluate their effectiveness in helping elderly homeowners keep their homes. Also to be assessed is the impact of existing and proposed property tax relief systems for the elderly on the jurisdictions involved.

Inner City Transportation

In Amsterdam, Holland, the Dutch, in their effort to develop a new type of inner-city transportation, are experimenting with a two-seater, drive-it-yourself, golf-cart-like electric vehicle able to travel up to 20 m.p.h. Called the Witkar, it is available to people paying \$15 for membership in a cooperative, and 3½ cents a minute for the time in use. The vehicle is nonpolluting and decongesting since three can occupy the space needed for a standard-sized European sedan. Cost of transportation is reported less than half that of a taxi. The vehicle can be recharged in five minutes, at strategically located stations.

The Housing and Community Development Act of 1974



The Housing and Community Development Act, signed into law August 22, radically changes the way the Federal Government will help America solve its urban problems.

Title I of the Act provides funding authorizations of more than \$11.9 billion for fiscal years 1975, 1976, and 1977, and, among other things, institutes a completely new method of community development funding, amends public housing laws, initiates a new leased housing program, and changes mortgage credit programs to make it easier for moderate and middle-income families to buy homes during the current credit crunch.

Under Title I of the Act, the previous categories of community development programs, i.e., urban renewal, water and sewer grants, Model Cities, rehabilitation loans, public facility loans, open space land, neighborhood facilities, urban beautification, and historic preservation programs, are consolidated. Funds in the form of block grants are allocated on a formula based on population, overcrowded housing, and poverty (counted twice), to cities of more than 50,000 population, and urban counties.

It provides some assurance that communities will receive funds at prior program levels, sets aside special discretionary funds for smaller communities, and substantially reduces application requirements and review.

Objective of the Housing and Community Development Act is to develop viable urban communities by providing decent housing and a suitable living environment for every American, as well as to expand economic opportunities for low and moderate income persons.

Assuming Congress will make the necessary appropriations, funding will start Jan. 1, 1975, with \$2.5 billion earmarked for community development in FY 1975, and \$2.95 billion in each of fiscal years 1976 and 1977. Up to \$50 million for each of the first two years and \$100 million for the third year are authorized for providing transition grants to communities with urgent needs that cannot be met through other allocations of the Act.

Two percent of each year's funds are set aside for a national "discretionary fund" to be used for various

purposes including correcting inequities and for aiding communities suffering from disasters.

Eligibility Requirements

Eligible for grants are States, cities, counties, other units of general local government (including designated public agencies) and new community entities.

To secure funding, a community must file an annual application which provides the following:

- A three-year plan of community development needs and goals, and an overall strategy for meeting those needs consistent with areawide planning and the national urban growth policy.
- A program to eliminate or prevent slums, blight, and deterioration, and provide improved community facilities and improvements.
- A housing assistance plan, compliance with civil rights laws, and providing for citizen participation.

The community must also certify compliance with environmental standards.

Applications are automatically approved after 75 days unless HUD notifies the community to the contrary. HUD must approve applications unless they are plainly inconsistent with the requirements of the Act or propose activities plainly inappropriate to community needs and objectives.

HUD will review programs at least annually, and may make necessary adjustments.

Funding Distribution

Funds will be distributed 80 percent to metropolitan areas and 20 percent to non-metropolitan areas under the allocation formula.

Cities and counties that have been receiving a higher level of prior funding than their formula entitlement will receive the higher level, that is, be "held harmless" during the first three years. In the next three years, the excess difference will be phased out by one-third each year. Cities receiving a lower level of funding under prior programs will be phased in by thirds over the first three years.

Former recipients of Model Cities grants will receive

the full Model Cities "hold harmless" amount up to the equivalent of five program years, plus a declining percentage (80, 60, 40) of the full amount in the three following years.

Smaller communities with no formula entitlements, but which have been participating in Model Cities, urban renewal, or code enforcement programs, will receive the same "hold harmless" treatment. That is, they will receive their prior program level of funding for each of the first three years, and then be phased out by thirds in the next three years.

Communities without formula entitlements, and not otherwise receiving funds under the Act, may apply for assistance from funds not committed to entitlement payments, i.e., discretionary funds.

Title VIII of the Act authorizes HUD to guarantee, up to \$500 million, taxable borrowings of State housing and development agencies for use in slum area revitalization, and to make interest differential payments of the taxable borrowings of such agencies.

Mortgage Money Eased

In a major effort to make mortgage money more easily available for prospective home buyers, the Act authorizes several significant changes in easing Federal requirements involving mortgages for single family homes. It

- Increases the size of mortgage loans by savings and loan associations from \$45,000 to \$55,000.

- Increases the size of mortgage loans that can be purchased by the Federal National Mortgage Association (Fannie Mae), and the Federal Home Loan Mortgage Corporation (Freddie Mac) from \$35,000 to \$55,000.

- Increases the size of mortgage loans that can be purchased by the Government National Mortgage Association (Ginnie Mae) from \$33,000 to \$38,000.

- Lowers the downpayment required on FHA-insured mortgages—from \$3,450 to \$1,750 on a \$35,000 home—and mortgage loans that can be purchased by Fannie Mae, Freddie Mac and Ginnie Mae.

- Increases the size of mortgages and extends maturities for FHA-insured mobile home loans and property improvement loans and the amount of property improvement loans made by S&Ls.

- Permits experimental mortgages with amortization payments increasing as family incomes are expected to rise over the course of a mortgage (as, for example, a young couple whose income increases from the time of purchase and later careers).

- Authorizes institution of a program of co-insurance with private lenders to cut the red tape of FHA processing.

- Extends all of the unsubsidized FHA mortgage insurance programs until June 30, 1977 (replaces the usual one-year extensions).

Low Income Housing Aids

To assist lower-income families in obtaining decent housing, the Act extends authority to HUD to expand its

experimental housing program which it has been operating, and which has been found to be the most promising approach to the problem.

Among other steps authorized, including bringing the Section 23 Leased Housing Program into line, so far as possible with the direct cash assistance approach, the Act establishes a new Section 8 program of housing assistance for lower-income families. The new program authorizes, on more than 400,000 units of existing, substantially rehabilitated or new housing, Federal payments to make up the difference between the fair market rent and the amount the prospective tenant can afford—between 15 and 25 percent of his gross income.

A major advantage of the program is that the lowest-income families can be reached since the formula will always pay the difference between what a family can afford, and what it costs to rent the unit. It also provides a freedom of choice for tenants.

Authority to insure mortgages under the Section 235 interest subsidy home-ownership program and the Section 236 interest subsidy rental program is extended to June 30, 1976. The Act also reestablishes the old Section 202 program of direct loans for elderly housing, subject to appropriation limits.

In another provision of the Act HUD is authorized to transfer HUD-held properties to communities for use in urban homesteading programs.

To improve operation of existing public housing projects Title II of the Acts authorizes:

- Funds of more than \$400 million modernization of projects.

- Increased operating subsidies up to \$500 million for fiscal 1975.

- Establishment of the principle that all tenants must pay some rent.

- Establishment, by housing authorities, of a "mix" of tenant incomes, so that the total rent paid to the authority equals 20 percent of total tenant income.

Finally, the Act prohibits discrimination on the basis of sex in housing and mortgage credit lending, and requires lenders to consider the combined income of a married couple.

Mobile Home Standards

The Act provides that HUD, after consultation with the Consumer Product Safety Commission shall issue national standards of safety, quality, and durability of mobile homes, may enforce such standards itself or delegate enforcement to States.

Finally among other provisions, the Act amends the Section 701 comprehensive planning program, the New Communities program, and the section relating to rural housing, establishes a National Institute of Building Sciences to develop and evaluate criteria for housing and building codes, authorizes a solar energy demonstration program, and directs a study of possible abuses in condominium and cooperative housing.

Project HOME

by
Margaret Earner

On April 17, 1972, Mayor Walter E. Washington announced a new housing program for the District of Columbia, Project HOME, to encourage city-wide construction of moderately priced homes by the private sector.

Eleven months later this effort received the support of the U.S. Department of Housing and Urban Development via a grant from the Office of Policy Development and Research. It is one of few programs in the Nation to focus on the need for moderate cost housing.

Project HOME grew out of a series of small area studies conducted by the Office of Housing Programs of the District of Columbia. One significant finding was that opportunities for home ownership in the city were declining. The 1970 census reflected a decrease of 1,552 owner-occupied units from the report of the 1960 census. The number of building permits issued reflected this trend, with single-family permits declining from a five year average of 322 in the 1960's to a record low of 117 in 1971. The studies indicated that families who wanted to buy homes in the District of Columbia and might form the basis for stable communities often moved to the suburbs because they could not find moderately priced homes in the city.

New Opportunities Sought

Project HOME encourages the development of new home ownership opportunities by offering a number of services to prospective developers. They include:

- Serving as liaison between owners of buildable land (or their agents) and developers, developers and financial institutions, financial institutions and potential buyers.
- Analyzing neighborhoods. In addition to getting more homes built, Project HOME has the objective of assuring that proposed development will be compatible with existing neighborhoods while not overburdening existing public facilities. Thorough analyses of many areas of the city will help assure that growth is orderly.
- Expediting the technical review of development plans through local governmental channels.
- Working with the Zoning Commission and the Board of Zoning Adjustment to process applications and schedule hearings promptly.
- Preparing guidelines and checklists to describe the various processes necessary to secure approval for construction.

Developers Acquainted With Program

Though every project is unique, some attempt has been made to make procedures uniform so as to encourage development without creating an additional layer of bureaucratic red tape. Developers usually approach Project



HOME with a project in mind. The developer owns or holds an option on the land and often a preliminary plan has been developed.

The plan is reviewed by Project HOME to (1) determine what if any zoning approvals are needed; (2) determine the compatibility of the proposed project with the existing neighborhood; (3) determine the impact of the plan on existing public services. In cases requiring some form of zoning approval Project HOME arranges for the developer to show his plan to those city agencies involved in the formal zoning review process. In this way, problems with the proposed development, from the point of view of the city agencies, can be resolved prior to the zoning hearing. This pre-circulation of plans reduces controversy at the public hearing and eliminates delays that can come from a disjointed city review.

When Project HOME began operation both the District of Columbia Zoning Commission and the Board of Zoning Adjustment had begun hearing cases after a long moratorium on zoning hearings due to a court order. It was extremely difficult to secure a hearing date and some cases were experiencing delays of twelve months or more.

Project HOME assisted developers of HOME endorsed projects to be advanced on the hearing docket. Such action was based on the policy of promoting increased opportunities for home ownership which was to the benefit of the city as a whole.

At the present time the backlog of cases before both the Board and the Commission has been heard, and HOME is rarely called upon to advance a hearing date.

Community Involvement Encouraged

Project HOME, while directed toward assisting developers, does not ignore community interests. The sentiments of no-growth and no-change are as strong within the city as they are in the surrounding suburbs. HOME staff encourage developers to meet with community residents concerning projected developments. Staffers meet with citizens groups to discuss Project HOME in general and



1. Project HOME sponsored development in upper northeast section of city nears completion.

2. Ms. Margaret Earner (left), director of Project HOME, and Ms. Deborah Lyons, Project HOME planner, prepare display on the vacant land inventory for a meeting of the District of Columbia Homebuilders Association.



1971 thru June 1974, 387 permits were issued for construction of single-family houses. While there was a general decline in permits issued for 1972 and 1973, permits issued for the first half of 1974 for a total of 135 units exceeded the number of permits issued for the same six month period in recent years.

The general increase in permits has included a rise in the number of permits issued for moderate and middle income houses. In 1971, this price range represented 31 percent of the total permits issued. In the first half of 1974, moderate and middle income houses represented 58 percent of the permits issued.

