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CAN THE FEDERAL WELFARE BUREAUCRACIES CONTROL THEIR PROGRAMS: THE CASE OF HUD AND URBAN RENEWAL

by

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... Urban Renewal is accomplished through federal means and the federal government must take responsibility for the direction the program takes...For the Department of Housing and Urban Development to direct, fund, and foster programs that have and if unchecked will continue to harm the Black citizens of Hamtramck and to proceed with such actions by claiming innocence of what has been or is being done with federal funds cannot be tolerated. If what has occurred in Hamtramck is ever to be stopped, responsibility must be placed at the source, that is the Department of Housing and Urban Development which funds and administers the programs. Garrett v. Hamtramck E.D. Mich. S.D. C.A. No. 32004, opinion filed November 22, 1971.

Since World War II three new federal level social welfare bureaucracies have come into existence and grown rapidly: the United States Department of Health, Education and Welfare,¹ the United States Department of Housing and Urban Development,² and the United States Office of Economic Opportunity.³ During the same period the local welfare functions of older federal agencies -- such as parts of the Departments of Labor, of Commerce, and Interior providing social welfare assistance -- have grown apace. While much has been written concerning the bureaucratic behavior and performance of the older <u>regulatory</u> bureaucracies of the 1930's, analysis of the operations and behavior of the new social bureaucracies is just now beginning in earnest.

It has been broadly documented that the older regulatory bureaucracies have been increasingly captured by the powerful and sophisticated constituencies they were intended to regulate, and thus rendered largely ineffectual.⁴

There is increasing evidence that the new social bureaucracies have been captured also, but not by their client group, the poor. The poor lack the political power and sophistication of the clients of the regulatory agencies (the stock market, the airlines, the communications industry). Rather, the <u>intermediaries</u> between the welfare bureaucracies and the intended beneficiaries of their programs have increasingly "captured" and distorted their programs. City governments, state welfare departments, local school systems, county hospitals, and local Redevelopment agencies are the recipients of federal social welfare grant monies as they are filtered down to the poor. They in turn respond to well-developed and long-standing local constituencies -- local politicians, social workers, teachers and school administrators, doctors, and real estate brokers, whose goals and priorities often conflict with those of the new federal social welfare bureaucracies.

An increasing number of careful studies have documented the displacement of goals which takes place and the relative ineffectiveness of the federal social welfare bureaucracies in protecting the integrity of their programs.

Perhaps the most thoroughly documented case study of a new social welfare program "captured" by the intermediaries through whom it channels its fund is the Urban Renewal Program⁵ of the United States Department of Housing and Urban Development. Many careful studies conclude that Urban Renewal monies intended, in the words of the statute creating the program, to lead to "the realization as soon as feasible of the goal of a decent home and suitable living environment for every American family..." have been diverted by city governments and local business and real estate interests to demolish low-income housing and at the same time to subsidize construction of commercial and civic facilities.⁶

This article will focus on the Urban Renewal program, and by close examination of the internal workings of the HUD bureaucracy that administers the program, seek to explain why it is that HUD -and by implication others of the new social welfare bureaucracies -cannot control the programs they administer.

That the United States Department of Housing and Urban Development has massively failed to enforce federal law regarding adequate relocation of persons displaced in the course of urban renewal projects⁷ has been exhaustively documented.⁸ Many studies have also demonstrated that urban renewal -- conceived as a tool to provide housing for the poor -- has massively decreased the nation's housing stock, particularly for the poor.⁸

Much has been written about the growing wave of litigation as the federal judiciary has been drawn (reluctantly) into the redevelopment process,⁹ as it halts major redevelopment projects which have been found to be proceeding in violation of federal law.¹⁰ In the main, this body of legal writings analyzes standing, justiciability, class action, remedy, and related legal questions raised by this litigation in conventional legal terms. No article has addressed itself to the question of <u>why</u> the U.S. Department of Housing and Urban Development has been so unable to control the projects it has funded.

This article will not repeat discussion of the terrible damage done to the poor, minorities, and elderly whose homes have been demolished by urban renewal without adequate provision for their relocation. Nor will it repeat or elaborate upon conventional legal analyses. Rather it will seek to answer why these wrongs have occurred by examining the federal urban renewal bureaucracy. Such an examination shows that HUD's organization, structure, goal orientation, staff patterns, and workload have made it impossible for the Department to monitor urban renewal and to take corrective action when the Department can no longer avoid its responsibilities because of federal court intervention. Such analysis is essential if the major internal reorganization of HUD now underway is to improve the Department's performance in the future.

Specific actions of the San Francisco Regional Office of the U.S. Department of Housing and Urban Development with respect to the "Yerba Buena Center" (hereafter YBC) Urban Renewal Project are analyzed in detail. This project, one of the largest in the country, typifies the damage which results from uncontrolled urban renewal relocation. It proposes substantially total clearance of approximately eighty-seven acres of land in downtown San Francisco near the core of the central business district. Ultimately the project will demolish forty residential hotels which initially housed over 3,000 persons, almost all of them elderly or near elderly, very poor single men for whom decent, safe and sanitary housing at rents they can afford is not currently available. Nor is such housing being provided. The YBC Project is the object of the leading relocation case, Tenants and Owners in Opposition to Redevelopment v. HUD, in which the federal district court for the Northern District of California has made clear findings that federal as well as local defendants are in violation of federal relocation law. After entering an initial preliminary injunction, ¹³ the court subsequently ordered defendants to proceed with construction of 1,500 additional units of replacement housing for the tenants. Detailed discussion of the factual and legal aspects of this complex case appear elsewhere.¹⁵

Much of this article is based upon interviews of personnel in the San Francisco Regional Office of HUD with long experience in Urban Renewal.

A. The Evolution of the HUD Bureaucracy

When in 1949 Congress enacted Title I of the 1949 Housing Act¹⁷ creating the federal Urban Renewal Program, it simultaneously created an agency to administer it: the Urban Renewal Agency (URA), subsequently renamed the Renewal and Housing Agency (RHA). The URA was placed under a new conglomerate "superagency", the Housing and Home Finance Agency (HHFA), which was also given jurisdiction over the two New Deal federal housing agencies: the Federal Housing Administration (FHA)¹⁸, whose function is primarily to insure mortgages, and the Public Housing Administration (PHA)¹⁹, charged with production and management of "public housing," as well as a small program of community facilities construction.

I

Until 1953, HHFA operated solely out of Washington and maintained no field office in the western United States.²⁰ Senior officials in the Urban Renewal Division in the San Francisco HUD Regional Office interviewed for this article characterized the primary function of the URA in its earliest days as "selling" urban renewal to conservative and distrustful local governments. Early in the program, more money was available than could be given away, and staff were under heavy pressure to accept any projects which received local support.²¹

In 1965 Congress created the United States Department of Housing and Urban Development, essentially elevating the old HHFA to Cabinet status.²² With ever-increasing budgets and new program responsibilities, the INUD bureaucracy grew rapidly in size and complexity during the late 1960's. New subdivisions for new federal programs of the Johnson era such as Model Cities emerged, and the original historic categories blended together to some extent.²³

During late 1953 and early 1954, a West Coast office of the HHFA was established with the late M. Justin Herman, subsequently Director of the San Francisco Redevelopment Agency, as its first director. Initially, Mr. Herman served also as the Regional Administrator of the Urban Renewal program. By 1957, the volume of HHFA Regional Office activity had grown to the point that a separate person was hired to fill the job of Regional Director of Urban Renewal.

When the U.S. Department of Housing and Urban Development was created, a new "Regional Office" of HUD was created from the old HHFA Regional Office without major structural change. This office experienced parallel growth and readjustment of functions similar to those which occurred in Washington during the late 1960's.

In the summer of 1970, consistent with the Nixon Administration's "new federalism" concept of decentralization, a fundamental reorganization of the Department was initiated.²⁴ The Department is still in the throes of this reorganization (referred to by Secretary Romney as the first real "organization" of the Department). The essential elements of this change are the creation of thirtyeight "Area Offices" which began to open in the fall of 1970, decentralization of most decision-making authority from both Washington and the Regional Offices to them, and elimination of the old categorical program divisions within the Department.

In summary, the federal bureaucracy designed to carry out housing and urban development programs, has, since the early 1950's been: (1) a complex multi-tiered affair with decision-making authority diffused between the Regional and Washington Offices and more recently between the Area Office as well; (2) an unusually polyglot agency which has mixed together programs of widely divergent historical origins, goals, and staff orientations; (3) unstable and subject to rapid growth; and (4) in a state of constant reorganization.

B. Internal Tensions

Throughout the history of HNFA and HUD, tensions inherent in the system have persisted. As a result of the multi-tiered Department, there is jealousy between local staff (in the Regional or new Area Offices) and Washington; the former feel the Washington officials are too removed from actual problems to deal with them; the latter feel the local staff are parochial and unable to adapt to national needs and trends. As one senior official at the Area level commented concerning proposed cuts in the Washington HUD bureaucracy: "Every desk they eliminate there saves us trouble."

A number of persons interviewed reported intense jealousies between functional divisions. The historically older FHA, with its much more politically powerful and well-developed external constituencies, has been semi-autonomous throughout its association with HHFA and HUD and is widely resented.²⁵ There are strong bureaucratic divisions between the "hardware," "production" oriented divisions such as FIA, RHA, HAA and the "software," "social divisions" such as "Equal Opportunity," "Social Services Divison," and "Relocation."

Instability as a result of rapid growth has created additional tensions within the Department. Technicians who have worked in olderprogram areas (for example, Urban Reneval) are vexed when a major new program (for example, Model Cities) cuts into their funding and power. The constant disorganization as a result of reorganizations of the Department has created rivalry and gamesmanship in maneuvering for new job classifications at best, paranoia and demoralization at worst. Several interviewees analyzed the most recent HUD reorganization as an attempt to diminish the power of older "deadwood" employees by leaving them in high-titled and well-paying jobs in the Regional Office while decentralizing power to younger, more able (and less well-paid) staff in the Area Offices.

