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THE WHITE HOUSE

Office of the Press Secretary
(Miami, Florida)

For Immediate Release

January 19, 1990

REMARKS BY THE PRESIDENT
TO THE NATIONAL ASSOCIATION OF HOME BUILDERS CONVENTION

Omni Coliseum
Atlanta, Georgia

11:45 A.M. EST

THE PRESIDENT: Well, thank you, Shirley, Florida's gift to the home builders and trusted advisor to this President. I'm delighted to be with you. I'm delighted to see a fellow Houstonian, your next president, your incoming president -- Marty, good luck to you in the travails ahead. I wish you the very best. And to other VPs here -- Mark Tipton and Jay Buchert and Kent Colton and Bob Bannister -- delighted to be with all of you. And, Patsy, what a job you've done on this convention. Thank you for including me in it.

It's great to see you. It hasn't been so long, has it, since that last meeting that Shirley referred to, in November. And, of course, we have with us several other distinguished guests. Congressman Newt Gingrich is here, and Chalmers Wiley -- so active in the housing business. Steve Bartlett is over here, a fellow Texan. Kit Bond, Senator Bond, great leaders in the Senate -- Senator Wyche Fowler flew down with me on Air Force One. So you have a very distinguished congressional delegation here, and I expect I'm missing somebody.

Also with me on the plane -- and doesn't have that much to do with housing, but he's here and I'm very proud of him, is Secretary Manual Lujan, the Secretary of the Interior, who came with me -- over here someplace. Whoops, where is -- there he is on the end -- and other members of what I think is an outstanding Cabinet. And, of course, I'd be remiss if I didn't single out an old friend of mine -- one fatal flaw, he's a Democrat -- (laughter) -- but one old friend of mine, and that is Atlanta's old and yet new Mayor, my friend -- and I mean that -- Maynard Jackson, and his family are here with us today, too. (Applause.) So, Maynard, we wish you all the best, all the best in the job ahead.

And what a treat it is to be back in Atlanta. In fact, I believe that it was in this very hall about a year and a half ago that the party opposite from mine held their 1988 convention. And, of course, I have fond memories of that convention -- it gave me a very good excuse to go fishing in Wyoming with Jim Baker. (Laughter.) And the question was appropriately raised, "Where was George?" Albeit a year and a half later, I'm proud to say, "Here I am," proud to be with the Home Builders. (Applause.)

Isn't it great to live in a country with no limits? Who would have thought that I would put my silver foot in the same place where Ann Richards talked? (Laughter and applause.)

In any event, it is great to be back among the Home Builders of America. I really hope you all appreciate one thing: it's not every day that this Association gets to hear from one who actually lives in public housing. (Laughter.) And let me say, parenthetically, I'm very sorry that my favorite Silver Fox is not with me. She's doing literacy work in Florida. But I might add I am very proud of Barbara Bush, and I wish she were with me here today. (Applause.)

MORE

You see, before we moved to the White House, Barbara and I were a home builder's and, yes, a realtor's dream. We lived in 28 places in 45 years. And yet, in a real sense, wherever we lived -- whether it was in Houston, Washington, New York or China -- our family had one true home that we took with us wherever we went.

I remember the first place Barbara and I lived in, when our son, George, was just a baby -- a tiny ramshackle shotgun house in the oil town of Odessa, Texas. It had a makeshift partition down the middle that cut the house into two apartments, leaving us with a small kitchen and a shared bathroom. An old water-drip window unit -- you remember those cooler units they used to use out there -- cranked up like a West Texas dust storm still couldn't drown out the noise of the all-night parties next door.

But that first house that Barbara and I lived in couldn't compare to those new "smart houses" that you in the NAHB are building. We were fortunate that the wiring even worked, while today you're putting telephone, television and power together on one master cable, linked to a computer. It is remarkable what free enterprise and American ingenuity can do. (Applause.)

Yet, despite it all, Lord Byron was right -- a home is a place in the heart. I can't speak for our neighbors, but for us, that little tiny shack was home. And I have to wonder, and worry, how many families break apart because they can't afford to buy or rent a home even half as decent as that first place that we lived in.

We cannot allow the high costs of housing to suffocate the financial life of America's young people. (Applause.) When it comes to housing, this must not become a society of "haves" and "have nots." And I salute your Association who understands that principle and is doing something about it.

The fact is that for the last decade and a half, the cost of new homes -- the cost of the American dream, if you will -- has been escalating. Young couples just starting out, low and moderate-income Americans, unmarried people trying to invest in the future -- and many are finding themselves priced out of the home market, especially new homes.

To create decent housing that people can afford, the government and the private sector must cut some red tape. So I've asked my able, distinguished Secretary of HUD Jack Kemp -- and what a job he is doing for housing in this country -- (applause) -- to convene a blue ribbon commission to identify these barriers to affordable housing construction and to make recommendations on how to eliminate them.

And while I'm at it, let me just get something off my chest. As you know, as I travel around this country I've encouraged the planting of trees and even planted a few myself -- half of which lived. (Laughter.) But in these same travels I see so many new suburbs that are utterly denuded of trees. Ironic, since the new owner's first instinct will be to plant as many trees as possible. Ironic also because trees clean out air. And so I respectfully suggest as a former businessman that leaving the original trees might be a shrewd sales strategy. It's good for business and it is very good for the environment. (Applause.)

But the truth is, there's one housing policy and one sales strategy that's better than all the others combined -- and, of course, I'm talking about a healthy, growing economy with low, long-term interest rates. (Applause.) This first month of the 1990s marks the 86th month of economic growth in America. And as Shirley says, it was housing that paved the way to the longest peacetime recovery in modern history. You built nearly 10 million single-family homes in the '80s and nearly five million multifamily units. And by working together, the housing industry will keep this country going strong in the '90s. (Applause.)

Now, you understand that the engine of homeownership in

America is the private enterprise system. And by helping those entrepreneurs and risk-takers, more Americans will have access to the dream of homeownership and decent housing.

But to keep America moving, keep it moving, we will need the cooperation of Congress. And I can think of one simple action that Congress can take to give this economic expansion a boost. It has already been debated; it has already won the support of the majority of the members in the House, the majority of the members in the Senate. And what we need now is a simple up or down vote to cut the tax on capital gains. (Applause.)

Some call such a cut a favor for the rich, and they should know better. They should know what you know -- that a capital gains tax cut favors economic growth, jobs, and opportunity for working America. It favors every American who makes a living day after day, brick by brick, hammer on nail; and it helps those get jobs -- those who do not have jobs now. A capital gains tax cut will help every American who holds a job or owns a home.

And so I call on the Democrat leaders of Congress to give the American people a break and to let the House and Senate work their will by having an up or down vote on the capital gains tax cut, and do it soon after the Congress comes back. (Applause.)

Also vital to the home buyer and the home builder alike are low and stable rates of interest. A one percent interest increase, one percent increase in the rate of interest knocks millions of families out of the market. In the last few years, millions of families could afford a new home because mortgage interest rates have dropped, from 18 percent in the early '80s to less than 10 percent today. But I want to see them come down even more. I am not satisfied at 10 percent. (Applause.)

The 1990s must be another decade of lower taxes and lower interest rates, but to have a stable economy, it must also be a decade in which Washington, at long last, adopts fiscal policies as sound as those of the average American household. None of us is allowed to spend our bonus before we earn it, nor should Congress start planning where to spend a possible peace dividend. To the extent that the world events allows us to cut defense spending, then we should recognize that cutting the federal budget deficit would be a true dividend for America's taxpayers and our children's future. (Applause.) We must get that deficit down. (Applause.)

And too often we forget, Congress forgets that every house is the handy work of an architect, a surveyor, a mason, a plumber, a carpenter, painter, dozens of other working men and women. And if Congress levies new burdens on our economy it's these very people who will be put out of work. But, of course, even if we do cut the capital gains tax and even if we do keep interest rates low and get them lower, and even if we do protect the economy, this is cold comfort for those Americans who languish in the projects or the thousands of others who know no shelter at all.

These Americans need help. They need hope. And so that's just what I call our program that Jack and I are working on together -- HOPE. It stands for homeownership and opportunity for people everywhere. Our program addresses the full range of housing concerns, from shelter to the homeless, to affordable housing for low income families, to greater access to jobs.