**MODERATE AND MIDDLE INCOME HOUSING
UNITS ASSISTED BY PROJECT HOME
(January, 1971-June, 1974)**

Year	Moderate/ Middle Income Units	Project HOME Assisted Units	Project HOME Assisted Units as % of Total
1971	46	0	0
1972	83	36	43%
1973	88	58	66%
1974	80	62	78%
Total	297	156	53%

Source: Project HOME, Office of Housing and Community Development, July, 1974.

particular projects. This is intended to encourage citizen participation and encourage agreement. In cases in which agreement cannot be reached HOME's citizen participation effort works to ensure that all parties are fully informed.

Project HOME maintains liaison with the financial community to encourage investment in projects within the city. Efforts are usually on a general level rather than tied to specific projects. In the beginning cooperation was excellent. One large savings and loan committed a \$10 million line of credit to a piece of surplus ground to be sold by the District's public housing authority.

Market Affected by Tight Money

The spiraling rise in interest rates has made financing difficult in the District of Columbia as in other cities across the Nation. The resulting slump in housing production has slowed down Project HOME's efforts to get builders interested in new projects. However, production of moderate cost units has risen steadily. From January

Delivery of Housing Studied

Project HOME also has a substantial research component—two principle areas of study being the system for gaining construction approval for single-family homes and the marketability of those homes once constructed.

Urban Pathfinders, Inc., of Baltimore, Maryland, was engaged to conduct a study of the existing housing delivery system followed by identification and analysis of delay causing factors. The study put forth a series of recommendations to eliminate these delays and reduce city approval time.

The study found that a builder entered not a single system but several depending on what was necessary for his project. The five systems identified were: (1) building under existing regulations; (2) building with a special exception of variance; (3) securing a map amendment; (4) securing a street and alley closing (3 and 4 are often done together); and (5) building under a planned unit development.

The study concluded that there is no single barrier to residential construction, but that new construction is thwarted by a number of impediments, namely:

- A shortage and lack of knowledge of tracts of vacant land large enough to be suited to single-family residential building.

- Difficulty in determining all governmental requirements.

- A lack of security and protection from vandalism and theft on construction sites.

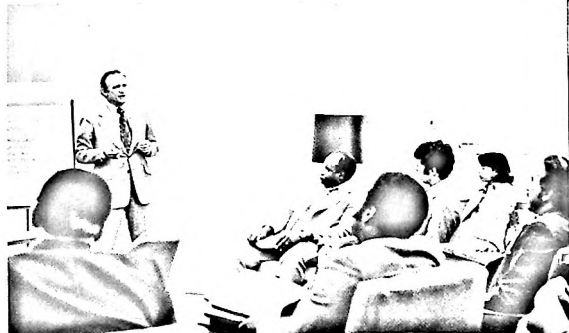
- Long waits and delays throughout the system, affecting especially, projects requiring Zoning Commission or Board of Zoning Adjustment approval.

A series of recommendations was included in the report but emphasis was placed on those which would result in monetary savings. These recommendations included initiation of governmental approvals or changes on potential sites; maintenance of a development handbook; more frequent D.C. Council review of street and alley closings; zoning priority to single-family ownership housing; restructuring of the Zoning Commission; and reducing Board of Zoning Adjustment variances caseload.

It was found that the potential direct monetary savings are substantial, and can be obtained through acceptance of private bonding for security deposit on work in public space, increased time and funds available to the developer for other development opportunities, reduced property carrying charges, and earlier construction.

New Findings Positive

Hammer, Siler, George Associates of Washington, D.C., conducted a marketability study for Project HOME. Their task was to test the HOME product of a \$35,000 house against the market to confirm or deny the hypothesis that market demand in the District of Columbia was high and that the demand would grow in the next several years. The report concluded that prospects were indeed good because the housing picture had substantially changed in the District of Columbia and that some positive market factors were just beginning to be felt, including: the energy shortage which will act to lessen the appeal of low-density, suburban, single land use development; the shortage of sewer capacity where the District has available capacity over the shortrun while its principle competitive suburbs do not; the sharp growth in real income acting to greatly expand the financial capacity of thou-



Jack Washburn, Urban Pathfinders, Inc., makes presentation to District of Columbia Homebuilders executive committee.

sands of black households still seeking single-family home ownership.

The report anticipates a market absorption rate for Project HOME of 600-750 homes a year by 1980. It also concluded that the District of Columbia should be able to attract and hold 25 percent of the home purchasers' market for the metropolitan area by that time.

New Year Mapped

Project HOME entered its third year July 1, 1974. The major work program for the year is implementation of recommendations for systems improvement. This involves a variety of strategies—meetings with necessary department heads, preparation of staff papers justifying administrative changes, drafting new legislation, and continued in-depth study of some problems only cited by past research efforts.

HOME staff will continue the demonstration phase of its program by providing assistance to builders and developers.

The year should see groundbreaking for the largest project developed with Project HOME assistance—648 units of highrise condominiums and townhouses in the Upper Northeast section of the city. This project, within close proximity of two rapid transit stops and several institutions including the Catholic University of America, Washington Hospital Center and the Veterans Administration Hospital, represents one of the largest private residential development commitments in several years.

Some time will also be spent this coming year studying the trend toward the condominium form of ownership and its impact on development opportunities in the city.

Ms. Earner is director of Project HOME.

The Unheavenly City Revisited, by Edward C. Banfield. Boston, Mass., Little, Brown, 1974. 358p. \$8.95.

Four years haven't changed Edward Banfield's mind. If anything, the years since the 1970 publication of *The Unheavenly City* have merely hardened his ideological arteries. Now, in a new volume, *The Unheavenly City Revisited*, Banfield has revisited but not significantly revised his earlier analysis of the urban crisis. He's moved his academic base from Harvard to the University of Pennsylvania; he's incorporated 1970 census data in his chapter on metropolitan growth; and, he's elaborated on some of his controversial theories of class and race. But, fundamentally, Banfield is still Banfield. Those who liked *The Unheavenly City* will probably like *The Unheavenly City Revisited*; those who didn't find much to praise in the earlier book will find little more now.

The Unheavenly City Revisited, like its predecessor, arouses partisan emotions. Banfield likes to think of himself as an iconoclast. And frequently he is. He discounts the urban crisis, dismisses one Federal program after another, and debunks the reform tradition in America. But if his voice is sometimes strident, it is almost never shrill. He writes easily, not angrily, and he discusses the problems of American cities in dispassionate terms. Sometimes in too dispassionate terms. His supporters and his detractors are not always so restrained, as an appendix listing criticism of *The Unheavenly City* testifies.

His credo is unchanged. A long and distinguished career of studying and writing in the urban field has convinced him of two principles. First, things are better than ever for American cities and American city dwellers. Rising expectations, inflated rhetoric and irresponsible public opinion have manufactured an urban "crisis." Real hardship, narrowly defined, has declined.

Second, government intervention in the urban drama is almost always futile and sometimes even harmful. Here Banfield assails the beau ideal of Service, an ideal and a political style that he attributes to the "well-educated and the well off." In the tradition of the Mugwumps and the Progressives, the upper-middle class has made "doing good" into "a growth industry." He would like to see this industry bankrupt.

Banfield derides the problem-solving mentality, the concept of "rational management," and the reforming zeal that demands action and more action, spending and more spending. He's content to bide his time. Education, the traditional tool of reformers, also comes in for some

scorn. Head Start, vocational education, and "educating public opinion," join minimum wage laws, urban renewal and a plethora of other Federal programs on his list of bete noirs.

So, for the most part, Banfield's prescription for urban ills is to let them alone. Any treatments he does suggest are, in his words, "politically unpalatable." Besides, he asserts that accidental (i.e. non-governmental) forces—economic, demographic, technological, class-cultural—will dramatically improve the health of American cities.

When first published in 1970, this brief for inaction, for "benign neglect" in Moynihan's words, put Banfield in the center of a raging storm of protest. There were squalls in the academy, thunderclouds in the offices of city governments, even rumblings in the bureaucracy. This time around things are different. Banfield's earlier analysis challenged the assumptions of the sixties but it also signalled the beginning of a gradual, tactical retreat by the Federal Government from the problems of the cities. The "bureaucratic juggernaut" which he fears has at least been slowed. The last four years have seen HUD suspend and terminate many of its programs, settle in for a long period of contemplation and reevaluation and now refashion and often curtail its urban rescue missions. Whether by design or no, the government seems to be coming around to something approaching Banfield's point of view.

Reading his new volume reveals not how Banfield has changed—because he hasn't—but how public attitudes and government policies have shifted course. ☞

—Elizabeth Nelson
HUD Program Information Center

Cruel Habitations: A History of Working-Class Housing 1780-1918, by Enid Gaudie. Harper & Row, New York, 1974. 363p. Index. \$15.75.

Billed as the first comprehensive history of the housing of the working class in Britain, the author decided to write this book after a detailed local study of nineteenth century housing in her home town of Dundee, Scotland, had shown the need for a general history of housing against which local findings could be assessed. Mrs. Gaudie is visiting lecturer in the School of Architecture, Dundee. Her husband, an architect, serves on the Housing Advisory Committee of the Scottish Development Department.

Rehabilitation Can Be Twofold for Housing and for People

By Lisbeth Eichner

Melvin James (not his real name) stood back and surveyed his work. Not bad at all, he thought; this house is beginning to look the way it must have before it was vandalized.

Melvin James is a carpenter working in a program in which prison inmates, parolees, and probationers rehabilitate severely damaged public housing units in Washington, D. C. In this 3 1/2-year-old program two city agencies, the National Capital Housing Authority and the Department of Corrections, match their needs and their available resources to produce an economically and socially viable program beneficial to both.

This program is the direct result of efforts by Mayor-Commissioner Walter E. Washington, former executive director of the National Capital Housing Authority James G. Banks, and former director of the Department of Corrections Kenneth L. Hardy.

Backlog of Damaged Units

When the program was initiated, the National Capital Housing Authority (NCHA) had a backlog of vacant, badly damaged units. Regular maintenance staffs at different public housing properties were restoring some of these units and others were being handled by private contractors. However, NCHA wanted to rehabilitate the units at a faster pace.

The maintenance staffs had to perform their regular tasks as well as work on these units, and funds to pay contractors to do the work were limited. Meanwhile, the Department of Corrections needed to expand employment opportunities available to ex-offenders.



1. & 2. Hallway in Valley Green unit before and after rehabilitation

The two agencies got together, pooling NCHA's need to get the additional units done and the Corrections Department's ability to supply men capable of doing the work. Today, over 200 dwelling units have been restored to occupancy as a result of work performed by 175 ex-offenders.

NCHA Provides Materials

Materials and supplies are provided by the housing authority, which also reimburses the Corrections Department for the wages of the men employed in the program and for administrative overhead. Supervision by Corrections Department staff minimizes administrative work and expense for the housing authority and also enables additional ex-offenders to qualify for the program. Some of the participants are skilled craftsmen while others are accepted as apprentices/helpers and then trained on the job. All are compensated in accordance with prevailing D.C. Government wage rates. Depending on skills and experience, wages range between \$3.44 and \$6.49 per hour. The first phase of the project was small—six housing units and 16 workers—but the experiment's success was obvious almost immediately, and additional units were agreed upon even before the completion of the first units.

The program has involved eight public housing properties so far: Lincoln Heights, Richardson Dwellings, Barry Farm Dwellings, Stoddert Terrace, Kenilworth Courts, Montana Terrace, Frederick Douglass Dwellings, and Valley Green. Program participants go into the severely damaged units to repair or replace faulty floors, ceilings, walls, windows, and doors. They replace defective domestic water systems.

In addition, the men either fix old or install new hardware, electrical fixtures, tile, and trim. The units are plastered where necessary and then painted throughout. Before officially turning the completed units over to the NCHA inspectors who have worked with them throughout the job, the men clean the apartments and wax the floors.

Workers Live in Halfway Houses

An important component of the program is a halfway house in space made available by NCHA. There have been two houses so far. The first was opened at Lincoln Heights when the program began. Later the work site shifted to Barry Farm and the halfway house was relocated there in two units which the workers restored.