From the point of view of the intended beneficiaries of HUD assistance, the Department's complex, polyglot, unstable, and disorganized nature has been damaging both in initial planning stages and in HUD's capacity to rectify mistakes later on. Cooperation between HUD staff with PHA or FHA backgrounds is essential if the HUD staff with renewal backgrounds are to plan and implement a renewal program which will concurrently provide housing for displacecs. Such initial cooperation and coordination has been largely absent in the Department.

When, as a result of non-coordination, serious problems do arise, the capacity of the Department to respond is limited. Federal court judges have expressed amazement at HUD's apparent unwillingness to shift public housing and FHA resources to meet judicially-imposed production quotas coming out of the relocation litigation.²⁶ HUD's non-responsiveness to injunctions and court orders has been more the product of paralysis than malice. Public housing staff simply do not consider it any of their affair if a federal court judge halts a project undertaken by renewal staff down the hall and are extraordinarily unwilling to readjust established priorities of their own. Absent strong central direction, they simply will not act.

C. The Absence of Central Direction

How well equipped is any central point within HUD to learn of, analyze, and react to changes in demographic and housing data which will affect the need for relocation housing for urban renewal displacees? And how well is HUD able to coordinate activities of its various branches to re-allocate assistance in line with changing needs throughout the region it serves? Critical facts in relation to the Yerba Buena Center Urban Renewal Project include the sharp drop in San Francisco's residential vacancy rate and the rapid increase in the city's elderly and minority poor during the long period of project planning.

The Department allocates few resources or staff to such overall analysis and has in the past lacked the capacity to reallocate its priorities even when information was presented to it which cried out for a major reevaluation of basic premises. This is dramatically illustrated by <u>TOOR v. HUD</u>, in which nine volumes of exhibits established the failure of the LPA to meet relocation needs, in the Court's words, "overwhelmingly." Even with this information before it, the Department has been largely unable to act.

Regional Administrators do not have an adequate professional staff capability to conduct long-range planning and program need projections. According to one recent and thorough study:²⁷

> On innumerable occasions, the Regional Administrator is asked to provide complex data related to the development and establishment of HUD Regional goals, the analysis of need criteria for HUD program assistance, and projections of changing sociological and demographic patterns in the Regions which may have an effect upon the need for future HUD program assistance. The development of these data has in the past been less than adequate. The resources to evaluate existing information, much of it highly sophisticated, are inadequate, and the ability to produce through basic research, new data, even that closely related to HUD program activities is totally lacking.

The assumption that operating divisions within the Department can perform this general analysis and planning is unfounded. A 1968 study of the Urban Renewal functions of the San Francisco HUD Regional Office concluded:

> ...the Renewal Assistance Office does not have the capacity -on a permanent fulltime staff basis -- nor the system to increase its organization effectiveness in administering RAO programs. The management services functions -- planning, organizing, coordinating, motivating, and controlling -- are assumed to be performed by the ARA [Assistant Regional Administration] and his subordinates and receive no formal recognition within the existing organization structure.

The question as to what extent a strong Regional Administrator of HUD could "control" the operations of the Renewal Divison and coordinate them with other branches is complex. When HUD was created in 1965, the position of "Regional Director" of the renewal program was renamed "<u>Assistant</u> Regional Administrator for Renewal Assistance" (hereafter ARARA) to stress that the "Regional Administrator" (hereafter RA) was in control of all HUD's operations and that the head of renewal was subordinate to and accountable to him. In fact, persons interviewed stressed that, in the San Francisco Regional Office, the ARARA remained in almost total control of the Renewal Program, and the Regional Administrator did not attempt to interfere with (or correct) his actions. Reasons given included: The ARARAs were temperamentally aggressive and highly competent persons with long years of renewal experience; RAs had less experience and were weaker personalities. ARARAs cultivated and maintained Washington connections which could short-circuit RAs' efforts to interfere in Washington. ARARAs had the loyalty of LPA directors (who were dependent upon them for money and cooperation), whereas the RAs were in less immediate contact with this constituency. Finally the RA was spread extremely thin, with renewal battles only a small portion of his concern.

In summary, it appears that during the time of <u>TOOR v. HUD</u>²⁹, the Regional Administrator of HUD had virtually no staff capacity to systematically inform himself about renewal developments in an independent way. For a variety of structural reasons, it was virtually impossible for him to exercise power nominally vested in him to coordinate and correct HUD response, once information of a severe relocation failure was thrust upon him.

A. The Work Overload

The heavy and increasing volume of renewal activity makes it substantially impossible for the small staff of the Renewal Assistance division of HUD to understand and control the programs they are mandated to administer.

II

Nationally, the total amount of federal urban renewal grants committed has doubled every three to four years since 1950.³⁰ As of December 31, 1970, there were 2,090 Urban Renewal Projects in the United States in 974 separate locations, funded at more than seven and one-half billion dollars.³¹ Total authorized staff of the Regional Office of the Renewal Assistance Division of HUD was less than 900 persons.³² Discounting clerical and related support staff, total professional staff authorized is tiny. The substantial number of young and inexperienced staff, high turnover, and incidence of personnel characterized by their colleagues as "deadwood" leave staff with ability and experience in the division spread thin indeed.

The dollar volume of funds committed to eleven western states³³ under the jurisdiction of the San Francisco Regional Office of HUD has rapidly increased as in the nation as a whole -- growing at the rate of approximately \$50,000,000 a year in recent years.³⁴ As of June 30, 1970, approximately three quarters of a billion dollars in

federal urban renewal grant assistance had been approved for that region.³⁵ The funds were committed to 139 separate projects in 76 localities with a heavy concentration in urban areas of California.³⁶ The total authorized ceiling for staff in the renewal assistance division of the San Francisco HUD Regional Office as of September 6, 1969, was only 110 persons.³⁷ The "Planning and Engineering" supervision for all projects was assigned to a staff of only four persons;³⁸ review of all "Workable Programs" was done by a four person staff;³⁹ and other important review and monitoring functions were performed by similarly small staffs.

Surprisingly, national analysis reveals that the San Francisco Regional Office Renewal Division staff were <u>less</u> overburdened than their colleagues anywhere else in the country.⁴⁰ The heaviest concentration of renewal activity nationally takes place in the deteriorated older core cities of the Atlantic seaboard and Great Lakes region, and accordingly, staff operating out of the New York, Philadelphia, and Chicago HUD Regional Offices are particularly overburdened.⁴¹

Approximately one-fifth of all Urban Renewal funds in the western region are committed to San Francisco⁴² -- undoubtedly as a result of aggressive grantsmanship on the part of San Francisco's nationally recognized former director of Urban Renewal, the late M. Justin Herman.

In summary, a very small renewal staff in the HUD Regional Office at the time of YBC had responsibility for a massive and rapidly increasing volume of reneval activity distributed in many projects over an eleven state region. Aside from clerical staff, the division

was composed primarily of young, inexperienced, upwardly mobile "field representatives" and technical staffs fragmented into technical divisions composed typically of less than a half-dozen individuals. Senior staff of any kind, particularly those with a "generalist" function, were spread so thinly that the staff capacity to control Urban Renewal was almost totally absent.

B. The 4,000 Steps

Urban renewal takes a very long time. A recent analysis of 412 closed-out urban renewal projects indicated an average of 27 months in planning and 72 more months in execution.⁴³ A similar study of 322 projects in which planning was completed between 1967 and 1968 showed the average number of months in planning alone had, by that time, grown to 35.⁴⁴ One must infer from these figures that medium to large urban renewal projects take more than a decade to complete. As indicated earlier, the YBC project has been in active planning and execution for twenty years, and not even the clearance phase is near completion.

This excessive length of time puts two types of pressures on HUD decision-makers: (1) Because results have been so slow to materialize, HUD staff are typically under severe pressures to produce "something." Further delay of programs necessary to re-orient them is viewed as "rocking the boat." (2) Individual decisions are part of such a massive historical process that it is almost impossible for the individual decision-maker to run against the grain. According to one disillusioned former HUD official, the typical urban renewal application submitted during the time at issue in the YBC case "is 2 1/2 feet high, [and] weighs 53 pounds."⁴⁵ Continued

monitoring has required submission of many more feet and pounds of forms.

HUD divisions such as the "Workable Program Division," "Equal Opportunity" and "Relocation" are given forms to review and sign at various points while the major decisions -- concerning land marketing, sale of bonds, engineering undertakings, and the like -- are being made around them. Since a significant dissent from any of them will send ripples through the entire program and since they operate under heavy time constraints and pressures to conform, the tendency is to prevent disruption and to sign whatever is put before them. Only when one perceives this "dynamic," does it become possible to fully understand the grotesque program distortions which individual offices of HUD perpetrate.

During 1969, a massive in-house HUD management study of the Urban Renewal program was undertaken. Volume II of that study, published in September 1969, consists of careful documentation of the detailed workings of Urban Renewal process.⁴⁶ Based on evaluation of Urban Renewal projects in the Atlanta Regional Office which were planned and executed during the same time as YBC, the study contains the best existing description of the flow of decisions in a typical renewal project. This study divides the typical project into 40 roughly chronological phases.⁴⁷ Each phase contains as many as 100plus "steps." Thus, even such major HUD actions as "PC and S Reviews and Processes Survey and Planning Application" are merely one of 4,000 or so "steps." With the entire project often dependent upon continued approval of successive steps and with several thousand previous and simultaneous steps locking the review in, a refusal to approve a given form under review is almost impossible.