Let's start with what HOPE can do for first-time home buyers. It's time Congress let Americans use their IRA savings to get into that first house. (Applause.)

And then -- God bless them -- there are those who must live in the poverty and fear of public housing. They're disproportionately minority Americans. And they suffer abuse from drug-dealing predators within, and the last thing they need is abuse from without. One of the first and, I think, very best things that Jack Kemp did when he came into office was to change HUD procedures

so the drug dealers can be kicked out of public housing. We owe that to those people living in these public dwellings. (Applause.)

And concerning abuse from without, let me say just one thing -- Atlanta is a great and cheerful city. It has proudly risen from the ashes of a distant past. And so for those who plan to revel in a rally of hate here tomorrow, let them know this: Atlantans, like all Americans, turn their backs on bigots. (Applause.)

To escape violence and crime, to live in decent housing, our public housing tenants must first be empowered, empowered to choose where they want to live, empowered by housing vouchers. Low income families don't need us to build new public housing horrors, these edifices. They need decent low income housing. And that's why I call on the Congress to extend the low income housing tax credit. (Applause.)

Earlier I discussed my capital gains cut proposal, but even this cut would not be enough for America's impoverished inner cities, often as desolate and as shattered as a war zone. No, for these communities we've got to go one step further and eliminate the capital gains tax all together within these enterprise zones, because this surely will attract more investment and jobs and encourage more development in these areas. (Applause.)

There is something perverse about discriminatory lending practices that have kept the FHA out of the very places that need the most help. And so my administration will ensure that FHA is true to its first mission -- to make housing affordable for low and moderate income families. It's wrong to draw a red line around the inner city; it's not right or fair. And we're going to replace the red line with a green line of opportunity and jobs for the future. (Applause.)

The centerpiece of HOPE is to let all Americans live in dignity and control their destiny. And dignity is exactly what resident management projects allow. Tenant management and tenant ownership is not just an experiment. It's the future. But even more is needed. We're all going to have to work in a partnership to solve the problems of the helpless and the homeless. My administration is going to do its part by expanding homeless assistance. Late last year I signed a bill that boosts funding under the McKinney Act to reduce homelessness. Our HOPE proposals will tie shelter with basic services for those in need. And Secretary Kemp, I know, will tell you later of the other steps we're taking.

You're doing your part. You certainly are -- building and renovating shelters for the homeless, for battered women, for these troubled children and retarded adults. And you're working with the Job Corps, taking the unskilled, the out-of-work, and training them for lifetime careers in construction and maintenance. And, again, I congratulate you on this commitment. What better "point of light" -- one American helping another have a better life. (Applause.)

But our partnership needs a third element -- that constellation of volunteers I referred to that I call the Thousand Points of Light. I couldn't come to Atlanta without taking note of one such point of light -- a part-time carpenter and his wife, who have provided shelter for so many in this very city. And, of course, I'm talking about the former President, Jimmy, and Roselynn Carter. They deserve our thanks, as do all the people behind Habitat For Humanity. (Applause.)

And he was President, and he deserves the applause you've given him. And so does a woman named Ella McCall. Ella, once a homeless mother, now she has her master's degree and serves the homeless as a social worker in a shelter in Washington, D.C. And when the family strives to move out of a shelter into a home, they need her, they need Ella. When a homeless mother wanders lost with her children in tow, she needs Ella. And when I look out of the south window of the White House at dusk and see the distant figures

of ragged men bedding down for the night, I pray to God that this country find more people like Ella McCall. (Applause.)

Your work in job training, Jack Kemp's work in tenant management and ownership, Ella McCall's work with the homeless -- all of this ultimately saves the taxpayers money. But this isn't about money. It's about caring. And if it takes love to make a house a home, then perhaps the same could be said of a country. For the poorest among us, America must not just be a place to live in, but a home for all.

Thank you. God bless you. And God bless the United States of America. Thank you very, very much. (Applause.)

END

12:08 P.M. EST

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Also with me on the plane -- and doesn't have that much to do with housing, but he's here and I'm very proud of him, is Secretary Manuel Lujan, the Secretary of the Interior, who came with me -- over here someplace. Whoops, where is -- there he is on the end -- and other members of what I think is an outstanding Cabinet. And, of course, I'd be remiss if I didn't single out an old friend of mine -- one fatal flaw, he's a Democrat -- (laughter) -- but one old friend of mine, and that is Atlanta's old and yet new Mayor, my friend -- and I mean that -- Maynard Jackson, and his family are here with us today, too. (Applause.) So, Maynard, we wish you all the best, all the best in the job ahead.

And what a treat it is to be back in Atlanta. In fact, I believe that it was in this very hall about a year and a half ago that the party opposite from mine held their 1988 convention. And, of course, I have fond memories of that convention -- it gave me a very good excuse to go fishing in Wyoming with Jim Baker. (Laughter.) And the question was appropriately raised, "Where was George?" Albeit a year and a half later, I'm proud to say, "Here I am," proud to be with the Home Builders. (Applause.)

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END

12:08 P.M. EST

THE PRESIDENT HAS SEEN

THE WHITE HOUSE
WASHINGTON

1990 JAN 17 PM 8:09

January 17, 1990

JH
some tiny
changes
CB
7 PM
1-18

INFORMATION

MEMORANDUM FOR THE PRESIDENT

Through: CHRISS WINSTON *CW*
From: MARK DAVIS *MD*
Subject: Home Builder Association

I. **SUMMARY:**

You will address the National Association of Home Builders, an audience of about 11,000 people in the Omni Coliseum, Atlanta, at 11 a.m., Friday, January 19. Your remarks will be on a teleprompter.

II. **DISCUSSION:**

This is a good slice of middle America -- the very people who are most inclined to support your views on capital gains, economic growth and the "peace dividend." The second half of this speech is dedicated to your HOPE initiative; recasting for this audience the message you took to the realtors in Dallas.

Davis/Martin
Jan. 17, 1990
Title: Habitat
Draft: Three

**PRESIDENTIAL ADDRESS: HOME BUILDERS ASSOC., OMNI, ATLANTA
11:00 a.m. FRIDAY, JAN. 19, 1990**

((Thank you, Shirley Wiseman, Martin Perlman -- good to see a fellow Houstonian -- Mark Tipton, Jay Buchert, Kent Colton and Bob Bannister -- great to see you. Hasn't been so long, has it, since our last meeting in November? And, of course, we have Newt Gingrich, Chalmers Wylie and Steve Bartlett.))

((And it's great to be back in Atlanta. In fact, I believe that it was in this very hall, about a year and a half ago, that the Democrats held their 1988 Convention.\\ Of course, I have fond memories of that convention. It gave me an excuse to go fishing in Wyoming.))\\ \\

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Of course, that first house Barbara and I lived in couldn't compare to the new "smart houses" that you, in the NAHB, are building. We were fortunate that the wiring even worked, while today you are putting telephone, television and power together on one master cable, linked to a computer. It's remarkable what free enterprise and American ingenuity can do.

Yet despite it all, Lord Byron was right -- a home is a place in the heart. I can't speak for our neighbors, but for us, that little shack **was** home. And I have to wonder, and worry, how many families break apart because they can't afford to buy or rent a home even half as decent as our first place.\\

We cannot allow the high costs of housing to suffocate the financial life of America's young people. When it comes to housing, **this must not become a society of "haves" and "have nots."**\\\

The fact is that for the last decade and a half, the cost of new homes -- the cost of the American dream -- has been escalating. Young couples just starting out, low and moderate-income Americans, unmarried people trying to invest in the future

-- many are finding themselves priced out of the home market, especially new homes.

To create decent housing ^{that} people can afford, the government and private sector must cut some redtape. So I have asked Jack Kemp to convene a blue ribbon commission to identify these barriers to affordable housing construction and to make recommendations on how to eliminate them.

(And while I'm at it, can I get something off my chest? As you know, as I travel around this country, I have encouraged the planting of trees -- and even planted a few myself. But in these same travels, I see so many new suburbs utterly denuded of trees -- ironic, since the new owners' first instinct will be to plant as many trees as possible; ironic also because trees clean our air. So I respectfully suggest, as a former businessman, that leaving the original trees might be a shrewd sales strategy. It's good for business, and it's good for the environment.)