The rehabilitation at Barry Farm is completed now and the men living in the halfway house commute to the nearby properties where work is in progress. The current site houses approximately thirty men. In addition to the participants who live in the halfway house, some workers are on parole or probation and may live at home while others commute daily from a nearby minimum security facility.

The presence on a 24-hour basis of the men involved in the program has proved beneficial to the communities involved. During the planning stage of the program officials of the National Capital Housing Authority and the Department of Corrections met with the residents of Lincoln Heights to discuss the proposed program and gain their assent.

Initially reluctant to accept the halfway house because of fears of increased crime, the residents changed their minds after further meetings with D.C. officials during which procedures, security, and selection procedures were discussed in greater detail. Supervision by Corrections staff is constant, both at the halfway house and on the job site. When the time came to move the halfway house to Barry Farm, the residents of Lincoln Heights attempted to persuade the Housing Authority and the Corrections Department to let it remain.

Good Community Relations

During the history of this program, relations between the communities and the ex-offenders living in the halfway houses have been good. The workers helped build a racer for a Roller Derby sponsored by General Motors, completed a basketball court, participated in community meetings, and chartered buses to take small children to the zoo. Residents, in turn, have sponsored a buffet dinner for program participants as well as host a surprise birthday party for one of the workers.

Asked recently about the impact of the program upon his community, Joenathan Barnes, a resident of Lincoln Heights, commented that the process of rehabilitating and reoccupying the vacant units, together with the presence of the men at the halfway house, had drastically reduced crime, and especially drug-related problems. Mr. Barnes went on to say that he and his neighbors had

tried to retain the halfway house when the program moved on to Barry Farm.

The program has also had a positive, visible impact upon the ex-offenders. Although no official study has been conducted, it is reported that a significant number of participants in the program have gone on to find jobs in the construction industry. At least one worker has been hired by the housing authority.

In the words of a former member of the program staff who is now a group maintenance supervisor with NCHA, "This program has helped lots of people change for the better and fit back into society." In the history of the program only three workers have escaped, and they were apprehended, two of them the same day. None of the workers has been charged with a new offense while employed by the program.

Two Hundred and Four Apartments Restored

This program which helps to rehabilitate dwellings, neighborhoods, and





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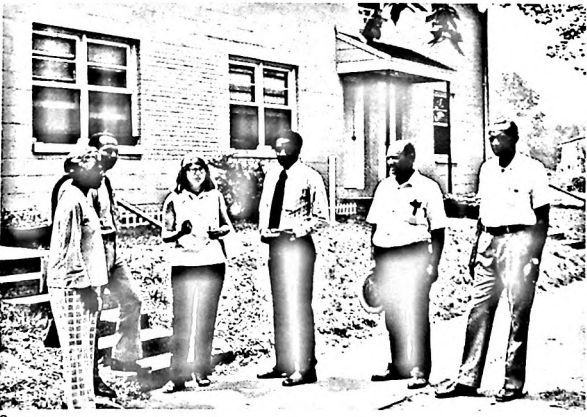
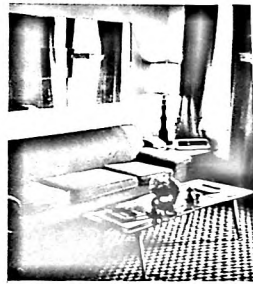
- 3. Entrance to Valley Green project under rehabilitation
- 4. Kitchen in Barry Farm unit
- 5. Exterior of Barry Farm project
- 6. Valley Green bathroom restored
- 7. Transformed living room in Valley Green unit
- 8. Finishing touches to Frederick Douglass project
- 9. Tour of Barry Farm conducted by Dept. of Corrections aide Claude Burgin (right)

people has been a financial success too. The 204 severely damaged apartments which have been restored to occupancy were completed at an average cost of less than \$5,000 per unit.

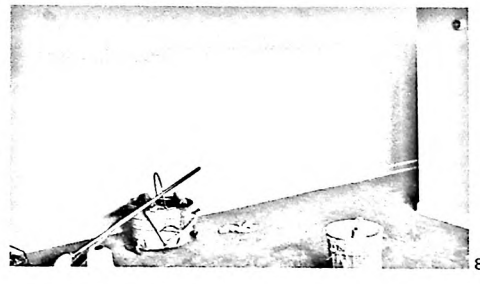
Looking to the future, Acting Executive Director of NCHA Monteria Ivey Sr. says that the outlook is promising. "Both the housing authority and the Department of Corrections have gained significantly from this joint venture and I anticipate additional benefits as the program progresses." He cited as an example a small ancillary project which the two agencies have already initiated, wherein a small task force of ex-offenders is employed under a similar arrangement to provide general cleaning and landscaping services. Mr. Ivey added that he looks forward to continuing cooperation on this program which helps both agencies move a step closer to achieving their goals.

Ms. Eichner is on the staff of the National Capital Housing Authority, Washington, D.C.

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Among the people who live in public housing are families who say they wish special services for tenants were not quite so obvious within the housing project—why not have them located outside, but nearby, so that they would seem to be for everybody in the neighborhood? Of course, there are some residents of housing for the elderly like the peppery

Community and Tenant Services: Some Efforts to Meet Costs

75-year old lady who complained that she didn't want somebody knocking at her door every other day to invite her to play cards or join a macramé class—she preferred to keep to herself and read a book!

These expressions, however, are the exception—not the rule. By and large, the provision of supportive services in HUD-assisted multifamily housing is regarded as a much needed and valued help by residents. Families do not have the money to pay for recreation for a clutch of young ones, and transportation costs to visit health and medical clinics, and other human services agencies elsewhere in the town eat heavily into the limited-income pocketbook.

Management of public and other HUD-assisted housing also has learned, from experience, that provision of supportive services to residents can pay off in terms of good management-tenant relations and the hard cash benefits of reducing operat-

ing costs for vandalism repair, security protection, and rent delinquency.

A primary concern of management is how to supply the needed services in the face of limited revenue for overall operations. The ways in which half a dozen local housing authorities and management firms handling Section 236 and other HUD-assisted housing are endeavoring to meet the



Cooking classes at Wheatley Courts, San Antonio, Texas

needs of their consumer-clients are worth examining. The services pertain not only to the general welfare but also to the support that affords low-income residents opportunities to find a way out of the poverty rut.

Two Kinds of Services Defined

Support resources for residents of HUD's low-income housing are of two kinds: Community Services and Tenant Services. Community services are those provided by the community at large for all residents of the city or town who are in need of, and eligible for, such services. Sponsors and management of HUD-assisted housing do not provide such services directly but seek to find and secure them from outside resources. Examples are health, welfare, education, recreation, job training and placement.

Tenant services are those services provided by management directly, or through resident organizations, which enable the individual resident to meet

his obligations as a tenant and as a member of the larger community. The thrust is to increase resources available to housing management from the community, and the provision of staff liaison for this purpose is therefore one of the "tenant services." Others include: pre-occupancy orientation, provision of information on community services that can be



Crafts at Southtown, Birmingham, Ala.

referred to for help; and support of resident organizations. Participation by resident groups in mounting these services is increasingly recognized as important, since the residents are the ones who know what they need and want. Together, community and tenant services provide the aid for consumers of HUD-assisted housing to meet their current need and, in many cases, to give them a lift upward.

Securing Needed Services

The dilemma faced by local housing authorities and managers of other HUD-assisted housing in providing the services needed by their residents is that money is short or non-existent for hiring tenant services staff yet such staff is necessary for working with tenant organizations and for fostering liaison with community resource agencies. In some cases, a per unit allocation of \$2.50 to \$2.80 per month is a possible outlay from

operating revenue for tenant services, to pay for staff and other expenses. In other cases, tenant organizations are relied on—mainly as a volunteer effort—to help pull in the needed community services. The list for programming potentials from the community can run long; but not all resources exist in every locality. It becomes necessary, therefore, to

being sought as resources, along with private welfare organizations and church social service programs. To accommodate programs supplied by community-based agencies, local housing authorities and management of other HUD-assisted housing for low-income families may utilize community space provided in the original building of the project.

wage of the work-study students is financed by the housing authority and the remainder by the U.S. Office of Education.

The six paid social work students are concerned with the needs of individual families, including home maintenance, child care, job training, and employment. Two student volunteers concentrate on community organiza-



Senior Songsters, San Antonio



Adult education class, Pecan Villa, Breaux Bridge, La.

determine availability of the services, and to apply for them.

Federal departments providing funding, usually through State agencies, for programs and services directed toward the low-income public are called upon by housing management as a matter of routine. Such resources include the U.S. Department of Health, Education and Welfare, for joint funding of social services and for adult basic education; the U.S. Department of Labor, for job training and placement; the U.S. Department of Agriculture, for homemaking, nutrition, and budget training; and the Department of Justice Law Enforcement Assistance Administration, for security-connected programs.

At the local level, service clubs are seen as potential aids for programs.

Revenue Sharing is Sought

Local revenue sharing and philanthropic foundation support are also

The public housing modernization effort has made it possible to construct needed community buildings also. Another means of accommodating programs is by conversion of residential units for a community facility, though this means a loss of rental income and a reduction in the housing stock. The "how-to-do-it" stories of efforts considered successful in providing needed services are numerous.

Seattle Housing Authority

Student manpower is a very significant ingredient in the tenant services operation of the Seattle Housing Authority, Washington. Students attend the University of Washington and other colleges in the community, pursuing studies in social work, medicine, dentistry, and psychology. Currently, six of the students are on a work-study program. Others work as volunteers and gain academic credit. Thirty percent of the \$3.50 an hour

working with resident councils. Another four focus on serving the elderly in the authority's family projects; and three graduate nursing students have set up health clinics in the elderly high-rise. Dentistry students serve in a clinic managed by resident volunteers in one of the family projects.

All students in the Seattle program are assigned to the authority's Tenant Services Coordinator who, along with the project area administrators, supervises their activities. Though the turnover of student staff is a drawback to continuity, the input by people in training for the "helping people" professions is a particular plus value. As one housing manager, evaluating a student aide, put it: "He sees the resident as a total person in whom the interrelationship of medical, psychological, employment, and educational problems requires a wide variety of social services, all contributing to ultimate improvement in

outlook, and to motivation.”

San Antonio Housing Authority
The San Antonio, Texas, Housing Authority's expenditure toward securing community-based services for its 21,000 residents includes a salary for the Director of Human Resources and the conversion of apartments to accommodate programs provided by

private rental housing.

Birmingham Housing Authority
In Birmingham, Ala., the tenant organization in Southtown public housing project—home of 455 families—for the past two years has held the keys to the community center, for which it has all program responsibility. Maintenance costs of the cen-

University of Alabama in Birmingham sponsors a theatre arts program. Residents also take advantage of the President's Council on Physical Fitness program.

An interesting byproduct of this tenant-operated Southtown program is the “graduation” of two of its early resident volunteers to permanent jobs on the Housing Authority's



Day care center, San Antonio



Dressmaking, Victoria Courts, San Antonio



Boy Scouts, San Antonio

nearly 50 local agencies. The services provided in these on-site locations include casework or residents receiving AFDC (Aid to Families with Dependent Children), Head Start, health clinics, child care, and vocational rehabilitation.

Savings in time and transportation costs are tenant benefits in addition to the actual services. The housing authority counts it a benefit that there is virtual assurance of maximum use of the services because of their accessibility. Working mothers, of course, consider day care centers among the most valuable services. Mrs. Laura Ornealas, resident of Victoria Courts, was able to attend secretarial training under a vocational rehabilitation training program when her preschool and kindergarten-age children were enrolled for day care. Her training resulted in employment as secretary for the Texas rehabilitation program. Now she is off welfare and, in fact, has “moved up” to

ter are paid by the housing authority, and the tenants themselves raise some \$1,500 a year from fish fries and other benefits to help defray incidental expenses.

The genesis of this rather unusual tenant-operated program was “Mustard Seed,” a kindergarten initiated seven years ago by some members of the neighborhood Independent Presbyterian Church in a Roman Catholic storefront mission. The Presbyterian Church provides financing for the salary of the present Southtown program coordinator, and volunteers from the neighborhood work side by side with the residents in the center operation.