Juxtaposing critical defects in the YBC project alongside the Atlanta Regional Office flow charts indicates the extent to which the various branches were already "locked in" to the project at the time decisions had to be made. Some decisions which subsequently became the focus of major controversy were not made until very late in the process, if the YBC chronology follows the HUD prototype. For example, the review of the Part I Loan and Grant Application by the Equal Opportunity Division takes place as Step 15 of Phase 10. The locality's public hearing to comply with 42 U.S.C. 1455(f) does not take place until Step 7 of Phase 12. (And the next step is "Locality: approves Urban Renewal plan and feasibility of relocation.") Other decisions are made very early (before the content of the program is determined). FC and S "determines whether the project meets the Workable Program requirement pertaining to the need for the project." This is Step 7 of Phase 4.

C. The Non-Transmission of HUD Policy

The <u>Summa Theologica</u> of the Urban Renewal world is the <u>Urban</u> <u>Renewal Handbook</u>^{4,8} (formerly the <u>Urban Renewal Manual</u>), a massive two-volume looseleaf repository of instructions on every detail of the program. The <u>Handbook</u> contains chapters on "Project Planning," "Property Acquisition," "Property Management," "Relocation," "Site Clearance," "Project Improvements," "Land Marketing" and related matters clustered in a chronological/functional manner. HUD policy has been transmitted to the field in the form of addenda and replacements to the <u>Urban Renewal Handbook</u>.

One index of the paralysis and confusion of HUD is the state of the <u>Handbook</u>. Washington sources interviewed described the

frustration of staff in seeking lengthy internal clearances before a newly agreed upon policy could be formalized in writing. One source estimated that this typically took the Department a year. For decisions requiring external clearances through the Office of Management and Budget this delay is even longer. Issuance of controversial regulations or ones to which the Department itself is opposed may take longer still. Thus, as of this writing, no regulations have been issued to implement requirements which became effective in August 1968, calling for maximum feasible employment opportunities for project area residents.

Once issued, addenda to the Urban Renewal Handbook have been sent down in the form of "LPA Letters." Parallel regulations ostensibly for internal HUD Regional Office consumption only are called "Regional Circulars." Each issuance was accompanied by a "transmittal letter" instructing secretaries where to insert them and which portions of the Handbook were superseded and should be removed from the binder. This process, according to one person interviewed with both Washington and Regional Office experience, led to a "great mess." Few secretaries inserted all issuances which they received, and the internal printing and distribution system was so inefficient that transmittals were often late or simply not mailed out in adequate supply. Furthermore, given the gestalt characteristic of Urban Renewal, it became substantially impossible to replace or cross-index changes to conform in all affected areas of the Handbook. Thus, the typical Handbook maintained in an LPA or Regional Office was out-of-date and internally contradictory.

Almost every staff person interviewed agreed that HUD's training procedures are inadequate. Except for the "intern program" which does provide for significant training and exposure of personnel to different divisions, training sessions are done on a highly ad hoc basis. One HUD staffer commented that the National Association of Housing and Redevelopment Officials (NAHRO), the professional organization to which local Redevelopment Agency staff belong, was continually making "end runs" around the Department by holding conferences and training sessions for LPA staff which gave them more accurate and up-to-date information on current policies than HUD staff had received.

Systematic evaluation of HUD projects is not very well advanced so it is difficult for HUD Washington to inform itself to what extent policy is in fact being implemented. While fashionable words or ways of characterizing activities may come and go, Regional Office staff, secure in their longevity, have a way of resisting Washington-imposed change.

That this is not merely an academic problem is well-illustrated in the case of YBC. New Washington-initiated policies to greatly emphasize rehabilitation were in effect by the mid-1950's; relocation requirements were constantly tightened so that by the mid-1960's they enunciated a humane and highly sensitive set of policies; new "Property Management" policies were enacted in 1968 which encouraged upgrading of properties which would be inhabited in Urban Renewal Project areas for any significant length of time; most important, after the urban violence of Watts and Newark, new "National Goals" stressing the necessity to reorient urban renewal to low-income housing production and provision of jobs were enunciated. Slowly and imperfectly enunciated without adequate follow-through to enforce them, and meeting with resistance throughout the NUD system, these new policies have yet to change the draft of YBC at all.

The Urban Renewal Bureaucracy

Addressing the annual convention of the National Association of Housing and Redevelopment Officials in San Francisco in 1970, Norman Watson, a HUD Assistant Secretary, referred to the Urban Renewal Administration as a "bureaucratic paraplegic" immobilized by its contradictory goals, red tape, overproceduralization, conservativeness and other malaises.⁵⁰ The cream of the nation's renewal officials listening in the Sheraton Palace Hotel were perhaps unaware that three blocks away was the Yerba Buena Project area, in planning and in execution for almost twenty years and still empty of new construction and the source of the bitterest of relocation fights -dramatic confirmation of Watson's criticisms.

III

This section will turn to the renewal bureaucracy itself and analyze why it could not adequately plan for and monitor relocation programs and why, even under extreme pressure, it was largely unable to respond.

A. Leadership

Ultimate direction of the Urban Renewal Program at the Regional level of HUD has until recently been vested in an Assistant Regional Administrator for Reneval Assistance, formerly called a "Regional Director of Urban Reneval." Because of the small volume of renewal activity, HHFA Regional Administrator M. Justin Herman, for the first three years of the HHFA Regional Offices' existence (1953-1956), served also as Regional Director of Urban Renewal. Mr. Herman's successors in this role at HHFA and later HUD were Richard Ives, a planner by training; Robert McCabe, formerly active in international housing with A.I.D.; Richard Mitchell, who received his renewal training as McCabe's assistant; and most recently James Richardson, former head of the Vallejo, California, Housing (and Redevelopment) Authority.

Persons interviewed agreed that the ARARAS (with one exception) were experienced, able, and "strong-willed" individuals, with an extremely difficult job. Their function was described as "political" -- involving complex dealings with LPA directors, local elected officials and mediation of disputes between various technical branch chiefs in the Renewal Divison.

More than anywhere else within the system, the knowledge and authority to make significant decisions were vested in ARARAs. Why, one may well ask, did they not succeed in turning around programs to respond to court orders by slowing or halting displacement, increasing rehabilitation, or providing for increased low and moderateincome housing production?

Effectiveness of the ARARAS depends upon their continued popularity with their constituency: LPAs and development interests which work with them. To, in effect, side with displacees or another dissident group attacking a renewal program would undermine their credibility with their constituency. Accordingly, the ARARAS have "backed up" the LPA director and other defendants against plaintiff groups and resisted compromise and change. The continued power of the ARARA within the Department is also dependent upon management of a creditable program. To admit openly, or tacitly by compromise, that a program funded and monitored by his staff has been proceeding illegally would impair his credibility within the organization. The ARARA only has a limited amount of influence with the rest of the Department. Much of his time is spent in working out compromises and deals with other divisions. To press for a major reallocation of priorities in response to relocation litigation represents playing of too many of the few "cards" he has.

The ARARAs in the San Francisco office have been highly sympathetic to the commercial development aspects of their programs, or to architectural and design problems, and relatively unsympathetic to the low-income housing, relocation, and social aspects of their programs. Temperamentally, they side with LPA directors.

Finally, most ARARAS view themselves (and rightly so) as experts in a complex field and instinctively resist as naive and illinformed intervention from dissident groups or from the courts.

In summary, while to some extent authority and knowledge enough to turn around programs in response to relocation litigation have been vested in ARARAS, they have resisted using them because they operate within a complex field of bureaucratic constraints which makes it substantially impossible for them to act.

B. The Weak Generalists

An urban renewal project must be related to demographic and physical realities of the community if it is to succeed. The various parts of the project -- property acquisition, relocation, demolition, installation of site improvements, and property disposition -- must fit together in a coherent pattern. Such problems should be referred to Departmental "generalists" -- persons with a mandate to view the totality of the city's needs in developing and monitoring renewal projects and to coordinate decisions of the technical staffs. Close analysis of the persons to whom these functions have traditionally been assigned in terms of experience, salary level, and decisionmaking authority reveals that the "generalists" in the urban renewal process are very weak.

The basic "generalist" in the HUD urban renewal process has been a "field representative", a person assigned to a locality to analyze the locality's needs and to act as a "liaison" between the locality and HUD in developing and monitoring renewal. The HUD "field rep" staff consists primarily of overextended, young, relatively inexperienced, upwardly-mobile personnel relatively low in the salary structure, with a high turnover rate, and lacking in major decision-making authority.

In large cities such as San Francisco with more than \$150 million of federal money invested in urban renewal,⁵¹ and with large and highly sophisticated renewal staffs, the field rep has no significant power in shaping decisions. One interviewee speaking of the function of a field rep dealing with a large city termed him a "briefcase carrier." Another, speaking specifically of the San Francisco field rep job, termed it the "most thankless in the world." In small cities with a one or two-man redevelopment agency, a small project or projects, the renewal rep becomes much more influential.

By 1966 at the time of final approval on the YBC plan, the HUD Assistant Regional Administrator for Renewal Assistance had

five "area coordinators" reporting to him, each of whom supervised approximately one dozen field reps. Thus, approximately 50 reps by 1966 covered projects in eleven western states representing more than 100 projects⁵² with federal loan and grant commitments totalling more than one half billion dollars.⁵³

By 1966, San Francisco had one fulltime field rep assigned to work with it in recognition of the heavy volume of renewal activity in San Francisco. Other field reps with less renewal activity in their cities might cover dozens of localities, in areas as large as all of California north of San Francisco.

In recent years the post of field rep has typically been filled with young personnel. Recent college graduates who have gone through a one-year HUD "intern" program are typically assigned to the position to give them exposure and training. This guarantees a high rate of turnover. A study of HUD interns completed in 1969 showed that, of 28 interns who had initially been assigned as field reps between 1956 and 1965, only one remained in that position as of 1969. The intern program has proven to be a wise investment, as most interns continue in some renewal-related activity at HUD, in local government, or with the private sector. Thus, HUD has not had stable "generalists" with longterm exposure to the complexity of a given locality. The problem has been further exacerbated by the fact that field reps are frequently reassigned to different cities during their term as a field rep to meet the Department's shifting needs. Another indication of the fact that the field staff generalist is not viewed by the Department as a very important link in the chain is salary level. As of 1968, field reps were paid at

the G.S. 7, 9, 11 or 12⁵⁵ level -- a range which is low to moderate by HUD standards,⁵⁶ well below the salary levels of middle-level professionals in the technical divisions.