But the truth is, there's one housing policy, and one sales strategy, that's better than all others combined -- a healthy, growing economy with low, long-term interest rates.\\ This first month of the 1990s marks the 86th month of economic growth in America. As Shirley says, it was housing that paved the way to the longest peacetime recovery in modern history. You built nearly ten million single-family homes in the '80s, and nearly five million multi-family units. And by working together, the housing industry will help keep this country going strong in the '90s.\\

The engine of homeownership in America is the private enterprise system. And by helping those entrepreneurs and risktakers, more Americans will have access to the dream of homeownership and decent housing.

But to keep America moving, we will need the cooperation of Congress. I can think of one simple action Congress can take to give the economic expansion a boost. It has already been debated. It has already won the support of the majority of Members. **What we need now is a simple up-or-down vote to cut the tax on capital gains.**\\

Some call a capital gains tax cut a favor for the rich. They should know better. They should know what you know -- that a capital gains tax cut favors economic growth, jobs and opportunity for working America. It favors every American who makes a living, day after day, brick by brick, hammer on nail.

A capital gains tax cut will help every American who holds a job or owns a home. So I call on the Democrat leaders of Congress to give the American people a break, ^{and} to let ~~democracy~~ ~~work in~~ the House and Senate. ~~to~~ *want their will by having an up or down vote on this capital gains tax cut*

Also vital to home buyer and home builder alike are low and stable rates of interest. A one-percent increase in the interest rate knocks millions of families out of the market. In the last few years, millions of families could afford a new home because mortgage interest rates have dropped from 18 percent in the early 1980s to less than 10 percent today.\\ **And I want to see them come down even more.**\\

The 1990s must be another decade of lower taxes and lower interest rates. But to have a stable economy, it must also be a decade in which Washington, at long last, adopts fiscal policies as sound as those of the average American household.

None of us is allowed to spend our bonus before we earn it. Nor should Congress start planning where to spend a possible "peace dividend." To the extent that world events allow us to cut defense spending, then we should recognize that cutting the federal budget deficit would be a true dividend for America's taxpayers and our children's future. *\\ We must get the Deficit Down -*

And too often, Congress forgets that every house is the handiwork of an architect, a surveyor, a mason, a plumber, a carpenter, a painter and dozens of other working men and women. If Congress levies new burdens on our economy, it is these very people who will be put out of work.

But, of course, even if we **do** cut the capital gains tax; even if we **do** keep interest rates low; even if we **do** protect the economy -- this is cold comfort for those Americans who languish in the projects, or the thousands of others who know no shelter at all.

These Americans need help. And they need hope -- so that's just what I call our program -- HOPE, which stands for Home Ownership and Opportunity for People Everywhere.

Our program addresses the full range of housing concerns -- from shelter for the homeless, to affordable housing for low-income families, to greater access to jobs.

Let's start with what HOPE can do for first-time home-buyers. It's time Congress let Americans use their IRA savings to get into that first house.\\\

Then there are those who must live in the poverty and fear of public housing. They are disproportionately minority Americans. They suffer abuse from drug-dealing predators within -- and the last thing they need is abuse from without. And concerning the latter, let me say just one thing: Atlanta is a great, cheerful city that has proudly risen from the ashes of a distant past. And so for those who plan to revel in a rally of hate here tomorrow, let them know this: **Atlantans, like all Americans, turn their backs on bigots.**\\

To escape violence and crime, to live in decent housing -- our public-housing tenants must first be empowered. Empowered to choose where they want to live. Empowered by housing vouchers.

Low-income families don't need us to build new public-housing horrors. They need decent low-income housing. And that's why I call on Congress to extend the low-income housing tax credit.\\\

Earlier, I discussed capital gains. But even this cut would not be enough for America's impoverished inner-cities -- often as desolate and shattered as a war zone. No, for these communities, we've got to go one step further and **eliminate the capital gains tax altogether within enterprise zones.**

There is something perverse about discriminatory lending practices that have kept the FHA out of the very places that need

the most help. So my administration will ensure that FHA is true to its first mission -- to make housing affordable for low- and moderate-income families. It's wrong to draw a red line around the inner city. It's not right or fair. And we're going to replace the redline with a greenline for opportunity and jobs for the future.\\\

The centerpiece of HOPE is to let all Americans live in dignity and control their destiny -- and dignity is exactly what resident management projects allow. Tenant management and tenant ownership is not just an experiment -- it's the future.\\

But even more is needed. We are all going to have to work in a partnership to solve the problems of the helpless and the homeless. My administration is going to do its part by expanding homeless assistance. Late last year, I signed a bill that boosts funding under the McKinney Act to reduce homelessness. Our HOPE proposal will tie shelter with basic services for those in need. And Secretary Kemp, I know, will tell you of other steps we are taking.

You're certainly doing your part -- building and renovating shelters for the homeless; for battered women; for troubled children and retarded adults. And you're working with the Job Corps, taking the unskilled, the out-of-work, and training them for lifetime careers in construction and maintenance, and I congratulate you on your commitment.

But our partnership needs a third element -- that constellation of volunteers I call the Thousand Points of Light.

I couldn't come to Atlanta, without taking note of one such point of light, a part-time carpenter and his wife who have provided shelter for so many in this very city -- former President Jimmy and Rosalynn Carter. They deserve our thanks, as do all the people behind Habitat for Humanity.\\

And so does a woman named Ella McCall. Ella was once a homeless mother. Now she has her masters degree, and serves the homeless as a social worker at a shelter in Washington, D.C. When a family strives to move out of a shelter into a home, they need Ella. When a homeless mother wanders lost, with her children in tow, she needs Ella. And when I look out the south window of the White House at dusk, and see the distant figures of ragged men bedding down for the night -- I pray to God that this country finds more people like Ella McCall.

Your work in job training, Jack Kemp's work in tenant management and ownership, Ella McCall's work with the homeless -- all of this ultimately saves the taxpayers money. But this isn't about money. It's about caring.

And if it takes love to make a house a home, then perhaps the same could be said of a country. For the poorest among us, America must not just be a place to live in, but a home for all.

Thank you, God bless you and God bless America.

WHITE HOUSE STAFFING MEMORANDUM

DATE: 01/16/90 ACTION/CONCURRENCE/COMMENT DUE BY: 2:00 p.m. 01/17/90

SUBJECT: PRESIDENTIAL REMARKS: HOME BUILDERS ASSOC. - ATLANTA
(01/16 draft: Two)

	ACTION FYI			ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>PINKERTON</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>WINSTON</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>BOSKIN</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS: Please provide any comments/recommendations directly to Chriss Winston by 2:00 p.m. on Wednesday, 01/17, with a copy to my office. Thanks.

RESPONSE: *OK Bruce Zimm for Sig Rogich*

89 DEC 18 4 9 : 27

James W. Cicconi
Assistant to the President
and Deputy to the Chief of Staff
Ext. 2702

1990 JAN 16 PM 8:19

Davis/Martin
Jan. 16, 1990
Title: Habitat
Draft: Two

**PRESIDENTIAL ADDRESS: HOME BUILDERS ASSOC., OMNI, ATLANTA
(Time) FRIDAY, JAN. 19, 1990**

((Thank you, Shirley Wiseman -- Martin Perlman, Mark Tipton, Jay Buchert, Kent Colton and Bob Bannister -- great to see you. Hasn't been so long, has it, since our last meeting in November?))

((And it's great to be back in Atlanta. In fact, I believe that it was in this very hotel, about a year and a half ago, that the Democrats held their 1988 Convention.\\ Of course, I have fond memories of that convention. It gave me an excuse to go fishing in Wyoming.))\\

((But frankly, I never thought my silver foot would stand on the same spot as Ann Richards.))\\

In any event, it's great to be back among the Home Builders of America. ((I just hope you appreciate one thing -- it's not every day that this association gets to hear from someone who actually **lives** in public housing.))\\

Before we moved to the White House, Barbara and I were a realtor's dream. We lived in 28 places in 44 years. And yet, in real sense, wherever we lived -- whether it was in Houston, Washington, New York or Beijing -- our family had one true home that we took with us wherever we went.