Among the programs offered are a project library of 1,000 donated volumes. The Birmingham Public Library bookmobile services the library weekly and lends films from its collection. Basketball teams are sponsored by project fathers. Girl Scouts and Boy Scouts are popular. The

management staff.

Pueblo Housing Authority

The Pueblo, Colo., Housing Authority has built up programs for its 600 families that bring in a dollar value estimated at more than \$200,000 without any outlay for operating revenue *per se*. The Tenant Services Coordinator's salary is paid out of PILOT (payment in lieu of taxes) which the city of Pueblo and the School District have returned to the housing authority. The Boys' Club recreation program is financed in part from the United Givers' Fund, in part from fund raising by the local Boys' Club. For a matching Girls' Club, money will be raised from the community, including revenue-sharing.

The Senior Citizens Resource Agency conducts a meal-a-day service under the Older Americans Act Nutrition Program at one of the high rises for the elderly.

Volunteer Resources

Sponsors and management firms operating Sec. 236 and other HUD-insured housing face an especially knotty problem in providing tenant services. Though in many such housing complexes for low-and moderate-income people, there is a recognized need for supportive services such as home management advice, help in

cured from volunteer doctors and dentists. The upward mobility of tenants is encouraged through practical means: one has been trained in the duties of resident manager; another—a mother of eight—who first volunteered her services to work with new tenants on home care is now a salaried employee of the Home Extension Agency.

support from bake and clothing sales or other "benefits."

Benefits from Tenant Services

According to management personnel, the alternate-funded programs described here have undeniably paid off in benefits to management and tenants. The lack of funding of some staff for tenant services—from operat-



Sewing classes, Wheatley Courts, San Antonio



Child care, Southtown, Birmingham

personnel crises, etc., for many of the tenants, the wherewithal to staff a liaison to secure the services is missing. Ingenuity in seeking resources therefore is essential.

Here is how operators of two HUD-insured housing developments are coping:

Mack's Realty Company, manager of the 100-family complex Pecan Villa in the tiny Cajun community of Breaux Bridge, La., has rounded up volunteer aid from a variety of "no-cost" sources. Adult education, to overcome the serious illiteracy among the residents, is conducted by the Louisiana Department of Education, and one-to-one tutoring of elementary, junior high, and high school students has been arranged with community volunteers. Local home economics teachers and Department of Agriculture Home Extension Agents provide home management courses. Medical and dental services are se-

In St. Paul, Minn., a HUD-insured high-rise project of 500 apartments that had had a rough beginning as the scene of muggings, narcotics, prostitution, and fires, has been turned around toward success through tenant involvement. Tenant involvement centers around the introduction of student families from nearby colleges and universities, who in their student years, fall into the low-income category and are therefore eligible to live in the subsidized housing.

One apartment of the building has been allocated as a community center, manned mainly by volunteers from the student families. Tenant committees explore community resources for services and corral them. Examples: a day care center, funded by Federal and State money; bus service once a week to the nearby shopping areas for the 100 elderly residents, paid for by local businessmen. The tenant organization gets no funds from management, gaining its

ing revenue or other source, on a dependable basis—can interfere greatly with continuity of programs; however, tenant-generated programs can suffer from ups-and-downs in dedication and enthusiasm in most cases; they flourish best with some little financial support or other contribution from management.

Appeals for participation in local revenue sharing to help finance supportive services as a preventive measure against crime, dependency and other higher costs to the city appear to be well worth a try. A city or county with a well-staffed human resources unit may be able to assign a person as tenant programs coordinator for the HUD-assisted housing complexes to help secure needed supportive services, including a referral system for families facing special problems.

—Marion Massen,
Community Services Specialist
HUD Office of Housing Management



Research Priorities

By Michael H. Moskow

The Housing and Community Development Act of 1974, through special revenue sharing, offers an approach that will distribute money to local governments and States on the basis of objective criteria, rather than on the basis of who is best at the game of grantsmanship.

We are seeking, in other words, to build a *policy* environment that is in equilibrium with its surroundings and in sympathy with its intended beneficiaries instead of a policy environment that does violence to its surroundings and its beneficiaries.

Thus the Office of Policy Development and Research, or PD&R, established by Secretary Lynn early last year, brings together for the first time within HUD the functions of research, policy development, program analysis and evaluation, and economic affairs.

PD&R's budget for the fiscal year ended June 30 was \$65 million; its proposed budget for fiscal year 1975 is \$70 million.

PD&R has principal responsibility for staff assistance to the Secretary and Under Secretary in developing and analyzing departmental policies designed to carry out HUD's basic mission of providing decent housing and a suitable living environment for every American family and of strengthening the capability of State and local governments to meet public needs. The marriage of the policy development and research functions was intended to further our priority objective of making HUD-sponsored R&D increasingly policy relevant.

A Sharper Focus

As a result, since PD&R was organized, HUD's research activities—a significant portion of which are devoted to program analysis and demonstration projects in direct support of HUD's programs—have acquired a

sharper focus and have begun to zero in on what we view as HUD's principal policy challenges:

- how to assist disadvantaged families in obtaining decent housing;
- how to obtain the fullest possible use of our existing housing stock;
- how to moderate further increases in the costs of new housing without compromising safety or durability;
- how to assure that growth and development do not reduce the quality of our environment or waste energy or other resources; and
- how to better assist States and local governments to increase their capacity and effectiveness in dealing with the problems they confront.

We intend to sharpen the focus of our research efforts even further in the budget year ahead by:

- further tightening our insistence on policy relevant R&D directed to priority needs as identified by Federal policymakers, by HUD operating elements and by the expected users of research products;
- increased support to HUD program offices;
- increased emphasis on objective evaluation during the performance of R&D programs to be certain they are meeting their objectives within estimated costs;
- improved in-house capability to perform analysis that will provide tighter guidance to R&D programs;
- increased inter-agency coordination; and finally
- increased emphasis on dissemination and transfer of R&D products through a requirement that each of the individual elements of the research program incorporate a dissemination and transfer strategy.

As far as PD&R's specific programs are concerned our Direct Cash

Assistance program is our priority effort, focusing on the problem of assisting disadvantaged families in obtaining decent housing.

Overcoming Shortcomings

The program, which was initiated in 1972, is designed to test the general proposition that direct assistance to families in making rental or homeownership payments would be more cost effective than the suspended subsidy programs and would overcome or minimize the serious shortcomings of those programs.

The direct cash assistance experiments are now well established. As of May 3, we had over 9,000 families in 10 States enrolled in and receiving or about to receive assistance payments.

The key elements of the program are:

- the consumer experiments to determine the response of households receiving different kinds of housing allowances;
- the market experiments which seek to determine the behavior of suppliers of housing and housing services in a market where demand is increased by the introduction of allowances;
- the management tests to determine how agencies at the Federal, State, metropolitan or local government levels might administer most successfully a housing allowance program;
- integrated analysis to insure comparability of data collected in all three experiments and to estimate the probable effects of a program of direct cash assistance on a national level.

Another major research effort which addresses itself to the housing problems of the disadvantaged is the Public Housing Management Improvement Program (PHMIP), which

is being administered jointly by PD&R and H. R. Crawford, the Assistant Secretary for Housing Management.

Its objective is to improve management and maintenance of the more than one million public housing units under the management of local housing authorities (LHAs), which house some 3.5 million people. The 13 LHAs participating in the program are developing and demonstrating innovative management systems and methods that have potential for widespread applicability to the more than 2,500 LHAs across the country.

A New Technique

An innovative property disposition program was initiated by PD&R in 1974 in an effort to prevent housing from standing vacant because of mortgage default and acquisition by HUD. The program involves the testing and demonstration of a new technique for selling unoccupied properties in single-family subdivisions. Houses will be transferred to a project sponsor-developer, who will rehabilitate them and place them on the rental market for a period of time thereby removing them from the sales market until the market stabilizes. The key objective is to make HUD's property disposition methods contribute to the preservation of neighborhoods rather than to neighborhood decline and accelerated housing abandonment.

The preservation or rehabilitation of our existing housing stock is a policy problem of the very highest priority to HUD. We have just begun a neighborhood preservation effort—which we think has promise—that emphasizes the ability of local people to understand the problems and the characteristics of neighborhood change and to commit local resources to solving them. In cooperation with

the Federal Home Loan Bank Board, we will provide funding for demonstration efforts by partnerships of local government, local financial institutions and neighborhood residents in about twenty cities.

It is clear that one of the major flaws in the Federal housing efforts of the past decade was that new construction was pursued to the point of choking off preservation or rehabilitation initiatives. As the *New York Times* editorialized earlier this year:

When nothing was in short supply except sensitivity, it was easier to bulldoze than to rehabilitate. The fault has been in the common conceit that the architect or builder should start from scratch. This proposition has produced a surprisingly second-rate landscape. Conversion as a viable alternative to new construction may be the best idea since cities.

Several of our new building technology efforts focus on cost savings through the conservation of material and energy. For example, a joint project with the Forest Service and the American Plywood Association is developing a new two-by-four and a new "plywood" which utilize mill wastes and thereby have the potential for doubling the supply of useable wood products. We are also conducting research on all-weather construction methods and are testing innovative plumbing techniques.

Three Failures Noted

Much more, of course, needs to be done both by government and by the architectural profession to control building costs. Clearly, this is another area where mea culpas are called for—both from the architectural profession and from government. The architectural critic, Wolf Von Eckardt, in a book he wrote in the

late sixties, *A Place to Live*, declared that the twentieth century architectural revolution had floundered on three enormous failures. The first, he said, was its failure to fully harness modern technology. Said Von Eckardt:

As architect Raymond Reed has observed, medicine has increased our longevity, and agriculture has dramatically increased productivity and value, while architecture has reduced productivity and increased prices. Our great-grandfathers paid for the family home in three years, and though we live in an age of technological production, we are lucky to qualify for a 30-year loan. . .

PD&R also has extensive efforts under way aimed at promoting home safety through research on home fire safety, resistance to natural disasters and lead-based paint poisoning prevention.

Some 12,000 Americans die annually in fires and yet, until very recently, the problem has met a wall of indifference, not only among the general public but among those who should be most concerned about it. The National Commission on Fire Prevention and Control in its report to the President last year said: "There are fire department administrators who pay lip service to fire prevention and then do little to promote it. . . Designers of buildings generally give minimal attention to fire safety in the buildings they design. They are content, as are their clients, to meet the minimal safety standards of the local building code. . . The Federal Government also has been largely indifferent to the fire problem."

Residential Energy

HUD research—in a major priority effort to reduce the adverse effects of community development on environmental quality and energy consumption—has focused on residential energy consumption in a program which has been underway for several years. One of the most important of these efforts is the development of a Modular Integrated Utility System (MIUS), which conserves fuel through

recovery of energy that normally is wasted when essential utility services are supplied from separate sources. What MIUS does is to "recycle" energy by "packaging" into one processing plan all of the five utility services necessary for community development: electricity, space heating and air conditioning, solid waste processing, liquid waste processing, and residential water purification. This program has progressed to the point where test hardware for a total energy system is now in place and operating at a residential complex in Jersey City. A small-scale laboratory version of MIUS is being tested at the Johnson Space Center in Houston under a HUD agreement with NASA. And a demonstration program that incorporates MIUS into a residential/commercial complex scheduled for occupancy in 1976 soon will begin.

We have also begun our planning for demonstrations of the wide-scale applicability of solar energy to housing.

We have initiated in PD&R research and demonstration activities that will test and disseminate proven methods to help local officials increase their overall management capability.

Urban growth has placed unprecedented demands on local government for improving and expanding services and facilities, taxing the administrative and managerial capabilities of government officials. Among the factors hampering an effective response to new demands are restrictive local charters, outdated operational procedures, shortages of trained manpower, and overlapping jurisdictions among agencies and levels of government. At the same time, the Federal Government, through revenue sharing, is undergoing basic readjustments in intergovernmental relationships.