In summary, the HUD generalists at the field level were at the time of approval of the YBC loan and grant application: (1) very thinly spread; (2) relatively young and inexperienced; (3) subject to high turnover; (4) relatively low paid, and (5) lacking in major decision-making authority.

Just as the "generalist" function in program development, application writing, and monitoring programs has devolved upon relatively low level HUD field staff, final internal review of applications has devolved upon another group of relatively low level generalists. After an Urban Renewal application went through various technical reviews by technicians concerned with financing, code standards, real estate disposition, etc., the proposals were sent for "wrapping up" to the HUD "processing" staff. This staff was assigned the generalist function of comparing parts of the program for logical consistency.

The Urban Renewal processing division consists almost entirely of women who first entered government service as secretaries. It is viewed with some pride in the Department as providing for some upward mobility in the more enterprising secretarial staff. These women receive wages well below the level of professional staff and their function is viewed as essentially a high-grade clerical one.

C. The Dominant Technicians

In contrast to the "field staff," the persons in the various technical divisions of the RHA typically have more years of experience in dealing with urban renewal, more specialized technical knowledge, are relatively better paid, and are subject to less turnover. One interviewee indicated that many of the technicians have come from city programs (LPA's, local government, or private real estate business). They are tired of local problems and are looking for stable, quasiprofessional work. The technical divisions of the RHA have remained the same in name, function, and type of staff positions from the mid-1950's until the most recent HUD reorganization. At the time of approval of the YBC plan, in 1966, as before and after, they consisted of: (1) fiscal management (2) planning and engineering (3) real estate (4) rehabilitation and conservation. Each division had a branch chief and in 1966 from three to six technicians plus clerical staff. The number of staff has continuously grown larger since the mid-1950's.

The management of the technical division is fragmented in such a way that the technicians are not in a position to assess the overall policy implications of urban renewal programs. Commenting on inherent weaknesses in the technical divisions, a 1968 review of the San Francisco RHA noted:

> Each Branch operates as a separate, autonomous, technical authority, lacking unified supervision regarding overall management of project review and assistance services, coordination of technical policies and procedures, and a singular [sic] channel of communications input and information output.

A recent internal management review of the HUD Regional Offices as a whole found:

> Organization by program emphasizes primary attention to program management and technical program requirements rather than emphasizing overall HUD goals to meet the comprehensive needs of cities. This forces our clients to become experts in grantsmanship rather than effective solvers of local problems.

and similarly that:

Preoccupation with specific program matters has resulted in over-proceduralizing programs. The resulting maze of requirements and forms increases application review time, the need for application "hand-holding," and develops experts 59 in procedures rather than experts in problems and programs.

The fiscal management staff is essentially an accounting and auditing staff whose function is to see that books are properly kept, expenditures accurately reported, and budget limitations met. The real estate section is charged with reviewing documents related to land acquisition, appraisals, condemnation matters, and land disposition. Neither evaluates the project's usefulness, or does indepth analysis of what the project is all about.

To a limited extent, general planning and evaluation authority has been vested in the planning and engineering division, which reviews initial applications in a more generalized way. At the time of this writing, this division consisted of a bureau chief, two engineers, and two planners. None had advanced education in planning, economics or related disciplines.

According to the chief, the planners did attempt to probe the feasibility and desirability of renewal projects, both in their technical reviews and in field visits, and they had some notable "successes" in encouraging LPAs to significantly modify proposed plans. However, given the volume of work and the level of generality at which plans are reviewed, significant control of the project at this level is difficult. According to the chief, planning review of a typical Part I Loan and Grant application would take less than one week (though in the case of a major project, such as YBC, it would take longer). In summary, the technical divisions of the RHA are "hardware" and "production" oriented. Older, more stable, more conservative, and more influential than other divisions, they do have significant authority to shape programs. However, their authority is fragmented in such a way that no division has authority to analyze the overall nature of a project and to follow through with monitoring the project to assure compliance with federal law. The fragmented, highly technical, routine approach has assured no localization of authority in this division, but rather it builds a body of persons with strong vested interests in maintaining projects which they have approved as technically sound from their limited points of view.

D. The Insulation of the "Software" Specialists

If the relatively well-paid, stable, experienced technical staff is structured in such a way that fragmented "technical" reviews are major determinants of renewal programming, the same cannot be said of the various offices within HUD which are concerned with social policy, equal opportunity, overall planning, and legal compliance. At the time the <u>TOOR</u> suit was filed, these offices were located outside of the line authority of the ARARA. Many of these offices were relatively late historical additions to the Department, grafted on in response to liberal criticism or specific crises. The offices were even more understaffed than other divisions of HUD. Many of the staff in these divisions were younger, more idealistic, and less effective than the older "technicians" in the operating RHA. These "software" offices were physically separate from the RHA. Almost without exception, their jurisdiction was department-wide so that they were not considered part of the RHA "team."

At the same level of HUD as the Assistant Regional Administrator for Renewal Assistance at the time the YBC plan was approved was an Assistant Regional Administrator euphemistically charged with "Program Coordination and Services " (PC and S). He presided over a conglomerate division containing certain planning, evaluation, monitoring and social service functions. FC and S was an idealistic attempt to achieve coordination with the Department and to infuse projects with socially desirable goals. One interviewee stated that PC and S, referred to in Department parlance as the "glue box," in fact took care of the "garbage" -- all of the functions no other division really cared about.

Bases for the granting of the preliminary injunction in <u>TOOR v. HUD</u> included failures, many of which originated with PC and S: notably relocation and absence of an independent survey of hotels. In related administrative challenges⁶⁰ and federal court⁶¹ litigation, the overall renewal planning of the city has been challenged in that the city has not prepared a legally sufficient "Workable Program for Community Improvement." The Workable Program is also reviewed by PC and S. This may account for the fact that one interviewee termed the PC and S a "scapegoat" to which functions destined to fail were given by the other divisions.

The real source of failure to plan and coordinate rests with the leadership of the whole department. Similarly, relocation failures stem from the production division's failure to produce.

PC and S had no identifiable client either among direct or secondary recipients of HUD funds. The disproportionate power of the FHA within the HUD bureaucracy stems in large measure from its

close ties with influential external lobbies such as the National Association of Home Euilders, Mortgage Bankers Associations, and influential large developers. To a lesser extent RHA has developed a politically influential constituency of development and local government interests. PC and S, because of its newness, the unpopularity of its functions, and the fragmentation and lack of organization of any potential client group (e.g. renewal displacees) simply could not compete bureaucratically.

As a condition to continued receipt of most kinds of federal renewal assistance, a locality is required to submit to HUD every two years a so-called "Workable Program for Community Improvement" which contains a statement of needs and programs to be undertaken in redevelopment and housing production during the ensuing two-year period.⁶² One junior HUD staffer interviewed who had worked on a review of San Francisco's Workable Program termed the document "a joke." The document has been under continuous attack since it was submitted.⁶³

A recent national analysis of HUD administration of the Workable Program requirement carried out by the General Accounting Office found substantially total failure of the Department to use the Workable Program to actually monitor city housing policy. They found, for example, that in one region:

> ... the new Workable Program application form was eliciting one-line narrative replies from the cities with regard to much of the information requested and that, since supporting documentation was not required, there was almost nothing for HUD to evaluate or against which HUD could measure performance.

They further found that substantially all the Workable Program division was capable of doing was advising persons whether or not a locality had an approved Workable Program.⁶⁵

Because the San Francisco Regional Office's Workable Program Division is very small (two code specialists, one director and 1-2 other staff), it cannot effectively analyze applications submitted to it. A knowledgeable interviewee indicated that, at best, staff check to see if forms filed have been fully filled out, do not directly violate federal law, and are not statistically contradictory on their face. In the case of San Francisco, none of the three has been true, but the most recent Workable Programs have been approved nonetheless.⁶⁶

Because the Workable Program Division was located in PC and S outside of the line authority of the ARARA and under a relatively weak Assistant Regional Administrator, there is little practical way in which it can carry out its statutory mandate of monitoring and supervising Urban Renewal, let alone influence significantly all other HUD branches in resource allocation decisions necessary to a truly "workable" city program.

Under HHFA, relocation was the responsibility of an operating division within the old RHA. At the time of the elevation of HHFA to Cabinet status, the relocation function was removed from RHA and placed under PC and S, after what one interviewee termed an "acrimonious" battle. The assumption behind the move was that RHA relocation staff had been too much the captives of their productionoriented colleagues and were unwilling to give a relocation plan a critical, independent review and make findings which would hinder the quickest possible clearance of a project area. One knowledgeable HUD insider indicated that the effect of this well-intentioned move was in effect to reduce the effectiveness of the relocation division

by isolating it and associating it with the other residual functions of PC and S.

Consultation between the Local Public Agency and responsible local minority leadership is required in urban renewal projects such as YBC which will reduce, net, the supply of housing available to minorities.⁶⁷ The HUD form⁶⁸ submitted by the San Francisco Redevelopment Agency in response to a request for a "narrative description" of what the LPA had done to meet these requirements states candidly:

> Representative leadership of the minority community has not been consulted on this project because of the events which have taken place in relation to the Western Addition A-2 Project...in the sweep of national concern for the improvement of the rights and opportunities of minority group citizens, the leadership of local civil rights groups has been alerted to take a strong position in opposition to urban reneval. Consequently civil rights leaders in San Francisco have subsequently taken a militant stand in opposition to the redevelopment of Western Addition A-2, particularly with reference to the Relocation Program.