I remember the first place Barbara and I lived in, when George Junior was just a baby -- an old ramshackle shotgun house in the oil town of Odessa, Texas. It had a makeshift partition down the middle that cut the house into two apartments, leaving us with a small kitchen and a shared bathroom. An old water-drip window unit that cranked up like a West Texas dust storm still couldn't drown out the noise of the all-night parties next door.

Yet despite it all, Byron was right -- a home is place in the heart. I can't speak for our neighbors, but for us, that little shack was home. And I have to wonder, and worry, how many families break apart because they can't afford to buy or rent a home even as half decent as our first place.\\

We cannot allow the high costs of housing to suffocate the financial life of America's young people. When it comes to housing, this must not become a society of "haves" and "have nots."\\\

To create decent housing people can afford, government must cut some redtape -- and that's exactly what Jack Kemp and I propose to do.\\ Industry, too, must cut its regulation -- for example, by easing up on the demanding, often redundant, paperwork necessary to get a mortgage in America.\\

(And while I'm at it, can I get something off my chest? As I travel around this country, I see so many new suburbs utterly denuded of trees -- ironic, since the new owners' first instinct will be to plant as many trees as possible. So I respectfully

suggest, as a former businessman, that leaving the original trees might be a shrewd sales strategy.)

But the truth is, there's one housing policy, and one sales strategy, that's better than all others combined -- a healthy, growing economy.\\ This first month of the 1990s marks the 86th month of economic growth in America. As Shirley says, it was housing that paved the way to the longest peacetime recovery in modern history. You built ten million homes in the '80s. And by working together, the housing industry will help keep this country going strong in the '90s.\\

But to keep America moving, we will need the cooperation of Congress. I can think of one simple action Congress can take to give the economic expansion a boost. It has already been debated. It has already won the support of the majority of Members. What we need now is a simple up-and-down vote to cut the tax on capital gains.\\

What would such a cut mean for America? Senator Bob Dole told me he was having lunch at a restaurant in New York. And just as he was getting ready to leave, Bob's waiter stopped him and said: "Senator, please pass this capital gains tax cut. I'm getting ready to sell my house, and a tax cut would mean a world of difference to my family." So when someone tries to convince you that this is a tax cut for the rich, remember that waiter. Remember the retiree who's selling a home. Remember the farmer and the small businessman.

A capital gains tax cut will help every American who holds a job or owns a home. So I call on the leaders of Congress to give the American people a break, to let democracy work in the House and Senate.\\\

Also vital to home buyer and home builder alike is a fair and stable rate of interest. A one-percent increase in the interest rate knocks two million families out of the market. But in the last few years, millions of families could afford a new home because mortgage interest rates have dropped from 14 percent in the early 1980s to less than 10 percent today.\\ And I want to see them come down even more.\\

The 1990s must be another decade of lower taxes and lower interest rates. But to have a stable economy, it must also be a decade in which Washington, at long last, adopts fiscal policies as sound as those of the average American household.

None of us is allowed to spend our bonus before we earn it. Nor should Congress start planning where to spend a possible "peace dividend." To the extent that world events allow us to cut defense spending, then we should recognize that cutting the federal budget deficit would be a true dividend for America's taxpayers.\\\

And too often, Congress forgets that every house is the handiwork of an architect, a surveyor, a mason, a plumber, a carpenter, a painter and dozens of other working men and women. If Congress levies new burdens on our economy, it is these very people who will be put out of work.

But, of course, even if we do cut the capital gains tax; even if we do keep interest rates low; even if we do protect the economy -- this is cold comfort for those Americans who languish in the projects, or the thousands of others who know no shelter at all.

These Americans need help. And they need hope -- so that's just what I call our program -- HOPE, which stands for Home Ownership and Opportunity for People Everywhere.

Our program addresses the full range of housing concerns -- from shelter for the homeless, to affordable housing for low-income families, to greater access to jobs.

Let's start with what HOPE can do for first-time homebuyers. It's time Congress let Americans use their IRA savings to get into that first house.\\\

Then there are those who must live in the poverty and fear of public housing. They are disproportionately minority Americans. They suffer abuse from drug-dealing predators within -- and the last thing they need is abuse from without. And concerning the latter, let me say just one thing: Atlanta is a great, cheerful city that has proudly risen from the ashes of a distant past. And so for those who plan to revel in a rally of hate tomorrow, let them know this: Atlantans, like all Americans, turn their backs on bigots.\\

To escape violence and crime, to live in decent housing -- our public-housing tenants must first be empowered. Empowered to choose where they want to live. Empowered by housing vouchers.

Low-income families don't need us to build new public-housing horrors. They need decent low-income housing. And that's why I call on Congress to renew the low-income housing tax credit.\\\

Earlier, I discussed capital gains. But even this cut would not be enough for America's impoverished inner-cities -- often as desolate and shattered as a war zone. No, for these communities, we've got to go one step further and eliminate the capital gains tax altogether with enterprise zones.

There is something perverse about destructive practices that have kept the FHA out of the very places that need the most help. So my administration will ensure that FHA is true to its first mission -- to make housing affordable for low- and moderate-income families. It's wrong to draw a red line around the inner city. It's not right or fair. And we're going to strike this redline policy altogether.\\\

The centerpiece of HOPE is to let all Americans enjoy the dignity of controlling their destiny -- and dignity is exactly what resident management projects allow, from the Kenilworth-Parkside project in Washington, D.C., to the ((name)) right here in Atlanta. Tenant management and tenant ownership is no longer an experiment -- it's the future.\\

But even more is needed. We are all going to have to work in a partnership to solve the problems of the helpless and the homeless. My administration is going to do its part by expanding emergency shelters. Late last year, I signed a bill that boosts

funding under the McKinney Act to reduce homelessness. And Jack will tell you of other steps we are taking.

You're certainly doing your part -- building and renovating shelters for the homeless; for battered women; for troubled children and retarded adults. And you're working with the Job Corps, taking the unskilled, the out-of-work, and training them for lifetime careers in construction and maintenance, and I congratulate you on your commitment.

But our partnership needs a third element -- that constellation of volunteers I call the Thousand Points of Light. I couldn't come to Atlanta, without taking note of one such point of light, a part-time carpenter and his wife who have provided shelter for so many in this very city -- former President Jimmy and Rosalynn Carter. They deserve our thanks, as do all the people behind Habitat for Humanity.\\

And so does a woman named Ella McCall. Ella once a homeless mother. Now she has her master's degree, and serves the homeless as a social worker at a shelter in Washington, D.C. When a family strives to move out of a shelter into a home, they need Ella. When a homeless mother wanders lost, with her children her in tow, she needs Ella. And when I look out the south window of the White House at dusk, and see the distant figures of ragged men bedding down for the night -- I pray to God that this country finds more people like Ella McCall.

Your work in job training, Jack Kemp's work in tenant management and ownership, Ella McCall's work with the homeless --

all of this ultimately saves the taxpayers money. But this isn't about money. It's about caring.

And if it takes love to make a house a home, then perhaps the same could be said of a country. For the poorest among us, America must not just be a place to live in, but a home for all.

Thank you, God bless you and God bless America.

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WHITE HOUSE STAFFING MEMORANDUM

01/16/90

2:00 p.m. 01/17/90

DATE: _____ ACTION/CONCURRENCE/COMMENT DUE BY: _____

SUBJECT: PRESIDENTIAL REMARKS: HOME BUILDERS ASSOC. - ATLANTA
(01/16 draft: Two)

	ACTION FYI			ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE <i>N/C</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PINKERTON	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	BOSKIN <i>talked to CW</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS: Please provide any comments/recommendations directly to Chriss Winston by 2:00 p.m. on Wednesday, 01/17, with a copy to my office. Thanks.

RESPONSE:

James W. Cicconi
Assistant to the President
and Deputy to the Chief of Staff
Ext. 2702

1990 JAN 16 PM 8:19

Davis/Martin
Jan. 16, 1990
Title: Habitat
Draft: Two

PRESIDENTIAL ADDRESS: HOME BUILDERS ASSOC., OMNI, ATLANTA
((Time)) FRIDAY, JAN. 19, 1990

good to see a fellow Houstonian,
((Thank you, Shirley Wiseman -- Martin Perlman, Mark Tipton,
Jay Buchert, Kent Colton and Bob Bannister -- great to see you.
Hasn't been so long, has it, since our last meeting in
November?))