Urban Observatories

Within this context, PD&R's program provides for urban observatories to bring local university capabilities to bear on urban problems and to improve the ability of the academic community to contribute to city

needs; specific assistance on computerization and integration of local government operations through a research effort initiated in 1970 under the sponsorship of the Urban Information Systems Interagency Committee (USAC), which is demonstrating in five cities a broad range of specific management applications of computer technology; demonstration of proven methods of increasing local officials' capacity to deal with major local issues; and testing of new forms of local government and investigation of new patterns of community economics and tax reform.

Another major function of PD&R is the collection of current and accurate economic and financial data relating to housing and urban development. Examples of ongoing work in this area include collection and analysis of data on the absorption of new rental units, new home sales and loan activity. The largest single project in this area is the Annual Housing Survey, undertaken to measure changes in housing inventory and to compile data on the physical condition of housing units and the characteristics of the occupants in both urban and rural areas.

As can be seen, PD&R is an umbrella for a wide range of research activities.

If there is one organizing theme for PD&R's efforts, however, it is a more direct focus than in the past on the basic needs of people and a movement away from a bloodless—even misanthropic—emphasis on structures and on gadgetry to the exclusion of all else.

I take inspiration, again, from Frank Lloyd Wright who many years ago concluded a lecture to an audience of architectural students, saying: "Respect the masterpiece, —it is true reverence to Man. There is no quality so great, none so much needed now."

Mr. Moskow is HUD's Assistant Secretary for Policy Development and Research. This article is condensed from his remarks before the annual convention of the American Institute of Architects, May 23, 1974.

The British Building Warranty Plan

In a July 1971 article entitled "The Rocky Road to Home Warranties," Business Week Magazine related the troubles of Mr. Robert LaVigna of New York City. In late 1971 Mr. LaVigna bought a new \$44,000 house which carried the traditional one-year warranty from the builder. In the first six months the heating system did not work; the floor in the den sank three inches; the foundation slab cracked; and, the driveway "erupted and collapsed." The builder sent several men to look at the defects, but not one was repaired to the new owner's satisfaction. When the warranty period ended, the buyer found it impossible to contact the builder except through the builder's attorney, who disclaimed further responsibility. When Mr. LaVigna appealed to the savings and loan association that had given him the mortgage, he discovered that the association's lawyer was the same one hired by the builder. Frustrated and angry, he began to repair the defects at his own expense.

To stem the tide of buyer complaints, the National Association of Home Builders (NAHB) recently put into effect a ten-year, insured home warranty plan. Under the program, a builder would be responsible for major and some minor defects during the first two years, with an insurance fund covering the costs for the repair of major defects for the remaining eight years. This plan was strongly influenced by a British program which began in 1936.

The British Plan

The British program is considered the best and most comprehensive home warranty program now in operation, and has been studied by delegates from Spain, France, Australia, and New Zealand. It centers on the British National House-Builders Registration Council (NHBRC), an independent, non-political, nonprofit body made up of nominees from a number of areas, including builders, developers, bankers, and professional associations concerned with private housing. The NHBRC keeps a na-

tional register of over 17,000 approved home builders, but admission to the register is far from automatic as a good number of builders have either been taken off the register, or had their applications deferred until they could show better quality work.

The NHBRC is financed through a one-time fee averaging 12 pounds (about \$28) per house, for every house built by a registered builder. Home buyers receive the following benefits:

- A precautionary spot check inspection of every house built for sale by a registered builder unless construction was supervised by an architect or inspector employed by the buyer;

- The right to minimum standards of construction, as established by the Council, and approved by the UK Government's Department of the Environment;

- A legal agreement preserving common law rights and giving ten-year protection against major defects;

- An insurance policy which provides the buyer with a two-year guarantee of up to 5000 pounds (\$11,750) per house for defects, major or minor, which the builder has not remedied; and an additional guarantee, from the eight remaining years of up to 2,500 pounds (about \$5,875.00) against damage due to a major structural defect;

- Some protection against builder bankruptcy in most circumstances before and after completion.

Provisions of Warranty

The details of the British warranty program are covered in guidelines which cover both legal and technical aspects.

Once a builder is registered with

the Council, he is subject to regular checks to insure that the standards are maintained.

Each year, the Council writes "advisory letters" to the one hundred builders producing the shoddiest work. Builders who ignore warnings are reported to the disciplinary committee at NHBRC headquarters in London. Those expelled—about 25 a year—can appeal to an independent tribunal headed by a nominee of the Law Society. If the appeal fails, chances are that the builder will leave the industry forever. For once a builder is off the register, the NHBRC makes sure he does not get on again. The Council's list of directors of expelled firms is checked against the list of directors of each new applicant firm, as well as any list of the private shareholders.

The practical knowledge gained from all NHBRC cases is continually fed back to other builders.

On the basis of the British experience, it seems that the benefits of an insured national home warranty program are considerable. ☺

Summarized from a report prepared by Douglas Freeman and John Geraghty, HUD Office of International Affairs.

New Focus on International Trade

Special Assistant to the Secretary for International Liaison, L. Wayne Gertmenian, has announced that the Office of International Affairs is conducting an in-depth investigation of HUD's efforts to facilitate and encourage increased international trade by U.S. industries involved in housing and community development. Under consideration is the need for a departmental focus on U.S. exports, both products and services. The proposed activity would build on and enhance existing HUD international programs and information services. A survey form was recently sent to over fifty government and non-government agencies to determine services already existing. Comments and suggestions as to specific areas of need and support are invited. Correspondence should be addressed to: Special Assistant for International Liaison, Office of the Secretary, Dept. of Housing and Urban Development, Washington, D.C. 20410.

Trends in Local Governmental Revenues; The Impact of General Revenue Sharing

By David Einhorn

The tax revenue mainstay of local government, the property tax, continues to lag behind other tax sources, particularly those virtually preempted by the States. As a result, the disparity in tax collections between State and local governments continues to grow. This is occurring in the face of rising demands for local public services such as welfare, education, and property, and rising costs for service delivery.

A response by some States, particularly in the South, has been to take on the responsibility for financing substantial portions of education, welfare, and road costs, thus relieving the local burden. A response by the Federal Government has been to channel increasing amounts of money to localities, either directly or through the States. For example, Federal grants-in-aid to State and local governments rose from \$9.8 billion to \$32.9 billion between fiscal years 1964 and 1972, and should total an estimated \$40.4 billion in 1975, not including \$6.2 billion in general revenue sharing payments. Intergovernmental transfer payments (monies disbursed from one governmental unit to another) to local governments totaled \$13.8 billion in 1964, and amounted to 59 percent of local tax revenues. By 1972, intergovernmental transfer payments had risen to \$39.0 billion, and amounted to 80 percent of local tax revenues.

The following discussion attempts to shed some light on the trend of local tax collections in relation to the growth of other revenue sources, such as intergovernmental transfers and

user charges (payments for services rendered by public entities). For purposes of analysis, the various categories of local government were grouped as general purpose government (municipalities, counties, and townships) and special purpose governments (school districts and other special districts). The period considered was fiscal years 1964 through 1972 (the most recent data available), in general covering a period of substantial expansion of Federal programs and ending just before the first general revenue sharing payments.

Municipalities, Counties and Townships

The three major categories of revenue for local government were tax collections, user charges, and intergovernmental revenues. Tax collections represented 56 percent of local revenues for general purpose governments in 1964, intergovernmental revenues 28 percent, and user charges

"The effects of general revenue sharing on the local finance picture will most likely be to emphasize further the trends already apparent . . ."

16 percent. Property taxes represented the bulk of local tax collections, alone accounting for 44 percent of general revenues. These relationships shifted significantly during the period, reflecting increasing local resistance to property taxes and the flow of program monies from Federal and State sources. By 1972 local tax collections were down to 48 percent of general revenues and intergovernmental revenues had risen to 36 percent. Indeed, intergovernmental revenues surpassed property tax collections in 1972, whereas such transfers equalled only 64 percent of property taxes in 1964. User charges for public services remained in about the same relationship to general revenues, 16 percent in 1964 and 17 percent in 1972.

During the 1964 to 1972 period,

total general revenues for general purpose governments rose by 140 percent. In comparison, intergovernmental revenues rose 201 percent, user charges 149 percent, and tax collections 107 percent. Even within the category of local tax collections the disparity was significant. While property tax revenues rose 91 percent, other local taxes, such as sales and individual income taxes, rose by 168 percent, reflecting a strong continuing trend of local reliance on sales and income taxes to raise needed revenues in the face of local resistance to property tax increases.

Among general purpose governments, the changing relationships in revenue sources were most significant for municipalities. Tax receipts fell from 59 percent of general revenues in 1964 to 49 percent in 1972; property taxes fell from 42 percent to 32 percent; and user charges decreased somewhat from 20 percent to 19 percent. During this period, however, intergovernmental revenues went from 22 percent of general revenues, a little more than half of property tax receipts, to 33 percent, significantly outdistancing property taxes in 1972. In terms of percentage of change between 1964 and 1972, while total general revenues increased by 137 percent, tax revenues increased by 97 percent. Property taxes were particularly laggard with a 77 percent increase. Other taxes, such as sales and income, increased by 143 percent, and user charges increased by 125 percent. The most dramatic increase for municipalities was intergovernmental revenues, soaring 260 percent during the period.

Special Districts

The picture for special purpose governments also reflects significant shifts, but in less extreme terms. Reflecting the effects of a gradual increase in Federal programmatic focus to general purpose governments (Model Cities, Community Action and other programs) and an inability to raise substantial tax revenues from other sources, total special district revenues rose by 128 percent during the period compared with 140 per-

cent for general purpose governments. Local tax revenues, nearly all property tax collections, represented 44 percent of total general revenues in 1972, down from 48 percent in 1964. User charges remained relatively steady, going from 13 percent in 1964 to 12 percent in 1972. Intergovernmental revenues, however, took up the slack, rising from 39 percent of total general revenue in 1964 to 44 percent in 1972, and equaling total tax collections in relative importance. Compared with the 128 percent increase in total general revenues for special purpose governments between 1964 and 1972, intergovernmental revenues rose 160 percent, tax revenues 110 percent, and user charges 102 percent.

The picture that forms from these analyses is one of strong Federal impact on local government finances, especially on general purpose governments, and within that group, *most*

"...revenue sharing is NOT resulting in sharp changes in local finances, as expected by some."

particularly on municipalities. Reliance on the property tax as the principal revenue source is falling significantly, in part the result of local resistance to continued increases, the high visibility of this tax, the shift to other tax sources such as sales and income, but most importantly to the growth of intergovernmental revenues. User charges as an alternative tax form has never really gotten off the ground, possibly because of its obviously regressive nature. In this context, general revenue sharing can be seen as a logical next step in a strong trend that has already been in operation for the past ten years.

The effects of general revenue sharing on the local finance picture will most likely be to emphasize further the trends already apparent before the program became operative. With a revenue sharing infusion of about \$4 billion to local general pur-

**General Purpose Government Revenues
FY 1964-FY 1972
(in billions)**

Revenue Item	1964	1972
Tax Revenue	\$14.4	\$29.7
User Charges	4.2	10.4
Intergovernmental Revenue	7.4	22.1
Total General Revenue	\$25.9 ¹	\$62.3 ¹

Source: U.S. Census
¹ rounding-off differences

**Special Purpose Government Revenues
FY 1964-FY 1972
(in billions)**

Revenue Item	1964	1972
Tax Revenue	\$9.2	\$19.2
User Charges	2.5	5.1
Intergovernmental Revenue	7.4	19.2
Total General Revenue	\$19.1	\$43.5

Source: U.S. Census

pose governments, the 1972 intergovernmental revenue total of \$22 billion would have been \$26 billion, or 40 percent of adjusted total general revenue, compared with the actual 36 percent. Tax collections in 1972 for general purpose governments would have represented 45 percent of total general revenues instead of the actual 48 percent, and user charges would have fallen to 16 percent from the actual 17 percent. These shifts, except for user charges, are generally consistent with the trends already seen before revenue sharing.