The court found, as indeed it had to, in view of such a bald admission, that the HUD equal opportunity regulations had been violated.⁷⁰ Once again the answer to why so clear a violation of HUD requirements was allowed to slip by hinges upon the internal structure of the Department. The Equal Opportunity Division, created in 1968, is "insulated" from the FHA in the same way that the Legal Divison is -it falls under the line authority of an Assistant Regional Administrator for Equal Opportunity and has Department-wide jurisdiction. Until the wave of civil rights protests in the mid-1960's, the "equal opportunity" functions of the Department did not exist. During the entire period of the YBC controversy, one "intergroup relations specialist" assigned to deal with racial aspects of urban renewal had jurisdiction over the entire western United States.

One might well ask how a redevelopment project which was subsequently found to contain so many gross violations of federal law even under the extremely limited test of judicial review adopted by the <u>TOOR</u> court⁷¹ succeeded in passing internal HUD legal reviews. The Legal Division is a department-wide division reporting directly to the Regional Administrator -- not located under the line authority of the ARARA. Accordingly, attorneys for HUD are "insulated" from the RHA process, and if their legal objections impede RHA programs, are subject to the same criticism as staff of PC and S.

The function of HUD lawyers has evolved into much the same sort of function provided by other purely "technical" branches. Nany types of renewal documents require review and approval of counsel. The major function of the legal staff is relatively routine reviews of such forms for legal compliance.

The New Area Office Concept

At the time of the later phases of the <u>TOOR</u> litigation, the most major reorganization of the federal housing bureaucracy since 1949 was initiated and is still underway. Whether or not the reorganization and related developments will improve HUD's capacity to control renewal projects remains to be seen.

IV

The new Area Office of HUD in San Francisco has taken a much tougher stand against some of the worst abuses with respect to relocation than the old Regional Office ever did. In an undated "Report to the Court" in connection with the <u>TOOR</u> litigation, the Area Office required development of a new and specific relocation plan and restricted further demolitions and displacement in the interim.⁷² This document, unusual in its precise findings of fact and direct conclusions, was the product of a task force working under the direction of the Area Director. It does show some Departmental capacity to respond in a case where this had been notably lacking before. Hopefully, this is indicative of an improved Department. A less charitable view would be that the Republican Area Director has taken an unusually tough stance against the Democratic Mayor for political reasons; that the restrictions are motivated by a desire to save renewal monies rather than concern for displacees;⁷³ and that the decision was forced

from HUD by the threat of further court action and will not be voluntarily replicated elsewhere.

Analysis of the reorganization in light of the failure of the previous system suggests that the reorganization, while an improvement, will not greatly improve HUD's performance.

President Nixon's "New Federalism" calls for reducing federal requirements, decentralizing power from the federal bureaucracy and placing it in the localities, and decentralizing power within the federal establishment from Washington to offices closer to localities. Consistent with this approach, thirty-two Area Offices of the Department of Housing and Urban Development with jurisdiction over relatively small geographic areas have been created. The San Francisco Area Office covers only Northern California and portions of Nevada, in contrast to the Regional Office which, for most of its existence, had jurisdiction over eleven states. 74 Decision-making authority, which formerly resided largely in the Regional Offices, has been almost wholly decentralized to the Area Offices. Additional decisionmaking authority has been transferred downward from Washington. The Regional Offices -- radically reduced in staff and power -- have been retained to provide program evaluation, advice, and technical assistance.

Within the Area Offices, "categorical" program divisions have been completely eliminated. At the Regional and Washington levels, they have been blended together almost beyond recognition.⁷⁵ The old RHA no longer exists as a separate division in the operations of the Area Office. Rather, "Program Teams" are responsible for a geographic subdivision of the Area with personnel who were formerly

with diverse sections of HUD such as RIA, HAA, Planning, PC and S, and the Section 236 division of FHA.

Consolidation of existing categorical programs into one single flexible "Community Development" program is proposed in legislation pending before Congress at the time of this writing.⁷⁶ The Administration has done all within its power in anticipation of Congressional action on Community Development by instituting what in effect are Administrative "Community Development" programs in socalled "Planned Variations "⁷⁷ in the federal Model Cities program and under a set of regulations on so-called "Annual Arrangements"⁷⁸, which permits IND approval of an entire city's development package at one time in select (largely Republican) cities.

Consistent with the above developments is increased reliance on the "proclaimer" policy whereby a locality need not submit written confirmation of compliance with federal law of HUD regulations but merely "proclaims" compliance, subject to periodic post-audit.⁷⁹ These reforms are in response to the problems of Departmental fragmentation, useless paper shuffling, and rigid application of categorical programs. This most recent reorganization addresses only some of the problems explored in the above analysis and may spin off additional new problems to further vex federal administrators of the Urban Reneval Program.

The most positive aspect of the reorganization is the attempt to develop a sophisticated "generalist" approach to urban problems. The program team concept should force the Department to take a harder look at the city-wide implications of all their activities in a given locality, rather than examining their response on a program-

by-program basis as has been the case. Given the complexity of the task, it is unreasonable to expect any one generalist to master all details, yet allowing narrow experts to make decisions has not worked. Interaction of "team" members with some specialized knowledge should be an improvement. The second positive aspect of the most recent reorganization is the increased incorporation of the "software" specialists into the "teams." While relocation staff, or personnel formerly connected with the social services adviser may remain relatively weak compared to "hardware" specialists on the team, their influence will almost certainly be greater than when they were insulated in PC and S.

The most recent reorganization does not address many of the more pervasive problems discussed above. Given the size and power of LPAs and their constituencies external to the Department, HUD will continue to have minimum effect over redevelopment programs. Irrespective of the reorganization, the volume of development activity will continue stable or grow -- further overburdening a staff which, because of its size, has not been able to deal with the "deluge" of work thrust upon it.

Much of the analysis concerning why it is difficult to change a renewal project in mid-stream will remain. It takes time to plan, acquire property, prepare sites, and negotiate resale of land. The process is in its nature complex. Reduction of paperwork and unnecessary HUD delays will have only a marginal impact on this fact. Reviewing technicians will remain "locked in" to a complex and historically long program process in which they are under strong pressures not to rock the boat.

Whether or not creation of the Area Offices will reduce intra-Departmental tensions is unclear. Decentralization of so much decision-making authority to the Area Director may resolve some latent conflicts; and creation of "Program Teams" may reduce internal tensions between program divisions. However, the reorganization does produce a three-tiered rather than a two-tiered bureaucracy with the Regional Office playing some sort of imperfectly-defined continuing function <u>vis a vis</u> programs in its region.

The reorganization and related changes are likely to create some new problems. The elimination of categorical restraints on local discretion, the net reduction of staff in direct contact with programs, loosening of reporting requirements, and generally increased deference to judgment of the localities means that NDD is likely to become still weaker and less able to control its projects.

<u>New Constituencies, Regulatory Priorities, and Grievance Mechanisms</u> as Remedies

V

HUD's organizational structure and operating philosophy are both currently in flux. The new Area Offices will be somewhat better equipped organizationally to respond affirmatively to relocation litigation if opportunities implicit in the new structure are understood and acted upon. However, internal reorganization of the Department only goes a small part of the way. Additional reforms are necessary if the rights of displacees are to be protected as well as possible under the present structure. Fully adequate protection would necessitate very significant changes in HUD which will not be forthcoming.

Given that HUD will remain extremely understaffed for the foreseeable future, it must extend its capacity to regulate by developing external constituencies which can both provide the Department with information its staff does not have time to generate, and support, which its relatively weak political base mandates. The Department clearly must improve its capacity to deal with specific grievances. The orientation of the Department must be changed so that it regulates matters of importance. Reforms along these lines would greatly enhance the Department's performance.

A strategy of developing new external constituencies, seeking new sources of information and reallocating HUD staff to regulate important aspects of renewal (with particular emphasis on conflict resolution) will only work if the role of the federal government in urban affairs continues to be a significant one. For all its past inadequacies in controlling reloaction abuses, the federal government has, over the years, developed a set of sensitive regulations concerning relocation, which, if enforced, would be nearly satisfactory. The Department is less directly culpable for relocation failures than local redevelopment agencies which have planned programs with clear knowledge of the damage they would inevitably do to project residents and have carried out the programs without regard to the damage as it occurred. To abandon displacees solely to the tender mercies of LPAs would be a giant regressive step. The greatest immediate danger is that, in their efforts to simplify federal red tape, the present administration will sweep away protective safeguards in current legislation, and so drastically reduce the federal bureaucracy in size and function that it would become a mere conduit for federal funds flowing into local governments to be spent at their total discretion.

Relocation lititgation should continue to dramatize the extent of the problem and emphasize the need for federal control. Relocation litigation should now produce more immediate results from HUD than heretofore. Prior to creation of Area Offices, the multiplicity of local and federal defendants and the diffusion of decision-making authority within the Department made judges reluctant to localize responsibility and order specific HUD personnel to undertake specific

actions. Now the new Area Directors have both decision-making authority and funding authority for all projects in their geographical area. Orders directed at the Area Directors should produce necessary remedial action from federal defendants. Where they do not, contempt proceedings against these individuals will be in order. Continued vigorous litigation to force the new Area Offices to face up to their obligations is imperative if past errors are not to be repeated.

Elimination of the old categorical programs makes it possible for coordinated planning of low-income housing production to produce housing city-wide in a phased manner for displacees. But this will not happen unless past problems and new possibilities are perceived and acted upon. Elimination of the "insulation" of the "software" specialists raises the possibility of much more socially-conscious physical renewal, but this also will remain an unfulfilled possibility unless Area Office leadership perceives the possibilities and carries the reform through.