((And it's great to be back in Atlanta. In fact, I believe
that it was in this very ~~room, hall or arena~~ hotel, about a year and a half ago, that
the Democrats held their 1988 Convention.\\ Of course, I have *Bob
Simon
(pick one)*
fond memories of that convention. It gave me an excuse to go
fishing in Wyoming.))\\ \\

((But frankly, I never thought my silver foot would stand on
the same spot as Ann Richards.))\\ \\ \\

In any event, it's great to be back among the Home Builders
of America. ((I just hope you appreciate one thing -- it's not
every day that this association gets to hear from someone who
actually **lives** in public housing.))\\ \\

Before we moved to the White House, Barbara and I were a *homebuilder*
and a realtor's dream. We lived in 28 places in 45 years. And yet, in *Bob
Simon*
real sense, wherever we lived -- whether it was in Houston,
Washington, New York or Beijing -- our family had one true home
that we took with us wherever we went.

I remember the first place Barbara and I lived in, when George Junior was just a baby -- an old ramshackle shotgun house in the oil town of Odessa, Texas. It had a makeshift partition down the middle that cut the house into two apartments, leaving us with a small kitchen and a shared bathroom. An old water-drip window unit that cranked up like a West Texas dust storm still couldn't drown out the noise of the all-night parties next door.

Insert A

Yet despite it all, Byron was right -- a home is ^o place in ₁ the heart. I can't speak for our neighbors, but for us, that little shack was home. And I have to wonder, and worry, how many families break apart because they can't afford to buy or rent a home even as half decent as our first place.\\

We cannot allow the high costs of housing to suffocate the financial life of America's young people. When it comes to housing, **this must not become a society of "haves" and "have nots."**\\

~~To create decent housing people can afford, government must cut some redtape -- and that's exactly what Jack Kemp and I propose to do.\\ Industry, too, must cut its regulation -- for example, by easing up on the demanding, often redundant, paperwork necessary to get a mortgage in America.\\~~

A+C

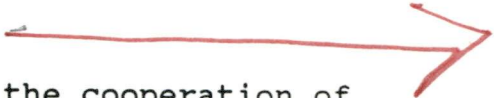
Planting trees AND P.S.

(GOOD FOR BUSINESS, GOOD FOR ENVIRO. tie to clean AIR

Clean Air combat

(And while I'm at it, can I get something off my chest? As I travel around this country, I see so many new suburbs utterly denuded of trees -- ironic, since the new owners' first instinct will be to plant as many trees as possible. So I respectfully

suggest, as a former businessman, that leaving the original trees might be a shrewd sales strategy.)

But the truth is, there's one housing policy, and one sales strategy, that's better than all others combined -- a healthy, *with low, long term interest rates* growing economy. \\ This first month of the 1990s marks the 86th month of economic growth in America. As Shirley says, it was housing that paved the way to the longest peacetime recovery in modern history. You built *nearly* ten million *single family* homes in the '80s. And by *and nearly 5 million* working together, the housing industry will help keep this country going strong in the '90s. \\ *insert 3* 

But to keep America moving, we will need the cooperation of Congress. I can think of one simple action Congress can take to give the economic expansion a boost. It has already been debated. It has already won the support of the majority of Members. **What we need now is a simple up-^{or}and-down vote to cut the tax on capital gains. **

~~What would such a cut mean for America? Senator Bob Dole told me he was having lunch at a restaurant in New York. And just as he was getting ready to leave, Bob's waiter stopped him and said: "Senator, please pass this capital gains tax cut. I'm getting ready to sell my house, and a tax cut would mean a world of difference to my family." So when someone tries to convince you that this is a tax cut for the rich, remember that waiter. Remember the retiree who's selling a home. Remember the farmer and the small businessman *or woman.*~~

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Also vital to home buyer and home builder alike is ^{are low} a fair and stable rates of interest. A one-percent increase in the ^{check} interest rate knocks two million families out of the market. ~~But~~ in the last few years, millions of families could afford a new home because mortgage interest rates have dropped from ¹⁸ ~~14~~ percent in the early 1980s to less than 10 percent today.\\ And I want to see them come down even more.\\

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To escape violence and crime, to live in decent housing -- our public-housing tenants must first be empowered. Empowered to choose where they want to live. Empowered by housing vouchers.

Low-income families don't need us to build new public-housing horrors. They need decent low-income housing. And that's why I call on Congress to ~~renew~~ ^{extend} the low-income housing tax credit.\\\

Earlier, I discussed capital gains. But even this cut would not be enough for America's impoverished inner-cities -- often as desolate and shattered as a war zone. No, for these communities, we've got to go one step further and ~~eliminate the capital gains tax altogether~~ with ⁱⁿ enterprise zones.

There is something perverse about ~~destructive~~ ^{discriminatory lending} practices that have kept the FHA out of the very places that need the most help. So my administration will ensure that FHA is true to its first mission -- to make housing affordable for low- and moderate-income families. It's wrong to draw a red line around the inner city. It's not right or fair. And we're going to ~~strike this redline policy altogether~~ ^{replace the} ^{with a green line of opportunity and jobs for the future} ~~redline policy altogether~~.\\\

The centerpiece of HOPE is to let all Americans ^{live in} ~~enjoy the~~ ^{and} ~~of~~ controlling ~~ing~~ their destiny -- and dignity is exactly what resident management projects allow, from the Kenilworth-Parkside project in Washington, D.C., to the ((name)) right here in Atlanta. Tenant management and tenant ownership is no longer [?] an experiment -- ~~it's the future~~.\\

But even more is needed. We are all going to have to work in a partnership to solve the problems of the helpless and the homeless. My administration is going to do its part by expanding ^{homeless assistance} ~~emergency shelters~~. Late last year, I signed a bill that boosts

Our HOPE proposal will tie shelter with basic services for those in need.

funding under the McKinney Act to reduce homelessness. And Jack will tell you of other steps we are taking.

You're certainly doing your part -- building and renovating shelters for the homeless; for battered women; for troubled children and retarded adults. And you're working with the Job Corps, taking the unskilled, the out-of-work, and training them for lifetime careers in construction and maintenance, and I congratulate you on your commitment.

But our partnership needs a third element -- that constellation of volunteers I call the Thousand Points of Light. I couldn't come to Atlanta, without taking note of one such point of light, a part-time carpenter and his wife who have provided shelter for so many in this very city -- former President Jimmy and Rosalynn Carter. They deserve our thanks, as do all the people behind Habitat for Humanity.\

And so does a woman named Ella McCall. Ella ^{who} once a homeless mother. Now she has her master's degree, and serves the homeless as a social worker at a shelter in Washington, D.C. When a family strives to move out of a shelter into a home, they need Ella. When a homeless mother wanders lost, with her children ~~her~~ in tow, she needs Ella. And when I look out the south window of the White House at dusk, and see the distant figures of ragged men bedding down for the night -- I pray to God that this country finds more people like Ella McCall.

Your work in job training, Jack Kemp's work in tenant management and ownership, Ella McCall's work with the homeless --

all of this ultimately saves the taxpayers money. But this isn't about money. It's about caring.

And if it takes love to make a house a home, then perhaps the same could be said of a country. For the poorest among us, America must not just be a place to live in, but a home for all.

Thank you, God bless you and God bless America.

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CHRISS -
NEW INSERT,
FROM MARK

THE WHITE HOUSE
WASHINGTON

But the truth is, there's one housing policy, and one sales strategy, that's better than all others combined -- **a healthy, growing economy.**\\ This first month of the 1990s marks the 86th month of economic growth in America. As Shirley says, it was housing that paved the way to the longest peacetime recovery in modern history. You built ten million homes in the '80s. And by working together, **the housing industry will help keep this country going strong in the '90s.**\\

But to keep America moving, we will need the cooperation of Congress. I can think of one simple action Congress can take to give the economic expansion a boost. It has already been debated. It has already won the support of the majority of Members. **What we need now is a simple up-and-down vote to cut the tax on capital gains.**\\

Some call a capital gains tax cut a favor for the rich. They should know better. They should know what you know -- that a capital gains tax cut favors economic growth, jobs and opportunity for working America. It favors every American who makes a living, day after day, brick by brick, hammer on nail.