Effects of Revenue Sharing

With respect to the effects of general revenue sharing on special purpose governments, the picture is somewhat less clear. Frozen out from direct revenue sharing grants, special districts—particularly school districts—will probably receive substantial transfers from the States. A General Accounting Office analysis of early expenditure patterns by the States found that about 15 percent of State revenue sharing receipts were authorized to be transferred to school districts and about 44 percent of State revenue sharing receipts were planned to be transferred to school and other special districts. Assuming that a

pattern of State revenue sharing transfers to special districts levels off at about 30 percent of State receipts, and applying that proportion of the \$2 billion in payments to the States to 1972 special district finances, the 1972 intergovernmental revenue total of \$19 billion would have been \$20 billion, or 45 percent of adjusted total general revenue, compared with the actual 44 percent. Tax collections and user charges would have continued their actual 44 percent and 12 percent relationships respectively with total general revenues.

The rapid rise of intergovernmental transfer payments to local units of government relative to local taxation shows the development of a clear pattern in the period immediately prior to revenue sharing. It places general revenue sharing in the context of the logical next step in intergovernmental relationships, and sets the stage for the Better Communities Act and the Responsive Governments Act. It also shows that revenue sharing is not resulting in sharp changes in local finances, as expected by some. The Federal payments are relatively modest in relation to aggregate local expenditures.



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Downtowns across the country may be today shifting quietly from the defensive—from a negative to a positive view of their futures.

This, I believe, is an important change supported by four newly-identifiable trends:

- Reaction to the energy shortage—particularly the recent gasoline crunch and the subsequent gasoline price escalation—resulting in reexamination of the private automobile as a dependable mode of transportation.

- The impact of double-digit inflation on the cost of new housing. This has its greatest effect on the detached dwelling and, therefore, on the new suburban subdivision.

- The emergence of urban problems in the suburbs. Recent statistics on the crime rate, for example, indicate a sky-rocketing rise in crime in the suburbs and rural areas compared with a lower rise, or even an occasional decline in the cities.

- The emerging lifestyle of the generation born during the fifties. The pattern of living of many young adults seems based on aspirations very different from those of their pre-war parents: These young adults generally attach greater weight to mobility than to ownership of property or to geographic roots. They accept—perhaps prefer—higher density living and are “conservative” in matters bearing on natural resources and ecology.

These four trends provide the underpinning of the new “boosters” of downtown. Through interplay, their positive effects on the center of the core city are potentially very great indeed.

The Energy Shortage

A large part—perhaps the largest part—of a solution to the energy crisis depends on our ability to reduce voluntarily our standard of living as measured by consumption of material goods. Success here will extend the lifespan of our natural petroleum resources and, thus, buy time needed (to 20 years) for developing a new technology based on exploitation of exhaustible solar or atomic resources.

Evasion of this self discipline will only serve us on a short term basis subject to recurring and painful crises.

What does this signify for Downtown U.S.A.? Whether sudden or gradual, it signifies a substantial increase in the market for inner-city living accommodations; for better and more mass transit facilities linking housing to employment centers and to cultural, recreational, shopping and service facilities; for improved systems to serve the “shoe leather” and “bicycle rubber” modes of transportation.

This market for inner-city living accommodations, under the bludgeoning of the energy shortage “stick,” *must* move toward energy-conserving living patterns. Given these patterns, it will be attracted by those that

DOWNTOWN USA

By Archibald C. Rogers

hold out the “carrot” of security—of privacy; of esthetic satisfaction; of functional simplicity—in short, that hold promise for improving the standard of happiness by a *qualitative* measurement of our living standard.

Latent within and around nearly all downtowns are the resources required to develop the biggest and the best “carrot” available to the metropolitan consumer. But downtown must also look to putting its own house in order—to its redesign toward the ends of conserving energy and of enlarging its provision of employment opportunities and of cultural, recreational and other facilities essential to the service of the close-in residential market. And this, in turn, means that Downtown U.S.A. must re-examine its current assumption that its future success is dependent on improved access for the automobile.

Cost of Housing

If the proposition above is valid (and the answer depends on whether the energy shortage is, in turn, valid, as I believe it is), then the adverse effect of the inflated cost of new housing must be met and solved within the city and directed toward its multifamily apartments and individually owned or rented free standing and row housing.

If the escalated cost of new housing within the city were due only to monetary inflation, then the solution would lie in the management of our national economy so as to reduce or eliminate this inflation. To achieve such management is, of course, essential, but beyond the power of any individual city except as it may, with other cities, lobby for it in national forums. But monetary inflation, including the cost of borrowing, is not the sole culprit, despite its high visibility. There is, in addition, "regulatory inflation," which, by itself, has pushed up the cost of shelter beyond the reach of the middle income buyer. And this is within the power of most cities to correct.

Artificial Barriers

During this century, in the name of civic enlightenment and in the spasmodic reaction to recurring tragedies, great and small, layer upon layer of codes, ordinances and programmatic red tape have been imposed upon the building industry and, more particularly, upon its touch with the consumer/user of shelter. The early building (safety) codes were followed by local fire safety and health codes and these, in turn, by the Occupational Safety and Health Act, a national health and occupational safety code.

Then came zoning regulations which were submitted for creative, three-dimensional planning. These divided the two-dimensional map of urban America into tidy, anti-septic parcels which separated the residence from its essential economic, service and social props. Two generations have, with evident enthusiasm, lived in the "yellow," worked in the "purple," shopped in the "red" and played in the "green." The consequence has been:

- The elevation of the automobile to its current role as the *sine qua non* of suburban existence as one spends inordinate time and money crawling between these colors.

- The ratification of the low density community and the consequent withering of previously healthy mass transit facilities dependent upon high density markets.

- An artificial life style which may be producing a suburban boredom not present on the farm or in the center city. And boredom may very well be at the root of the increased incidence of crime now afflicting the suburbs. This lifestyle, given the uncertainty of future costs to operate the automobile and the large share of the suburban family budget allocated to its operation, may have built in the seeds of its own deterioration.

The subsequent advent of subdivision regulations have, in the name of improved quality, further increased the cost of housing. (Ironic is the insistence that a developer, in exchange for license to develop, provide at his expense such inconsequential public paraphernalia as

concrete curbing while there is official silence as to his provision of such consequential facilities as water and sewer systems that, to function, must tie into *publicly* financed facilities—often nonexistent or undersized.)

Lastly are the detailed requirements attached so often to federally subsidized housing, planning and development. These in some cases seem designed to insure, if not the success of these programs, at least the survival of their sponsors.

All of these regulations contribute in major ways to the high cost of housing:

- They add substantially to the time required to produce the dwelling unit. There are often months (or, for subdivisions and Federal projects, years) required to gain the necessary approvals. This time is added to the time of building and must be paid for by adding its cost to the sales price.

- Some municipalities reportedly expect, as a matter of custom, the payment of bribes (or fees) to local officials in exchange for licensing. These also add to the sales price.

- There is an inertial resistance to amending codes so as to take advantage of new and often less costly materials. This resistance is often encouraged by those whose products are threatened by such new materials. (And this in the name of preserving our system by exercising the freedom of enterprise required to stifle at birth a competitor's "better mouse trap.")

Solutions Needed

What can and should be done by the city to reduce or turn around "regulatory inflation?" These things:

- Replace all building, fire and health codes by a simplified performance specification to be met by each designer and builder.

- Be sure that the double standard which often favors new housing over old is either eliminated or reversed. The "recycling" of existing housing stock is an obvious and important goal in itself.

- Reduce the time of processing and approvals by accepting "self-certification" from owners, builders and their designers. This would, quite apart from costs saving, be a death blow to the public corruption that so often plagues the industry.

- Lobby for comparable simplifications in Federal standards and programmatic regulations.

Taken together, these provide potentially powerful fuel for a downtown renaissance. ☺

Mr. Rogers is president of the American Institute of Architects and chairman of the board of RTKL, Inc., Baltimore, Md.

the Hurricane

an Unpredictable Giant

By
John P. Coleman

The strongest warning the National Weather Service can issue is the hurricane warning. It is the equivalent of an alert against an enemy invasion. Ask residents of hurricane-ravaged areas of the past, such as Plaquemines Parish, Louisiana, or the Mississippi Gulf Coast; they know that enemy well. Urgent action for the protection of life and property by officials and the public is essential for the greatest possible degree of safety.

Assisting the concerned States in developing hurricane plans plus ready-

ing Federal agencies to respond swiftly to a call for supplemental recovery aid, is the job of the Federal Disaster Assistance Administration, U.S. Department of Housing and Urban Development. The agency constantly monitors the latest scientific studies of this deadly weather phenomenon in order that the most effective and streamlined plans exist and work.

The Eye of the Storm

The eye of a hurricane is used as a reference point, but it is the winds around that important center that are dangerous. Winds begin to build up

for hours before the eye passes a particular point and exert maximum destructive force before the calm eye is experienced. When it passes over, equally destructive winds from the opposite direction serve to whipsaw the already battered structures in the second half of the storm.

For safe planning, the spread of hurricane winds—not the calm central eye—must be considered. In the case of 1969's Camille, hurricane winds extended for 50 miles on all sides of that critical base. This is also the area of maximum storm tides, or surges, along the immediate coastal area. But those storm surges are the most dangerous of all. Over the deep ocean, waves generated by hurricane-force winds may reach heights of 50 feet or more; as the storm crosses the Continental Shelf and moves coastward, mean level may increase 15 feet or more. Strong currents, for various reasons, may couple with astronomical tides and wind waves and multiply the problem even more. Add those threatening circumstances to normal high tides and you will discover the danger from storm surges is great, particularly along the densely populated Atlantic and Gulf coasts which lie less than 10 feet above mean sea level. And surge heights along flat coasts can bring catastrophe.

Double Toil and Trouble

The destructive forces in a hurricane grow rapidly with increased intensity. Thus a 160-mile wind is not merely twice as strong as an 80-mile wind. The pressure is squared with velocity, so that a 160-mile wind is 80 times as powerful as an 80-mile wind. An 80-mile wind can unroof buildings and blow down large trees. When 160-mile winds blow, carrying with them millions of tons of water (which weighs 1,700 pounds per cubic yard), the appalling forces unleashed are almost unbelievable. Great danger exists near open water and in low lying areas. Urgent precautions are essential.

Hurricanes lose force over land but



dangerous winds and flooding rains extend far inland. Add another "sister" killer, too, as deadly tornadoes now and then flutter down from the advancing walls of thunderclouds. And those funnel-shaped terrors have interior winds that can approach 400 miles an hour; their average path is about 220 yards wide and 2 miles long.

Flooding Rains

Flooding rains continue often for hundreds of miles as the storm moves inland while diminishing in wind velocity. Tropical Storm Agnes—downgraded from hurricane status by the time it battered the East in 1972 from the Virginias to New York—dumped 28.1 trillion gallons of water that could have covered a 67 square mile area to the depth of 2,000 feet, according to U.S. Department of Commerce's National Oceanic and Atmospheric Administration (NOAA). Hundreds of cities, towns and rural communities were flooded along 4,500 miles of major rivers and 9,000 miles of streams and tributaries.

And that was one of the greatest recorded storms of all time in the North American hemisphere.

Therefore all areas in the storm's path, even those far inland, should closely observe advice issued by the various National Weather Service offices concerning the current development. Some degree of danger frequently exists for days as a hurricane moves over new inland areas. To be properly informed and alert is simply just good sense.

Tracking the Storm

Tracking a hurricane is most important. Like a prize fighter in a ring, a hurricane bobs and weaves, thrusts and retreats, circles and regroups, attacks and falls back. That's why it is most important that gallant pilots and sturdy planes fly into its "belly" and attempt to chart its often erratic course. Three thousand miles of Atlantic and Gulf coastline become the battleground for armies of citizens and officials who automatically

mobilize in towns and villages to outmaneuver the storm and ready available defenses. Even astronauts spot a hurricane from outer space and instantaneously shuttle radio messages and photos to the mainland to assist in checkmating it.