In addition to those already underway, the Department can carry out a number of new reforms which do not require an increase in the level of funding, total staff, or staff competence. Perhaps the greatest root problem underlying HUD's incapacity to control relocation will continue to be its extremely small staff in relation to the volume of activity it must oversee. Since the size and quality of this staff will not increase significantly in the foreseeable future, the Department must attempt to build the strength of extradepartmental constituencies on the local level which can monitor programs in the interest of residents. Such constituencies could not only shape policy favorably on the local level in the first instance, but could provide political pressures on the Department to counterbalance those coming from developers, LPAs, and city government. They could also provide a base for independent information.

So-called "Project Area Committees" composed of urban renewal area residents are now required in all urban renewal projects involving any residential rehabilitation which received federal recognition after July 1968.⁸⁰ HUD is required to assure that LPAs permit such groups to come into being, provide them information, give them access to decision-makers and generally allow them to help shape plans. HUD funds may be made available to these groups,⁸¹ and some PACs have significant budgets.⁸²

Interviews with knowledgeable persons indicate that LPAs have generally failed to develop significant PACs. HUD currently has no personnel assigned to keep abreast of PAC developments with the exception of one overall person per Regional Office, called the "social service advisor", who has many additional tasks. A recent grant to the National Urban League to study PACs and to develop recommendations to strengthen them may produce some favorable improvement.⁸³

HUD could greatly strengthen PACs by forcing LPAs to comply with existing PAC regulations or with a modest increase in funding. This would have the effect of developing new sources of information and local pressure which could greatly improve the Department's capacity to control LPAs.

HUD has, in the past, clearly over-regulated matters of detail and under-regulated matters of importance. Thus, HUD has promulgated and enforced detailed regulations concerning how long furniture acquired for LPA offices should be kept before it is worn out⁸⁴

at the same time that it has no procedures for systematically relating enormous changes in the demographic characteristics of cities it services to the need for a given renewal project.⁸⁵ Without an increase in total staff, the capacity of HUD generally could be greatly increased by radically reducing attention to matters of detail and simultaneously increasing attention to significant matters. The former is happening to a certain extent through simplification of HUD regulations and adoption of a limited proclaimer policy. Whether or not the Area Offices will do the latter remains to be seen.

In the relocation area, overwhelmingly the greatest amount of HUD regulation has been focused on review of the amounts of relocation payments disbursed to specific families and individuals. Initial relocation planning, determination of relocation payment schedules, the sufficiency of relocation assistance programs, periodic review of changed census data to see if initial assumptions still hold, and critical independent post-audits of allegedly satisfactorily completed cases have occupied relatively little of relocation staff time. As a result of this distortion of priorities, a 1965 study concluded that approximately 50% of all persons entitled to relocation payments simply disappeared with <u>no assistance</u>.⁸⁶

If the Area Offices were to foster growth of new external constituencies to speak for urban renewal project area residents, develop new lines of independent information, and restructure its staff to focus on regulation of matters of importance rather than on details, the Department might correct many relocation problems before they came to a conflict stage. Where conflicts did arise, it would be in the best interest of all concerned if the Department

would develop formal internal hearing procedures to provide a speedy and conclusive disposition of grievances.

A number of scholars have noted that HUD is almost unique among the federal regulatory and administrative agencies in its absence of hearing procedures⁸⁷ except in the limited area of grievances related to "equal opportunity" provisions.⁸⁸ The Department relies upon the provisions of the Federal Administrative Procedure Act exempting rules related to "loans and grants" to exempt them from conventional APA hearing provisions.⁸⁹ Detailed recommendations for HUD hearing provisions have been presented to the Congress and to the Department by several sources.⁹⁰

The new "Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970", which applies to all federal and federally-assisted displacement including HUD, specifically authorizees heads of various agencies to provide for grievance procedures.⁹¹ Regulations adopted by the Department of Housing and Urban Development provide in a very general language for a hearing procedure,⁹² but at the time of this writing, detailed regulations to implement these provisions have not been issued.⁹³

Whatever the ultimate form of a HUD relocation grievance procedure, it must provide for at least the following elements: (1) Review of major class grievances -- such as dissatisfaction with an entire relocation plan, or entire relocation payment schedules -as well as review of individual grievances. (2) Careful notice provisions to advise area residents of their rights (past experience suggests that newspaper publication and form mailings are not adequate in ghetto areas where most renewal takes place; rather, notice

through individual oral contact, notice by registered mail, or placarding the area in large, highly visible posters may be necessary). (3) Speedy and conclusive procedures (with fixed time limits within which a decision may be reached). (4) Competent, independent hearing officers. (5) Written decisions setting out the basis for conclusions. A right to an oral hearing is important, particularly with respect to major "class action" type cases.

In summary, HUD is in an important transitional phase. New opportunities should come from the elimination of the old categorical divisions and the localizing of decision-making authority in Area Directors; opportunities which will only be realized if continued pressure is brought to bear on the new Area Offices. Further reforms to extend HUD staff's influence through the development of external constituencies, and the opening of new information sources are needed, as is a workable grievance mechanism for the Department. Those reforms could be instituted with little or no additional funding. In the long run, increased numbers of staff and staff competence, increased authority for the Department, and more refined relocation performance standards are necessary. None of these will be forthcoming in the near future; indeed the current of recent developments is running heavily against them -- so much so that HUD may become a mere conduit for federal funds without any capacity to control them.

History has taught us the heavy price which must be paid for failure of the federal government to regulate urban renewal agencies' displacement activities. Failure to capitalize upon the possibilities of the new reorganization would be a serious mistake. Substantial abandonment of federal regulatory obligations would be a disaster.

NOTES

- The United States Department of Health, Education and Welfare was created by Reorganization Plan No. 1 of 1953, 67 Stat. 18; 5 U.S.C. 623.
- Created by the Department of Housing and Urban Development Act, P.L. 89-174, 79 Stat. 667; 42 U.S.C. 3531.
- 3. Created by the Economic Opportunity Act of 1964, P.L. 452 88th Cong., 72 Stat. 384; 42 U.S.C. 2901 et seq.
- 4. Jaffe, Judicial Control of Administrative Action (New York, 1965) pp. 11-14.
- 4a. See notes 6 and 7 infra for documentation of this process in the Urban Renewal program; for a discussion of displacement of goals with respect to the Elementary and Secondary Education act of 1965, P.L. 89-10, 79 Stat. 27 as amended Jan. 2, 1968 P.L. 90-247, Title I ss. 108(a)(2), 110,81 Stat. 786, 787. See Title I of ESEA: Is It Helping Poor Children? A Report by the Washington Research Project of the Southern Center for Studies in Public Policy and the NAACP Legal Defense and Educational Fund, Inc. (Washington, 1969) and Urban Institute, Report of the Title I Task Force (Washington, 1970) Chapter VII. For a critique of goal displacement under the Hospital Survey and Construction Act of 1946 (The Hill-Burton Act) see Rose, Marilyn, 'The Duty of Publicly-Funded Hospitals to Provide Services to the Medically Indigent," Clearinghouse Review, Vol. 3, No. 10 (February, 1970). For a discussion of goal displacement under the Social Security Act see Rabin, Robert L., "NWRO Campaign Seeks to Force State Compliance with Social Security Cost of Living Provisions," Clearinghouse Review, Vol. 3, p. 94.
- 5. Housing Act of 1949, P.L. 171, 81st Congress; 63 Stat. 413, 414; 42 U.S.C. 1450.
- 6. Allocation of HUD Program Resources to Better Meet the National <u>Housing Goal</u>, GAO Report B-118754 (1970) pp. 12-23; National Commission on Urban Problems, <u>Building the American City</u> (Washington, 1968) pp. 152-170; Abrahms, Charles, <u>The City Is the Frontier</u> (New York, 1965), pp. 32-85.
- Pursuant to Title I of the Housing Act of 1949, as amended P.L. 171, 81st Congress 63 Stat. 413, 414 42 U.S.C. 1450.
- S. Cahn, Eichenberg, and Romberg, <u>The Legal Lawbreakers: A Study in</u> Official Lawlessness Regarding Federal Relocation Requirements

(Mashington, 1970); <u>Hearings on the Uniform Relocation Assistance</u> and Land Acquisition Policies Act of 1970 [H.R. 14898], before the House Committee on Public Works, 91st Cong., 1st and 2nd Sess., pp. 579-93; Hartman, "Relocation: Illusory Promises and No Relief," <u>Virginia Law Review</u>, Vol. 57, No. 5, p. 745, June 1971; Abrahms, Charles, <u>The City Is the Frontier</u> (New York, 1965), pp. 132-155, <u>Opportunity to Improve Allocation of HUD Program Resources to Better Meet the National Housing Goal</u>, GAO Report B-118754 (1970); Advisory Commission on Intergovernmental Relations, <u>Relocation:</u> <u>Unequal Treatment of People and Businesses Displaced by Governments</u> (Washington, 1965); Greer, Scott, <u>Urban Renewal and American Cities</u> (New York, 1965); Hartman, Chester, "The Housing of Relocated Families," 30 Journal of the American Institute of Planners (Nov., 1964), p. 266; Gans, Herbert "The Failure of Urban Renewal,"

- 8a. National Advisory Commission on Urban Problems [The Douglas Commission], <u>Building the American City</u> (Washington, 1968), found that approximately 400,000 dwelling units had been demolished by Urban Renewal, the majority for low and moderate income families while as of that date only 10,760 units of public housing had been built on Urban Renewal land in the entire country.
- 9. 69 Columbia Law Review 472 (March, 1969); 46 New York University Law Review 199 (March, 1971); 30 Ohio State Law Journal 616 (Summer, 1969); 14 Villanova Law Review 149 (Fall, 1969); 117 University of Pennsylvania Law Review 579 (Fall, 1969); 43 New York University Law Review 1257 (December, 1968); 18 De Paul Law Review 885; 117 University of Pennsylvania Law Review 183 (December, 1968); 15 Howard Law Review 315 (Winter, 1969); 20 Syracuse Law Review 157 (Fall, 1968); 10 William and Mary Law Review 482 (Winter, 1968).
- 10. Norwalk Core v. Norwalk Redevelopment Agency, 395, F. 2d. 920 (2nd Cir. 1968); Powelton Civic Homeowners Association v. HUD, 284 F. Supp. 809 (E.D. Pa., 1968); Western Addition Community Organization v. Weaver, 294 F. Supp. 433 (N.D. Cal. 1968); Tenants and Owners in Opposition to Redevelopment v. Romney, No. 69325 (N.D. Cal., decided April 30,1970, and Nov. 9, 1970); Home Furniture Company of Charlotte v. HUD, (W.D.N.C. Charlotte Div. No. 2702, decided March 29, 1971); Garrett v. Hamtrack, (E.D. Mich. S.D. No. 32004, opinion filed Nov. 22, 1971);Talbot v. Romney, 70 Civ. 2702, S.D.N.Y. August 2C, 1970. Injunctive relief was granted in all the above cases with the exception of Norwalk Core which had been mooted by completion of construction during appeal and Powelton in which procedural relief was at issue.
- 11. U.S. Department of Housing and Urban Development, <u>Urban Renewal</u> <u>Directory</u> (December 31, 1970), p. 137.