So I call on the leaders of Congress to give the American people a break, **to let democracy work in the House and Senate.**\\

HUD

insert 2

no

There's another vital underpinning of affordable housing and that's the mortgage interest and property tax deduction. I want you to know that this Administration will defend these basic tax incentives as a vital part of our pro-homeownership agenda for the nineties.

insert 3

yes

The ~~greatest~~ engine of homeownership in America is the private enterprise system. And by helping those entrepreneurs and risktakers, more Americans will have access to the dream of homeownership and decent housing.

insert 4

no

Our tax system reflects the values of our nation. In my view, these are no higher goals for our country than to create jobs, homeownership, and opportunity for every one of our citizens.

insert

HUD

The fact is that for the last decade and a half, the cost of new homes -
- the cost of the American dream -- has been escalating. Young couples just
starting out, low and moderate income Americans, unmarried people trying to
invest in the future -- many are finding themselves priced out of the home market,
especially new homes. The average cost of a new home today is \$150,000. B

~~The problem is not that the folks who build homes can't build them at
reasonable cost. The problem is that government at all levels won't let them.~~

When governments impose inconsistent regulation, onerous construction fees,
exclusive zoning laws, unnecessary building codes, rent control restrictions,
duplicative demands for architectural designs, and often change them while
projects are going forward -- the cost to the builder in legal, labor, design,
and engineering expenses is astronomical. And the home buyer is the one who has
to pay.

The environment, safety, and health must be protected. But governments
must start working together to eliminate or reform barriers to affordable housing.

I have asked Jack Kemp to convene a blue ribbon commission to identify these
barriers to affordable housing construction and to make recommendations on how
to eliminate them. C

THE WHITE HOUSE

WASHINGTON

January 17, 1990

MEMORANDUM FOR CHRISS WINSTON

FROM: ROGER B. PORTER *RBP*

SUBJECT: Presidential Remarks: Home Builders Association - Atlanta

The draft remarks are well written, another solid effort. We have indicated our comments on the attached draft. In addition to the comments on the draft, we suggest inserting the following text at the end of the first paragraph on page two.

Insert A { "Of course, that first house Barbara and I lived in couldn't compare to the new 'smart houses' that you in the NAHB are working on. We were fortunate that the wires ^{ing} never ~~crossed~~ ^{even worked.} while you are ~~going to put~~ ^{today} telephone, television, and power together on one master cable, linked to a computer. It's remarkable what free enterprise and American ingenuity can do."

You may also want to note that Martin Perlman, the incoming NAHB president, is a fellow Houstonian.

If you have any questions or we can help in any other way, please let me know.

cc: James W. Cicconi

89 DEC 17 P4: 20

to speechwriting
Room 122

Document No. 104717

WHITE HOUSE STAFFING MEMORANDUM



DATE: 01/16/90 ACTION/CONCURRENCE/COMMENT DUE BY: 2:00 p.m. 01/17/90

SUBJECT: PRESIDENTIAL REMARKS: HOME BUILDERS ASSOC. - ATLANTA
(01/16 draft: Two)

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BATES	<input type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>PINKERTON</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>WINSTON</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>BOSKIN</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>_____</u>	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	<u>_____</u>	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS: Please provide any comments/recommendations directly to Chriss Winston by 2:00 p.m. on Wednesday, 01/17, with a copy to my office. Thanks.

RESPONSE:

Comments from HUD
attached.

89 DEC 17 P4:20

James W. Cicconi
Assistant to the President
and Deputy to the Chief of Staff
Ext. 2702

1990 JAN 16 PM 8:19

Davis/Martin
Jan. 16, 1990
Title: Habitat
Draft: Two

PRESIDENTIAL ADDRESS: HOME BUILDERS ASSOC., OMNI, ATLANTA
((Time)) FRIDAY, JAN. 19, 1990

((Thank you, Shirley Wiseman -- Martin Perlman, Mark Tipton, Jay Buchert, Kent Colton and Bob Bannister -- great to see you. Hasn't been so long, has it, since our last meeting in November?))

((And it's great to be back in Atlanta. In fact, I believe that it was in this very hotel, about a year and a half ago, that the Democrats held their 1988 Convention.\\ Of course, I have fond memories of that convention. It gave me an excuse to go fishing in Wyoming.))\\ \\

~~((But frankly, I never thought my silver foot would stand on the same spot as Ann Richards.))\\ \\ \\ (PROP)~~

In any event, it's great to be back among the Home Builders of America. ((I just hope you appreciate one thing -- it's not every day that this association gets to hear from someone who actually lives in public housing.))\\ \\

Before we moved to the White House, Barbara and I were a *homebuilder's* and realtor's dream. We lived in 28 places in 44 years. And yet, in real sense, wherever we lived -- whether it was in Houston, Washington, New York or Beijing -- our family had one true home that we took with us wherever we went.

I remember the first place Barbara and I lived in, when George Junior was just a baby -- an old ramshackle shotgun house in the oil town of Odessa, Texas. It had a makeshift partition down the middle that cut the house into two apartments, leaving us with a small kitchen and a shared bathroom. An old water-drip window unit that cranked up like a West Texas dust storm still couldn't drown out the noise of the all-night parties next door.

Yet despite it all, Byron was right -- a home is place in the heart. I can't speak for our neighbors, but for us, that little shack was home. And I have to wonder, and worry, how many families break apart because they can't afford to buy or rent a home even as half decent as our first place.\\

We cannot allow the high costs of housing to suffocate the financial life of America's young people. When it comes to housing, this must not become a society of "haves" and "have nots."\\

*insert
1
here* { ~~To create decent housing people can afford, government must cut some redtape -- and that's exactly what Jack Kemp and I propose to do.\\ Industry, too, must cut its regulation -- for example, by easing up on the demanding, often redundant, paperwork necessary to get a mortgage in America.\\~~

*insert
2
here* { (And while I'm at it, can I get something off my chest? As I travel around this country, I see so many new suburbs utterly denuded of trees -- ironic, since the new owners' first instinct will be to plant as many trees as possible. So I respectfully

suggest, as a former businessman, that leaving the original trees might be a shrewd sales strategy.)

But the truth is, there's one housing policy, and one sales strategy, that's better than all others combined -- a healthy, growing economy ^{with low, long term interest rates.} This first month of the 1990s marks the 86th month of economic growth in America. As Shirley says, it was housing that paved the way to the longest peacetime recovery in modern history. You built ten million homes in the '80s. And by working together, the housing industry will help keep this country going strong in the '90s. *insert 3 here*

But to keep America moving, we will need the cooperation of Congress. I can think of one simple action Congress can take to give the economic expansion a boost. It has already been debated. It has already won the support of the majority of Members. What we need now is a simple up-and-down vote to cut the tax on capital gains ^{and unleash the entrepreneurs and small business men and women.}

What would such a cut mean for America? Senator Bob Dole told me he was having lunch at a restaurant in New York. And just as he was getting ready to leave, Bob's waiter stopped him and said: "Senator, please pass this capital gains tax cut. I'm getting ready to sell my house, and a tax cut would mean a world of difference to my family." So when someone tries to convince you that this is a tax cut for the rich, remember that waiter. Remember the retiree who's selling a home. Remember the farmer and the small businessman ^{and women.} And remember the 47 million Americans who own shares of stock or equity in America's private enterprise system.

A capital gains tax cut will help every American who holds a job or owns a home. So I call on the leaders of Congress to give the American people a break, to let democracy work in the House and Senate.\\ \\

Also vital to home buyer and home builder alike, is a ^{low} fair and stable rate of interest, ^{and more housing and jobs.} A one-percent increase in the interest rate knocks two million families out of the market. But in the last few years, millions of families could afford a new home because mortgage interest rates have dropped from 14 percent in the early 1980s to less than 10 percent today.\\ And I want to see them come down even more.\\

The 1990s must be another decade of lower taxes and lower interest rates. But to have a stable economy, it must also be a decade in which Washington, at long last, adopts fiscal policies as sound as those of the average American household.