Sometimes, even after two weeks of stalling, churning, picking up speed and then changing directions many times, the "monster" roars ashore. With a seeming cunning, often with winds in excess of 160 miles per hour and tide surges that well exceed 15 feet, this enemy rushes inland, crippling and crushing nearly everything in its path. Ten-foot-plus tides inundate the coastal areas—and the battle is joined.

Preparedness and Hope

The only cure for helplessness is preparedness, and hundreds of citizens are dedicated around the clock to that effort. A phalanx of concerned people, at all levels of government, await the charge with one goal: to protect and preserve citizens and their property. The best news media in the world stands side by side with the populace, often risking life and limb to alert and inform them of the danger.

A vast array of local, State, humanitarian and Federal recovery agencies rush to assist Americans under attack from such a killer-giant. The disaster forces assemble to match the threat, while hastening to call for a wise retreat and retrenchment to safer ground before a hurricane makes landfall. But that is the subject of other articles. What one is to understand by these facts is the possible danger, the precautions to address, the long-range thinking to begin, the extreme concern and caution that must be initiated to protect oneself.

Foresight is the key and foresight spells survival when we meet that unpredictable giant we call the hurricane. ✍

Mr. Coleman is assistant information director, Federal Disaster Assistance Administration.

HURRICANES REACHING THE UNITED STATES

In the last 50 years, 94 hurricanes have reached the Continental United States, leaving in their wake over 5,000 dead.

Year	Hurricanes*	Deaths**
1922	0	0
1923	2	2
1924	1	6
1925	4	269
1926	0	0
1927	2	1,836
1928	2	3
1929	0	0
1930	0	0
1931	2	0
1932	0	0
1933	5	63
1934	3	17
1935	2	414
1936	3	9
1937	0	0
1938	2	600
1939	1	3
1940	2	51
1941	2	10
1942	2	8
1943	1	16
1944	3	64
1945	3	7
1946	1	0
1947	3	53
1948	3	3
1949	2	4
1950	3	19
1951	0	0
1952	1	3
1953	2	2
1954	3	193
1955	3	218
1956	1	21
1957	1	395
1958	0	2
1959	3	24
1960	2	65
1961	2	46
1962	0	4
1963	1	11
1964	4	49
1965	1	75
1966	2	54
1967	2	18
1968	1	9
1969	2	256
1970	1	11
1971	5	8
1972	1	121
1973	0	5

*All had hurricane force winds (75 miles per hour or more) recorded or estimated on mainland prior to or at time of entering the Continental U.S.

**Deaths include fatalities from high winds of less than hurricane force.

Nutrition Plus! Food and Fun for the Elderly

by Sue Thomas

The elderly—like other groups that society sometimes tries to push into pigeon holes based on income, race, national origin, or education—continue to defy definition. As a matter of fact, many a frail, white-haired woman is more at home with a racing form than with a lap full of grandchildren. And probably few aging men resemble the bland, pipe-smoking clichés so often seen on television.

Elderly people are as individual and distinctive as other human beings. Probably more so, for they have had a lot more practice.

Tina Gontarski, coordinator of Sacramento, California's nutrition program for the elderly, daily bears witness to that fact. Tina is an employee of the Sacramento Housing and Redevelopment Agency, headed by Director William Seline. The agency's Federal grant to administer

the program is the only one awarded to a California housing agency. Other grants for such nutrition programs have been made across the Nation, including a total of 52 in California, but few are administered by housing agencies.

The program itself was established by Title VII of the Older Americans Act of 1965. As amended by law March 22, 1972, the Act authorizes allotments on a formula basis to the States, the District of Columbia, Puerto Rico, Guam, American Samoa, the Virgin Islands and the Trust Territory of the Pacific Islands.

The allotments provide up to 90 percent of the costs of establishing and operating nutrition projects which furnish low-cost, nutritionally sound meals to persons aged 60 and over, and to their spouses regardless of age.

Sacramento's program began

March 25, 1974, with the aim of eventually serving a hot, mid-day meal to 550 persons, five days a week at four sites selected for high-density concentrations of elderly residents. A secondary goal, federally funded for one year, was to break the grip of isolation and loneliness in which many older persons are caught.

Both objectives have met with extraordinary success. At present, an average 571 noon meals are served and the four centers are open from 10 a.m. to 2 p.m. daily. Crowds of people come not only to eat, but to socialize or take advantage of services and programs made available by the housing agency.

The opportunity to gather with others holds strong appeal. Says Tina Gontarski, "They treat us like a social club, not as if this were a necessary meal. It's their place and they feel like they belong."





OPPOSITE—Good food and company are main attractions of nutrition centers.
LEFT—Once—if not twice—around the floor brings lunchtime to a close on an upbeat.

Centers Adopt Own Style

Each center has developed a distinct atmosphere of its own, due to the supervisor in charge and the particular group it serves. There is even rivalry between the centers, where entertainment is supplied by outside volunteers or by the elderly participants themselves.

Banjo bands serenade the lunchers and provide music for dancing afterward; a self-proclaimed "hillbilly comedian" takes to the stage as often as he's asked; and, at one of the four centers, "Golden Fingers Charlie" jealously guards the piano. (When another pianist was invited to play, Charlie tried to pull him off the bench and has since claimed that the piano was ruined.)

As "Golden Fingers Charlie's" reputation as a piano whiz has spread, he has even been kidnapped by a carload of elderly abductors

who swept him off to play during lunch at *their* center. A contrite Charlie now plays the "ruined" piano and vows not to be kidnapped again.

Friendships Sparked

Many friendships, and not a few romances, have blossomed at the centers, according to Tina. One of the volunteers related that an elderly woman who was lunching for the first time, registered a complaint.

"Young man," she said to him, "you seated me at a table with five men!"

When the volunteer began an apology, she continued, "That's all right. One of them asked me for my phone number and that hasn't happened in 17 years."

Troublemakers are never a problem, reports Tina. A small group of regular participants makes sure that the unruly or apparently inebriated

are tactfully and quietly brought into line.

Most center visitors appear regularly three, four, or even five days a week. They are a fascinating mix of personalities. One man, nicknamed "Graft and Corruption," complains bitterly about government inadequacies with every bite, but comes every day. Mabel (not her real name) now eats alone because other diners have learned through experience that no uneaten dessert is safe within her reach.

An elderly man who arrived on his first visit unshaven, rumpled and somewhat intoxicated, returned the next day sober and shaven. He now returns daily in a tie and freshly pressed suit.

Services Volunteered

There are now 60 regular volunteers assisting in the program, many of



Dining at the nutrition centers is the high point of a day's activity for many participants.

them formerly only participants. Seventy percent of the volunteers are over 60 years of age. Helping out, even in a small way, contributes to individual dignity and self-respect. There is a wide range of volunteer services; one center boasts dancing waiters and singing kitchen help. Those who can afford to pay may offer donations.

The Elderly Nutrition Program supplements meals at the centers with a small but growing home delivery program and other services. A Public Health Department nurse makes regular visits to the centers and glaucoma and hearing tests are on the agenda. A social worker is on duty at each center four hours daily to provide counseling, information and referral services. Employment opportunities are available through a Senior Job Mart. Lectures and classes are scheduled on various subjects and films and safety talks are provided by the Sacramento Police Community Relations Department.

The eagerness and enthusiasm of those who participate in the program is evidence of need for a chance to be with others and to escape the loneliness to which the elderly are prey. Recently, an elderly woman who learned that a safety film was to be scheduled at 11 a.m. arrived at 8:45 a.m. to make sure she would get a seat. That's how popular Sacramento's "food and fun" program has become with elderly residents. ☺

Ms. Thomas is an urban affairs writer in the Sacramento area.

"... the inventory of unsold new houses is one of the problems facing the homebuilding industry that is also caught in the vortex of high interest rates, another crunch of mortgage money, Federal programs that seem to be unresponsive to solving housing problems and also the increasing mood of local jurisdictions and their resident constituencies in slowing new developments. . . . Hopefully, a larger commitment to housing production and housing conservation will produce more suitable housing for our citizens. But the citizen response is also critically endemic. Somehow, there must be a personal commitment to one's individual place of residence plus a responsibility to one's neighbors."

—John B. Willmann, *Real Estate Editor, The Washington Post*

"This year our Design Excellence Awards program is incorporating the idea of good design as an element of good management. Thus, we have included a "Management Approaches" category which we hope will stimulate increasing recognition of the concept that design is a basic tool of local government in guiding urban development."

—James T. Lynn, *HUD Secretary*

"The successful cities of the past, as in the present, require that human requirements be met within a framework of discipline and order. A plan that will allow people to live at peace with one another, without disruption, without relocation, without threat and without general chaos, is badly needed. Such a plan is possible within the framework of the plan promoted and created by the founding fathers. Such a plan would maximize progress but minimize unwarranted change.

"It would say stop to freeway right-of-way, to the disruption of streets, to the condemnation of homes, for whatsoever purposes. It would develop with the willingness of people to cooperate. It would recognize small business and the small entrepreneur as well as the developer of much-needed and more comprehensive facilities. Somehow we must not take from one to the advantage of another, be he poor or rich."

—Paul Thiry, *FAIA, Vice Chairman, National Capital Planning Commission*

"Nothing in the Constitution gives a private property owner the absolute right to use his property in a way which injures or endangers the public; that is the basis for anti-pollution laws."

—George Biderman, *writing on "Prices Paid for Public Lands"*

"Our cities need some new mechanism by which to rebuild themselves. The old power structure of reform-minded mayors backed by strong chamber of commerce interests served a good purpose at one time: It could make decisions and implement them within a relatively short period.

"But the exclusiveness of that alliance has made it obsolete. The cry of the times is for some form of what is optimistically called citizen participation. The problem is how to meld all the voices who rightfully want to participate in their destiny into an action-oriented body."

—Andrew Heiskell, *Chairman Time, Inc.*

"Coping with reduced auto travel is not just a matter of making fewer trips or starting car pools. We may have to set up regional authorities to control land use and come up with formulas for sharing property tax revenues, as they now do, for example, in the Minneapolis-St. Paul area, where communities pool and divide a portion of new nonresidential property tax revenues."

—Anthony Downs, *Chairman, Real Estate Research Corporation, writing on the gasoline shortage.*

"The real question is whether a man can do anything he pleases with his property in this country, or does he have some obligation to the next generation?"

—Vermont Governor Thomas Salmon, *speaking on land use regulation*

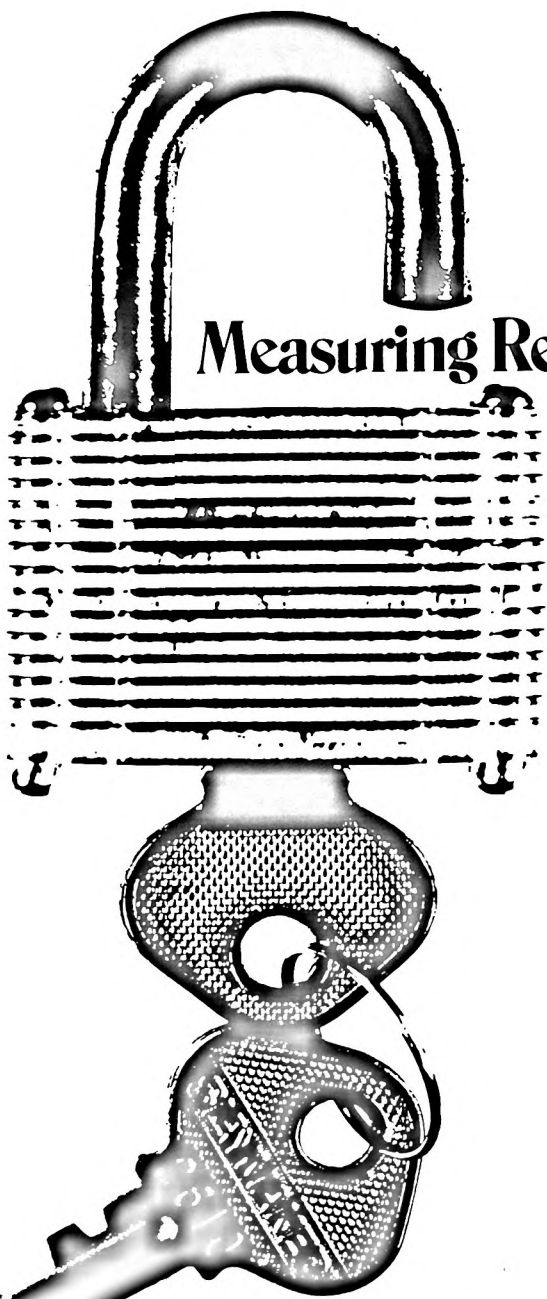
"Unless there is a tremendous change in the technology of delivering services, there is a limit to heights in which buildings can use energy efficiently. The present skyscrapers will be the last of their kind. They are status symbols of a sort, but also terribly wasteful in their use of energy."