- 12. N.D. Cal. No. 69325 decided April 30, 1970, and November 9, 1970.
- 13. Ibid. Order of April 30, 1970.
- 14. Ibid. Order of November 9, 1970.
- 15. Op. cit., Hartman, "Illusory Promises."
- 16. Mr. James Price, Area Director; Mr. Robert Boldt, Assistant Regional Administrator for Administration; Mr. Harvey Kroll, Former Assistant Regional Administrator for Program Coordination and Services; Mr. Harriman Thatcher, former coordinator, field staff, RHA; Mr. Raymond Crisp, Chief Planning Division RHA; Mr. Abe Siegel, Director, Management and Budget Division; Mr. Bernard Deasey, Program Analyst; Mr. Marvin Laskey, UR Rep., S. F. Area Office, Area A; Mr. Steven Sachs, Relocation Rep., HUD area B; Mr. Clarence Johnson, Equal Opportunity Specialist; Mrs. Karen Christensen, former intern.
- Title I, Housing Act of 1949, as amended P.L. 171, 81st Congress;
 63 Stat. 413, 414; 42 U.S.C. 1450.
- Created by National Housing Act P.L. 479, 73rd Congress; 48 Stat. 1246; 12 U.S.C. 1701 et seq.
- Created by United States Housing Act of 1937, P.L. 412, 75th Congress; 50 Stat. 888; 42 U.S.C. 1401 et seq.
- Interview with Robert Boldt, Assistant Regional Administrator for Administration, United States Department of Housing and Urban Development, San Francisco Regional Office.
- 21. One senior Renewal staffer stated that some "real dogs" of projects had been approved during that time.
- Department of Housing and Urban Development Act P.L. 89 174;
 79 Stat. 667; 42 U.S.C. 3531.
- 23. The housing production functions of the old HAA were moved to control of an Assistant Secretary for Production who was primarily concerned with FHA matters; the HAA management functions were moved to the Assistant Secretary primarily concerned with housing management.
- 24. For a discussion of the rationale for the reorganization, see <u>Report of the Regional Realignment Working Group</u> (Washington, 1970).
- 25. FHA's special status in the Department is recognized in Sec. 4 of the Department of Housing and Urban Development Act of 1965, P.L. 89 174; 79 Stat. 667; 42 U.S.C. 3531 at 3534, which provides for a FHA Commissioner-district and apart from the various Assistant Secretaries.

- 26. Judge Stanley Weigel saw fit to conclude his "Memorandum Concerning the Court's Order of November 9, 1970" in the TOOR case with the following observation: "HUD was not a party to that agreement of October 20, 1970 [an early attempted settlement agreement] nor in working out today's order. It may not be amiss to conclude by noting that this has been characteristic of HUD's participation throughout the course of this litigation." (p. 4).
- 27. U.S. Department of Housing and Urban Development, <u>Report of the</u> <u>Regional Realignment Working Group</u> (Mashington, 1970), p. 5.
- U.S. Department of Housing and Urban Development, <u>Management</u> <u>Development Proposal for Renewal Assistance Office</u>, Region VI (San Francisco, 1969), p. 15.
- 29. <u>Op. cit</u>., n. 4.
- 30. U.S. Department of Housing and Urban Development, <u>Urban Renewal</u> <u>Directory</u> (December 31, 1971), p. 296.
- 31. <u>Ibid</u>., p. iii.
- 32. "Exhibit B: Comparison of Staffing to Workload; Renewal Assistance 10/26/69," attached to U.S. Department of Housing and Urban Development, <u>Report of the Regional Realignment Working</u> <u>Group</u> (Washington, 1970).
- 33. Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Washington (and Guam). During the second half of 1970, the jurisdiction of the Department was changed to cover only Arizona, California, Hawaii, Nevada and Guam.
- 34. U.S. Department of Housing and Urban Development, <u>Urban Renewal</u> <u>Directories</u> 1967-1970 (December 31, 1967 - December 31, 1970). Total federal grants as of: 1967 - \$573,352,000; 1968 - \$623,522,000; 1969 - \$674,840,000; 1970 (June) - \$711,875,000.
- 35. U.S. Department of Housing and Urban Development, <u>Urban Renewal</u> <u>Directory</u> (June 31, 1970), p. ii.
- 36. Op. Cit., n. 52, p. iv.
- 37. Op. cit., Realignment Group, Exhibit B.
- Interview, Mr. Raymond Crisp, Chief Planning and Engineering Division, U.S. Department of Housing and Urban Development, San Francisco Office.
- Interview, Mr. Harvey Kroll, former Assistant Regional Administrator for Renewal Assistance, U.S. Department of Housing and Urban Development, San Francisco Office.
- 40. Op. cit., Realignment Working Group, Exhibit B.

41. Ibid.

- 42. \$149,852,847. U.S. Department of Housing and Urban Development, Urban Renewal Directory, December 31, 1970.
- 43. United States Department of Housing and Urban Development,
 "Strengthening HUD Program Management, Urban Renewal Program, Phase II -- Documentation" (Washington, September, 1969), p. 1.
- 44. Ibid., p. 1.
- 45. Fred Jordon, "The Confessions of a Former Grantsman," <u>City Magazine</u> (Summer, 1971), p. 45.
- 46. United States Department of Housing and Urban Development, "Strengthening HUD Program Management, Urban Reneval Program, Phase II --Documentation" (Washington, September, 1969), p. 1.
- 47. Ibid., pp. 23-26. The forty steps, and their times are as follows: 1. Locality designates area (60 days); 2. Regional Office assists in selection of area and in the preparation of Survey and Planning application (115 days); 3. Local Public Agency prepares and submits Survey and Planning Application (56 days); 4. Regional Office reviews Survey and Planning Application and submits to Central Office (133 days); 5. Central Office approves Survey and Planning Application and reserves funds (275 days); 6. Regional Office prepares budget and comments (30 days); 7. Local Public Agency executes Survey and Planning contract and prepares and submits Part I Loan and Grant Application (580 days); 9. Central Office clears planning consultant (21 days); 10. Regional Office reviews Part I Loan and Grant Application and approves if no fund increase (122 days); 11. Central Office reviews and approves Part I Application if increase in funds is requested (49 days); 12. Local Public Agency prepares Part II Loan and Grant Application (90 days); 13. Regional Office transmits approval of Part I's with additional funds (14 days); 14. Local Public Agency performs pre-execution acquisition and property management functions (200 days); 15. Locality approves Part II Application (30 days); 16. Local Public Agency submits Part II Application (14 days); 17. Regional Office reviews Part II Application (63 days); 18. Central Office reviews and approves Part II Application (53 days); 19. Regional Office transmits approval letter of Part II and Loan and Grant contract (30 days); 20. Local Public Agency requisistions Loan and Grant funds and undertakes continuing financing activities (77 months); 21. Regional Office reviews and approves requisitions and assists LPA in continuing financing activities (78 months); 22. Treasury Dept. disburses federal grant funds to LPA (78 months); 23. Local Public Agency executes Rehabilitation Program (77 months); 24. Regional Office assists LPA in execution of Rehabilitation Program (77 months); 25. Small Business Administration provides financial data for commercial rehabilitation and assists LPA in commercial Rehabilitation Program (77 months); 26. Local Public Agency performs social services in execution (78 months); 27. Regional

Offices assists LPA in execution of social services (78 months); 28. Locality provides Item II Project Improvements and Supporting Facilities (78 months); 29. Local Public Agency coordinates Item II Project Improvements and Supporting Facilities (80 months); 30. Regional Office assists LPA in execution of Item II Project Improvements and Supporting Facilities (80 months); 31. Central Office approves third party contracts during execution (60 months); 32. Local Public Agency performs principal execution activities: acquisition, property management, relocation, site clearance, site improvements and land marketing (62-1/2 months); 34. Dept. of Labor makes wage determinations for executions of Item I Project Improvements (60-1/2 months); 35. Locality approves certain LPA actions in principal execution activities and rezones when appropriate (73 months); 36. Local Public Agency prepares and submits amendatory Loan and Grant Applications as required (66 months); 37. Regional Office assists in preparatory and review Amendatory Loan and Grant Applications (66 months); 38. Central Office reviews and amendatory Loan and Grant Applications requiring capital Grant Increases (66 months); 39. Local Public Agency initiates and carries out close-out activities (271 days); 40. Regional Office coordinates close-out activities with LPA (271 days).