None of us is allowed to spend our bonus before we earn it. Nor should Congress start planning where to spend a possible "peace dividend." To the extent that world events allow us to cut defense spending, then we should recognize that cutting the federal budget deficit would be a true dividend for America's taxpayers.\\ \\ *And keeping the economy strong and expanding.*

And too often, Congress forgets that every house is the handiwork of an architect, a surveyor, a mason, a plumber, a carpenter, a painter and dozens of other working men and women. If Congress levies new burdens on our economy, it is these very people who will be put out of work.

Economic growth will give us a "growth dividend". Last year the dividend exceeded \$80 billion in new government

But, of course, even if we do cut the capital gains tax; even if we do keep interest rates low; even if we do protect the economy -- this is cold comfort for those Americans who languish in the projects, or the thousands of others who know no shelter at all. *The measure of our nation's democracy is how willing we are to provide opportunity for the poorest among us.* These Americans need help. And they need hope -- so that's just what I call our program -- HOPE, which stands for Home Ownership and Opportunity for People Everywhere.

Our program addresses the full range of housing concerns -- from shelter for the homeless, to affordable housing for low-income families, to greater access to jobs.

Let's start with what HOPE can do for first-time homebuyers. It's time Congress let Americans use their IRA savings to get into that first house.\\\

Then there are those who must live in the poverty and fear of public housing. They are disproportionately minority Americans. They suffer abuse from drug-dealing predators within -- and the last thing they need is abuse from without. And concerning the latter, let me say just one thing: Atlanta is a great, cheerful city that has proudly risen from the ashes of a distant past. And so for those who plan to revel in a rally of hate tomorrow, let them know this: Atlantans, like all Americans, turn their backs on bigots.\\\

To escape violence and crime, to live in decent housing -- our public-housing tenants must first be empowered. Empowered to choose where they want to live. Empowered by housing vouchers.

Low-income families don't need us to build new public-housing horrors. They need decent low-income housing. And that's why I call on Congress to ^{extend} ~~renew~~ the low-income housing tax credit. \\ \ insert 4 here

Earlier, I discussed capital gains. But even this cut would not be enough for America's impoverished inner-cities -- often as desolate and shattered as a war zone. No, for these communities, we've got to go one step further and eliminate the capital gains tax altogether with enterprise zones.

There is something perverse about destructive practices that have kept the FHA out of the very places that need the most help. So my administration will ensure that FHA is true to its first mission -- to make housing affordable for low- and moderate-income families. It's wrong to draw a red line around the inner city. It's not right or fair. And we're going to ^{replace the} ~~strike this~~ redline ^{with a greenline of opportunity and jobs for the future} ~~policy altogether.~~ \\ \

The centerpiece of HOPE is to let all Americans ^{live in'} ~~enjoy the~~ dignity ^{and} of ~~controlling~~ their destiny -- and dignity is exactly what resident management projects allow, from the Kenilworth-Parkside project in Washington, D.C., to the ((name)) right here in Atlanta. Tenant management and tenant ownership is no longer an experiment -- it's the future. \\ \

But even more is needed. We are all going to have to work in a partnership to solve the problems of the helpless and the homeless. My administration is going to do its part by expanding emergency shelters. Late last year, I signed a bill that boosts

funding under the McKinney Act to reduce homelessness, will tell you of other steps we are taking.

and our HOPE proposal will be shared with Jack Kemp with basic services for those in need to live with dignity

You're certainly doing your part -- building and renovating shelters for the homeless; for battered women; for troubled children and retarded adults. And you're working with the Job Corps, taking the unskilled, the out-of-work, and training them for lifetime careers in construction and maintenance, and I congratulate you on your commitment.

But our partnership needs a third element -- that constellation of volunteers I call the Thousand Points of Light. I couldn't come to Atlanta, without taking note of one such point of light, a part-time carpenter and his wife who have provided shelter for so many in this very city -- former President Jimmy and Rosalynn Carter. They deserve our thanks, as do all the people behind Habitat for Humanity.\

And so does a woman named Ella McCall. Ella once a homeless mother. Now she has her master's degree, and serves the homeless as a social worker at a shelter in Washington, D.C. When a family strives to move out of a shelter into a home, they need Ella. When a homeless mother wanders lost, with her children her in tow, she needs Ella. And when I look out the south window of the White House at dusk, and see the distant figures of ragged men bedding down for the night -- I pray to God that this country finds more people like Ella McCall.

Your work in job training, Jack Kemp's work in tenant management and ownership, Ella McCall's work with the homeless --

all of this ultimately saves the taxpayers money. But this isn't about money. It's about caring.

And if it takes love to make a house a home, then perhaps the same could be said of a country. For the poorest among us, America must not just be a place to live in, but a home for all.

Thank you, God bless you and God bless America.

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HOME BUILDERS ASSOC., OMNI, ATLANTA
11:00 A.M. FRIDAY, JAN. 19, 1990

((THANK YOU, SHIRLEY WISEMAN, MARTIN PERLMAN --
GOOD TO SEE A FELLOW HOUSTONIAN -- MARK TIPTON, JAY
BUCHERT, KENT COLTON AND BOB BANNISTER -- GREAT TO SEE
YOU. HASN'T BEEN SO LONG, HAS IT, SINCE OUR LAST
MEETING IN NOVEMBER? AND, OF COURSE, WE HAVE NEWT
GINGRICH, CHALMERS WYLIE AND STEVE BARTLETT.))

Sec. Kemp, Sen. Fowler + Cong. Gingrich

((AND IT'S GREAT TO BE BACK IN ATLANTA. IN FACT,
I BELIEVE THAT IT WAS IN THIS VERY HALL, ABOUT A YEAR
AND A HALF AGO, THAT THE DEMOCRATS HELD THEIR 1988
CONVENTION.\\ OF COURSE, I HAVE FOND MEMORIES OF THAT
CONVENTION. IT GAVE ME AN EXCUSE TO GO FISHING IN
WYOMING.))\\

((BUT FRANKLY, I NEVER THOUGHT MY SILVER FOOT
WOULD STAND ON THE SAME SPOT AS ANN RICHARDS.))\\

IN ANY EVENT, IT'S GREAT TO BE BACK AMONG THE HOME
BUILDERS OF AMERICA. ((I JUST HOPE YOU APPRECIATE ONE
THING -- IT'S NOT EVERY DAY THAT THIS ASSOCIATION GETS
TO HEAR FROM SOMEONE WHO ACTUALLY LIVES IN PUBLIC
HOUSING.))\\

BEFORE WE MOVED TO THE WHITE HOUSE, BARBARA AND I WERE A HOME BUILDER'S AND A REALTOR'S DREAM. WE LIVED IN 28 PLACES IN 45 YEARS. AND YET, IN A REAL SENSE, WHEREVER WE LIVED -- WHETHER IT WAS IN HOUSTON, WASHINGTON, NEW YORK OR BEIJING -- OUR FAMILY HAD ONE TRUE HOME THAT WE TOOK WITH US WHEREVER WE WENT.

I REMEMBER THE FIRST PLACE BARBARA AND I LIVED IN, WHEN GEORGE JUNIOR WAS JUST A BABY -- A TINY RAMSHACKLE SHOTGUN HOUSE IN THE OIL TOWN OF ODESSA, TEXAS. IT HAD A MAKESHIFT PARTITION DOWN THE MIDDLE THAT CUT THE HOUSE INTO TWO APARTMENTS, LEAVING US WITH A SMALL KITCHEN AND A SHARED BATHROOM. AN OLD WATER-DRIP WINDOW UNIT THAT CRANKED UP LIKE A WEST TEXAS DUST STORM STILL COULDN'T DROWN OUT THE NOISE OF THE ALL-NIGHT PARTIES NEXT DOOR.

OF COURSE, THAT FIRST HOUSE BARBARA AND I LIVED IN COULDN'T COMPARE TO THE NEW "SMART HOUSES" THAT YOU, IN THE NAHB, ARE BUILDING. WE WERE FORTUNATE THAT THE WIRING EVEN WORKED, WHILE TODAY YOU ARE PUTTING TELEPHONE, TELEVISION AND POWER TOGETHER ON ONE MASTER CABLE, LINKED TO A COMPUTER. IT'S REMARKABLE WHAT FREE ENTERPRISE AND AMERICAN INGENUITY CAN DO.