—Richard G. Stein, *American Institute of Architects task force on energy conservation*

"A well-designed security system is one in which there is a functioning interrelationship between the various component parts: restrictive barriers, hardware, surveillance equipment, alarms, security personnel, residents, and management. The most costly electronic installation or physical modifications are to no purpose if the people who use them do not understand their functions. Alarms and closed-circuit TV are meaningless if there is no one to respond to them. Installation of high-quality locks with 1-inch deadbolts is pointless if residents normally use only the stopwork or snap latch to lock their doors.

"In this design guide, hardware, personnel, and electronic equipment are discussed at length in separate chapters, but each component should be understood in its interaction with the total system. The final chapter illustrates, by examples, solutions to the security of existing residential complexes. In each case, a total solution is discussed using many of the separate components discussed earlier."

—*"A Design Guide for Improving Residential Security," prepared for HUD's Office of Policy Development and Research by the Center for Residential Security.*



Measuring Residential Security

By William H. Brill

The Dade County, Fla., Management Improvement Program is coming to grips with some of the fundamental issues critical to the design of a housing security program. These issues include assessing the severity of the security problem, defining the most frequent crimes, the relationship of crime to site design and the design of individual housing units. Another vital question is who is victimized, and under what circumstances.

These issues form the backbone of any security program. Yet, as it stands now—and Dade County is no exception—there is usually little data to go on. Police data is usually not specific enough, is often hard to get and to use, and frequently understates the problem because crime is invariably underreported in low-income areas.

No Means for Assessment

These limitations have generally meant that problem assessment as a formal planning step is often slighted. Administrators are often forced to make judgments based on intuition, their own fears or fantasies or on the basis of a dramatic criminal act. Hard facts are rarely available.

A second fundamental issue is the approach taken to meet the problem, however the problem might be defined. Should tenant patrols be emphasized, for example, or should reliance be placed on improved site

design and electronic devices?

What is done in a particular project is usually based on an assessment of the problem, the available resources, and, on how one perceives the scope of security in housing. Should a security program, for example, be directed at simply preventing or stopping vandalism, burglary, and robbery, or should it include measures designed to limit interpersonal violence among residents, as well as measures intended to reduce the residents' fear of crime and the way in which they are restraining the use of their environment because they have either been victims or are afraid of being victims.

Whatever the security planner's perception of the problem might be, he usually has few alternative strategies from which to select. He is not only limited by the absence of good data, but by the absence of good theory. There are few theoretical propositions or hypotheses to use in determining alternative measures for preventing or restraining criminal activity in housing environments.

In Dade County, the third inescapable issue we found is that of evaluating the success of what is ultimately done. Although in most cases evaluation is not done formally, it does occur. Judgments are made about what seemed to work and what did not, and conclusions are transmitted to others in the field who have similar interests. The difficulty, as in the problem assessment and planning phase, is that few hard facts are available. Conclusions are usually based on anecdote, casual observation and "a feeling" that things are better or worse.

Demonstration Site Established

One of our objectives under the Management Improvement Program in Dade County was to help develop and test methodologies and approaches that would increase understanding of these issues. Our demonstration site has been Scott/Carver Homes, an 850 unit public housing

project that has most of the problems generally associated with a sprawling low-rise project.

One of the first steps taken to solve the problem assessment issue was to develop a means of measuring the "vulnerability" of Scott/Carver Homes to crime. The methodology, called a vulnerability analysis, is intended to be applicable to any housing environment. It includes three components: (1) a resident survey that measures the residents' victimization rate, their fear of crime and the degree to which they are altering their behavior because they are either afraid of being victimized or have actually been victimized; (2) an examination of the housing site—lighting, location, and areas likely to be scenes of crime; this involves surveying access from outside, identifying unassigned areas and other features that would make residents unlikely to protect these areas or identify them; (3) unit-by-unit security inspection.

Program Devised from Study

The Dade County security plan based on the vulnerability analysis involves the formation of small social clusters of roughly 80 families each. These clusters are intended to provide the first line of defense in the area of security. We are hoping that by breaking up the project into smaller social units we can humanize it and give families the precious support that a neighborhood provides.

From a practical standpoint, however, we know it is not enough simply to announce the formation of clusters and expect them to take hold. We know they need to be reinforced if they are going to work. We therefore plan to accent their designation with limited architectural improvements; the clusters have already been color coded. But our principal "reinforcer" has been the environmental fund. This fund, made available under the Management Improvement Program, operates under a system whereby each cluster receives

several thousand dollars to spend on the environment of the project in a way it sees fit.

The environmental fund is intended not only to insure that resources are spent in a sensitive way, but also to give the clusters a happy and productive enterprise around which to organize. This approach probably represents one of the first times small groups of public housing residents have been given this kind of opportunity and responsibility.

Our security plan, therefore, consists of coordinating both physical and social improvements. Individual units will be made safer on the basis of the findings of our vulnerability analysis, and limited site improvements will also be made. We also intend to strengthen the social cohesion of the residents by organizing them into clusters and reinforcing these organizations architecturally and by giving these cluster organizations freedom to allocate resources to improve their own environment. Additional components of our security program include increased coordination and planning with the local police department. This will take the form of planning groups at the project level to be composed of residents, authority staff, and police officials.

Our work in Dade County will not provide all the answers to the problems of security in housing environments. But thus far, we have developed a reliable series of instruments to measure a housing environment's vulnerability to crime. We are testing an approach that goes beyond those taken by others in the past and which already indicates a high probability of success. ©

The author heads William Brill Associates, which is responsible for the safety and security component of the Management Improvement Program in Dade County. Dr. Brill is a former professor of government at Georgetown University and has held governmental posts in housing and drug abuse.

Saying It With Music: Symphony Honors HUD Official

The New York City Housing Authority has developed a delightful new way to promote cultural activities among public housing residents. In 1972, a symphony orchestra was organized with three purposes in mind: to bring classical music to those who seldom have a chance to hear it; to promote musical training among public housing tenants; and to dispel some of the stereotyped classifications of public housing tenants. The orchestra is composed of 48 to 60 members, half of whom are public housing tenants.

This July, to begin their third year together, the symphony held a concert in honor of H.R. Crawford, HUD Assistant Secretary for Housing



The New York City Housing Authority Symphony performs under the "direction" of Assistant Secretary Crawford.

Management. The performance was given by the 58 semi-professional members. Halfway through the program Mr. Crawford was presented a plaque as a symbol of respect and gratitude for his efforts toward finding decent shelter and new opportunities for the low-income residents of public housing. Commenting on the evening's activities, Mr. Crawford said: "I have been honored many times, but never has there been a symphony orchestra concert in my honor. To say it was a unique and beautiful experience would be an understatement. It was most reward-



ing to see the housing authority and residents working together for one of many common goals."

Symphony Organized 3 Years Ago
The New York City Housing Authority Symphony was organized in 1972 under Simeon Golar, former chairman of the NYC Housing Authority's Board of Commissioners. Invitations were sent to prospective members living in public housing. Local newspapers publicized audition dates for applicants, and local music students were invited to participate.

Today about half of the orchestra members are public housing tenants, representing many races and both sexes, and creating mellow, harmonious sounds.

The symphony, directed by Karl Hampton Porter, is a non-profit organization funded by several organizations. The NYC Housing Authority provides \$10,000 a year. Other contributions are accepted from groups that include the New York Council of Arts, the Teamsters Union, and the Music Trust Fund of the Musicians Union.

The group has performed at varied locations, including the Lincoln Center, Sing Sing Prison, and the lawns and halls of public housing developments, where they are always well received. Listeners agree the group has reached a superb level for semi-professionals. Concerts include classical masterpieces like those of Beethoven and Mozart, as well as lighter compositions from well-known musicals.

As the group expands, a "feeder" symphony is developing. Young musicians or rusty oldtimers are becoming members and brushing up their skills. When there is an opening in the main symphony unit, they are "accepted" into the organization.

The New York City Housing Authority Symphony stands as a unique effort to provide services to thousands of individuals who attend concerts on the street, in parks, housing projects, hospitals, colleges, prisons, and concert halls. Some previously overlooked musicians are now providing music to New York. Ms. Wolfe looks forward to sending the group on a national tour to other housing authorities some day.

"By the way," said Mr. Crawford, "I had the privilege of conducting the orchestra." ✍️

—Juliann Vann
Housing Management

Characteristics of New One-Family Homes

According to a recent report issued by the Bureau of the Census a total of 1,174,000 new one-family homes were completed in 1973. This included new homes completed and built for sale, contractor-built and owner-built homes completed, and homes completed for rent. Although the aggregate total topped the 1972 mark by some 3 percent, the mix of homes by type of financing tilted considerably toward conventional financing. Reflecting in part the hiatus in HUD-assisted new housing starts from January to November 1973, the proportion of federally assisted homes completed accounted for 16 percent of the total, down from 27 percent in 1972. The market for conventionally financed homes continued very strong through the first seven months of the year based on the strength of consumer demand and the availability of mortgage money although at high rates. The last quarter of 1973 experienced a rapid decline extending over into this year.

The average home completed in 1973 was nearly 7 percent larger in floor area than in the previous year with more amenities in terms of multiple bathrooms and a fireplace. Electricity continued to gain as the source of heating fuel in over 40 percent of the new homes, while air conditioning was installed in 49 percent of them.

During 1973, 620,000 new one-family homes were sold at an average price (including lot) of \$35,500, up 16 percent over 1972. Conventionally financed homes averaged \$35,200 in price while HUD-FHA insured homes averaged \$22,100.

The proportion of homes selling for \$35,000 and over nearly doubled between 1971 and 1973, rising from 23 percent of the total in 1971 to 41 percent in 1973. The increase between 1972 and 1973 was a hefty 13 percent.

New Privately Owned One-Family Homes Completed: 1971 to 1973 Type of Financing Reported (%)

Year	Total Number (Thousands)	FHA	VA	Conventional	Cash
1971	1,014	25	9	49	17
1972	1,143	17	10	59	14
1973	1,174	8	8	69	15

Physical Characteristics (%)

Year	Floor Area (Sq. Ft.)	2 or more Bathrooms	Heated by Electricity	With 1 Fireplace	Central Air Conditioned
1971	1,520	48	31	32	36
1972	1,555	53	36	34	43
1973	1,660	60	42	39	49

New Homes Sold: 1971 to 1973 Average Sales Price by Type of Financing

Year	United States	FHA Insured	VA Guaranteed	Conventional	Cash
1971	\$28,300	\$21,200	\$26,100	\$24,000	\$27,900
1972	30,500	21,800	26,300	34,100	31,700
1973	35,500	24,500	28,300	38,000	36,700

Distribution by Reported Sales Price (%)

Year	Under \$20,000	\$20,000 to \$24,999	\$25,000 to \$34,999	\$35,000 and Over
1971	27	22	28	23
1972	19	21	33	28
1973	9	14	36	41

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