- 48. The code citation for the <u>Urban Renewal Handbook</u> under HUD's new "Unified Issuances System" is RHA 7100 <u>et</u> <u>seq</u>.
- 49. 12 U.S.C. 1701u. Proposed regulations were released on June 18, 1971, 36 F.R. 11744, but no final regulations ever released.
- 50. Speech Norman Watson, former Acting HUD Assistant Secretary for Renewal Assistance, to National Association of Housing and Redevelopment Officials, October 30, 1970, reprinted 11 Journal of Housing 580 (1970).
- 51. See supra, n. 42.
- 52. See supra, n. 36.
- 53. See supra, n. 35.
- 54. Internal Memorandum, U.S. Department of Housing and Urban Development. Memorandum to Robert B. Pitts, Regional Administrator; from Jeanne A. Azen, Office of Regional Administrator; subject: Region VI Urban Intern Program Statistics for 1956-1969.
- 55. Interview, Robert Boldt.
- 56. Pursuant to the Classification Act of 1966, P.L. 89-554, 80 Stat. 443, the U.S. Department of Housing and Urban Development's most recent General Schedule, effective January 10, 1971, provides a GS 7 may earn \$8,582 - \$11,156; a GS 9, \$10,470 - \$13,611; a GS 11, \$12,615 - \$16,404; and a GS 12, \$15,040 - \$19,549. GS levels extend upward to GS 18 at \$37,624 and beyond that to "supergrades."

- 57. U.S. Department of Housing and Urban Development, "Reorganization and Management Development Proposal for Renewal Assistance Office, Region VI," (San Francisco, 1968), p. 10.
- 58. U.S. Department of Housing and Urban Development's <u>Report of the</u> <u>Realighment Working Group</u> (Washington, 1970), p. 3.
- 59. <u>Ibid.</u>, p. 4.
- 60. Gtizens Emergency Task Force for a Workable Housing Policy v. San Francisco, (Administrative Complaint filed with U.S. Department of Housing and Urban Development, December, 1969); San Francisco People's Action Coalition v. San Francisco, (Administrative Complaint filed with U.S. Department of Housing and Urban Development, March 1971).
- 61. Ley v. Shell, N.D. Calif. C.A. No. C-71 1645, amended complaint filed Nov. 4, 1971; <u>Western Addition Community Organization v.</u> <u>Weaver</u> 294 F. Supp. 433 (N.D. Cal., 1968).
- 62. 42 U.S.C. 1451(c); U. S. Department of Housing and Urban Development, Workable Program Handbook (MPD 7100.1a, Sept. 1970); National Housing and Economic Development Law Project, <u>Handbook on Housing</u> Law, Ch. II.
- 63. Op. cit., n. 32 and 33.
- 64. <u>Opportunity to Improve Allocation of HUD Program Resources to</u> <u>Better Meet the National Housing Goal</u>, General Accounting Office, B-11874, (Washington, 1970), p. 42.
- 65. <u>Ibid</u>., p. 14.
- 66. For a careful review of errors in San Francisco's current Workable Program, see Citizen's Emergency Task Force for a Workable Housing Policy, "The Shame of San Francisco" (September, 1969).
- 67. United States Department of Housing and Urban Development, <u>Urban Renewal Handbook</u> (RHA 7207.1) Chapter 5, Section 2.
- 68. HUD Code Number 215, required to be submitted as part of the application for a Loan and Grant Contract.
- 69. Plaintiffs' Exhibit No. 84, TOOR v. HUD, op. cit., n. 4.
- 70. Plaintiff's motion for partial summary judgment on this issue was granted. "Findings and Conclusions on Motion for Freliminary Injunction; Orders on Motions for Dismissal and Partial Summary Judgment," pp. 27-30, <u>TOOR v. HUD</u>, <u>op. cit.</u>, n. 4.
- 71. The court concluded that judicial review was limited to "the legal question of whether or not there was any basis in fact for the Secretary's decisions" [approving the YBC plan], <u>Ibid</u>., p. 12.:

- 72. Undated "Report to the Court: Federal Defendant" submitted in [July], 1971, TOOR v. HUD, supra.
- 73. On February 12, 1971, Mayor Lindsay speaking in San Francisco on behalf of the Legislative Action Committee of the U.S. Conference of Mayors attacked the Administration for "freezing" \$1.3 billion in appropriated HUD monies. See <u>Housing and Urban Affairs Newsletter</u> Vol. XXVIII, No. 27. Alleged retaliation against the Mayor was forthcoming in the form of funding costs from New York City. <u>Housing and Urban Affairs Newsletter</u>, Vol. XXXVIII No. 28, Feb. 15, 1971. Mayor Alioto, long active in Conference of Mayors affairs, succeeded Mayor Lindsay as chairman of this group and sued the Administration for release of the funds.
 - San Francisco Redevelopment Agency et al. v. Richard Nixon et al. (N.D. Cal. C 71 - 1133 OJC, filed June 11, 1971, voluntarily dismissed November 5, 1971.)
- 74. See <u>supra</u> n. 33.
- 75. An "Assistant Secretary" is in charge of each of the following general (non-categorical) areas: (1) Housing Production and Mortgage Credit (2) Community Planning and Management (3) Community Development (4) Housing Management (5) Equal Opportunity (6) Administration (7) Research and Technology.
- 76. S. 3248. H.R. 9688.
- 77. U.S. Department of Housing and Urban Development, "Procedures for Implementing and Operating Planned Variations" (7/29/71); Memorandum for: Assistant Secretaries, General Counsel and All Regional Administrators, From: George Romney, Date: July 30, 1971: "HUD Support for Planned Variations Demonstrations"; August 11, 1971; Subject: Clarification and Amplification of July 29 Memo on Procedures for Implementing and Operating Planned Variations"; Memorandum From: Floyd Hyde To: [various Departmental Addressees] Subject: "Planned Variations Evaluation" Date: October 18, 1971.
- 78. Memorandum: Secretary George Romney to All HUD Regional Administrators and Area Directors of May 18, 1971, "Administration of HUD Programs in Advance of Special Revenue Sharing."
- 79. Cox, Lawrence, "Urban Renewal Experience in the United States", Second United Nations Economic Commission for Europe Symposium on Urban Renewal, Budapest, Hungary, April 27-May 7, 1970, p. 14 reports that the Department is eliminating more than 50 percent of the documentation previously required in urban renewal planning applications.
- 80. U.S. Department of Housing and Urban Development, <u>Urban Renewal</u> <u>Handbook</u> (RHA 7217.1, Chapter 5).

- 81. <u>Ibid.</u>, RHA 7217.1, Chapter 5, s. 2; RHA 7387.1, Chapter 1, s. 2.e (1)(b). Costs of providing 'technical assistance' to PAC's are 'eligible costs."
- 82. In San Francisco the Western Addition Project Area Committee currently has an operating budget of \$120,000/year. Contracts entered into by the St. Paul, Minnesota Redevelopment Agency and three PACs (The Thomas-Dale Development Council, the West Seventh Street Association for Neighborhood Development, and the West Midway-South Saint Anthony Park Association) total \$120,000; annual budgets for five PACs in New York City for 1970 were as follows: Cooper Square Community Development Committee and Businessman's Association, Inc. (\$65,680); Cathedral Parkway (\$72,000); Coney Island (\$96,220); Metro North Association (\$50,041); and Coalition for Human Housing, Inc. (\$54,905).
- 83. "NUL Gets HUD Grant to Study Renewal," <u>National Urban League</u> <u>Housing News</u>, Undated (New York, 1972).
- 84. United States Department of Housing and Urban Development, <u>Urban</u> <u>Renewal Handbook</u> (RHA 7217.1 "LPA Administration," Ch. 1, Sec. 7, Appendix 1 "Table of Useful Lives of Office Furniture and Equipment." A bentwood chair may be expected to last 5 years; an office safe 50.
- 85. <u>Supra</u>, n. 27.
- 86. U.S. Advisory Commission on Intergovernmental Relations, <u>Relocation</u>: <u>Unequal Treatment of Families and Individuals Displaced by Govern-</u> <u>ment Action</u> (Washington, 1965), p. 11.
- 87. Cahn, Edgar; Romberg, Roberta; Eichenberg, Timothy, <u>The Legal</u> <u>Lawbreakers</u> (Citizen's Advocate Center, Washington, D.C., 1970); Bonfield, Arthur Earl, "Representation of the Poor in Federal Rule-Making," 67 <u>Michigan Law Review</u> 511 (1969), National Housing and Economic Development Law Project, "Participation of the Poor in HUD Rule-Making and Grievance Procedure: printed in Hearings on the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, [H.R. 14898], before the House Committee on Public Works, 91st Cong., 1st and 2nd Sess., pp. 279-93.
- 88. A formal procedure for hearing grievances with respect to equal opportunity problems was created pursuant to Title VIII of the Civil Rights Act of 1968.
- 89. Administrative Procedure Act, P.L. 89-554 (1965); 5 U.S.C. 551; 80 Stat. 381, Sections 553(a)(2) and 553(A)(B).
- 90. <u>Op.cit.</u>, Cahn, <u>Lawbreakers</u>; <u>op.cit.</u>, National Housing and Economic Development Law Project, <u>Participation</u>. See also Administrative Conference of the United States, "Representation of the Poor in Agency Rule-Making of Direct Consequence to Them," Recommendation No. 5 of Recommendations adopted December 10 and 11, 1968.

- 91. P.L. 91-646 (1970); 84 Stat. 1894, Sections 213(b)(3).
- 92. "Relocation Payment and Assistance and Real Property Acquisition Under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970" 36 C.F.R. No. 93, p. 8785 (May 13, 1971), Section 42.190.
- 93. U.S. Department of Housing and Urban Development, "Policies and Requirements Under the Uniform Relocation Assistance and Real Property Acquisistion Policies Act of 1970" (1371.1, July, 1971) provides a section on "Grievance Procedures" Chapter 2, Section 16. In the current edition of the <u>Handbook</u>, this is marked "Reserved" and contains no instructions.