YET DESPITE IT ALL, LORD BYRON WAS RIGHT -- A HOME IS A PLACE IN THE HEART. I CAN'T SPEAK FOR OUR NEIGHBORS, BUT FOR US, THAT LITTLE SHACK WAS HOME. AND I HAVE TO WONDER, AND WORRY, HOW MANY FAMILIES BREAK APART BECAUSE THEY CAN'T AFFORD TO BUY OR RENT A HOME EVEN HALF AS DECENT AS OUR FIRST PLACE.\

WE CANNOT ALLOW THE HIGH COSTS OF HOUSING TO SUFFOCATE THE FINANCIAL LIFE OF AMERICA'S YOUNG PEOPLE. WHEN IT COMES TO HOUSING, THIS MUST NOT BECOME A SOCIETY OF "HAVES" AND "HAVE NOTS."\\\

THE FACT IS THAT FOR THE LAST DECADE AND A HALF, THE COST OF NEW HOMES -- THE COST OF THE AMERICAN DREAM -- HAS BEEN ESCALATING. YOUNG COUPLES JUST STARTING OUT, LOW AND MODERATE-INCOME AMERICANS, UNMARRIED PEOPLE TRYING TO INVEST IN THE FUTURE -- MANY ARE FINDING THEMSELVES PRICED OUT OF THE HOME MARKET, ESPECIALLY NEW HOMES.

TO CREATE DECENT HOUSING THAT PEOPLE CAN AFFORD, THE GOVERNMENT AND PRIVATE SECTOR MUST CUT SOME REDTAPE. SO I HAVE ASKED JACK KEMP TO CONVENE A BLUE RIBBON COMMISSION TO IDENTIFY THESE BARRIERS TO AFFORDABLE HOUSING CONSTRUCTION AND TO MAKE RECOMMENDATIONS ON HOW TO ELIMINATE THEM.

(AND WHILE I'M AT IT, CAN I GET SOMETHING OFF MY CHEST? AS YOU KNOW, AS I TRAVEL AROUND THIS COUNTRY, I HAVE ENCOURAGED THE PLANTING OF TREES -- AND EVEN PLANTED A FEW MYSELF. BUT IN THESE SAME TRAVELS, I SEE SO MANY NEW SUBURBS UTTERLY DENUDED OF TREES -- IRONIC, SINCE THE NEW OWNERS' FIRST INSTINCT WILL BE TO PLANT AS MANY TREES AS POSSIBLE; IRONIC ALSO BECAUSE TREES CLEAN OUR AIR. SO I RESPECTFULLY SUGGEST, AS A FORMER BUSINESSMAN, THAT LEAVING THE ORIGINAL TREES MIGHT BE A SHREWD SALES STRATEGY. IT'S GOOD FOR BUSINESS, AND IT'S GOOD FOR THE ENVIRONMENT.)

BUT THE TRUTH IS, THERE'S ONE HOUSING POLICY, AND ONE SALES STRATEGY, THAT'S BETTER THAN ALL OTHERS COMBINED -- A HEALTHY, GROWING ECONOMY WITH LOW, LONG-TERM INTEREST RATES.\\ THIS FIRST MONTH OF THE 1990S MARKS THE 86TH MONTH OF ECONOMIC GROWTH IN AMERICA. AS SHIRLEY SAYS, IT WAS HOUSING THAT PAVED THE WAY TO THE LONGEST PEACETIME RECOVERY IN MODERN HISTORY. YOU BUILT NEARLY TEN MILLION SINGLE-FAMILY HOMES IN THE '80S, AND NEARLY FIVE MILLION MULTI-FAMILY UNITS. AND BY WORKING TOGETHER, THE HOUSING INDUSTRY WILL HELP KEEP THIS COUNTRY GOING STRONG IN THE '90S.\\

THE ENGINE OF HOMEOWNERSHIP IN AMERICA IS THE PRIVATE ENTERPRISE SYSTEM. AND BY HELPING THOSE ENTREPRENEURS AND RISKTAKERS, MORE AMERICANS WILL HAVE ACCESS TO THE DREAM OF HOMEOWNERSHIP AND DECENT HOUSING.

BUT TO KEEP AMERICA MOVING, WE WILL NEED THE COOPERATION OF CONGRESS. I CAN THINK OF ONE SIMPLE ACTION CONGRESS CAN TAKE TO GIVE THE ECONOMIC EXPANSION A BOOST. IT HAS ALREADY BEEN DEBATED. IT HAS ALREADY WON THE SUPPORT OF THE MAJORITY OF MEMBERS. WHAT WE NEED NOW IS A SIMPLE UP-OR-DOWN VOTE TO CUT THE TAX ON CAPITAL GAINS.\ \

SOME CALL A CAPITAL GAINS TAX CUT A FAVOR FOR THE RICH. THEY SHOULD KNOW BETTER. THEY SHOULD KNOW WHAT YOU KNOW -- THAT A CAPITAL GAINS TAX CUT FAVORS ECONOMIC GROWTH, JOBS AND OPPORTUNITY FOR WORKING AMERICA. IT FAVORS EVERY AMERICAN WHO MAKES A LIVING, DAY AFTER DAY, BRICK BY BRICK, HAMMER ON NAIL.

A CAPITAL GAINS TAX CUT WILL HELP EVERY AMERICAN WHO HOLDS A JOB OR OWNS A HOME. SO I CALL ON THE DEMOCRAT LEADERS OF CONGRESS TO GIVE THE AMERICAN PEOPLE A BREAK, AND TO LET THE HOUSE AND SENATE WORK THEIR WILL BY HAVING AN UP AND DOWN VOTE ON THE CAPITAL GAINS TAX CUT.\ \ \

ALSO VITAL TO HOME BUYER AND HOME BUILDER ALIKE ARE LOW AND STABLE RATES OF INTEREST. A ONE-PERCENT INCREASE IN THE INTEREST RATE KNOCKS MILLIONS OF FAMILIES OUT OF THE MARKET. IN THE LAST FEW YEARS, MILLIONS OF FAMILIES COULD AFFORD A NEW HOME BECAUSE MORTGAGE INTEREST RATES HAVE DROPPED FROM 18 PERCENT IN THE EARLY 1980S TO LESS THAN 10 PERCENT TODAY.\\ AND I WANT TO SEE THEM COME DOWN EVEN MORE.\\

THE 1990S MUST BE ANOTHER DECADE OF LOWER TAXES AND LOWER INTEREST RATES. BUT TO HAVE A STABLE ECONOMY, IT MUST ALSO BE A DECADE IN WHICH WASHINGTON, AT LONG LAST, ADOPTS FISCAL POLICIES AS SOUND AS THOSE OF THE AVERAGE AMERICAN HOUSEHOLD.

NONE OF US IS ALLOWED TO SPEND OUR BONUS BEFORE WE EARN IT. NOR SHOULD CONGRESS START PLANNING WHERE TO SPEND A POSSIBLE "PEACE DIVIDEND." TO THE EXTENT THAT WORLD EVENTS ALLOW US TO CUT DEFENSE SPENDING, THEN WE SHOULD RECOGNIZE THAT CUTTING THE FEDERAL BUDGET DEFICIT WOULD BE A TRUE DIVIDEND FOR AMERICA'S TAXPAYERS AND OUR CHILDREN'S FUTURE. WE MUST GET THE DEFICIT DOWN.\\\

AND TOO OFTEN, CONGRESS FORGETS THAT EVERY HOUSE IS THE HANDIWORK OF AN ARCHITECT, A SURVEYOR, A MASON, A PLUMBER, A CARPENTER, A PAINTER AND DOZENS OF OTHER WORKING MEN AND WOMEN. IF CONGRESS LEVIES NEW BURDENS ON OUR ECONOMY, IT IS THESE VERY PEOPLE WHO WILL BE PUT OUT OF WORK.

BUT, OF COURSE, EVEN IF WE DO CUT THE CAPITAL GAINS TAX; EVEN IF WE DO KEEP INTEREST RATES LOW; EVEN IF WE DO PROTECT THE ECONOMY -- THIS IS COLD COMFORT FOR THOSE AMERICANS WHO LANGUISH IN THE PROJECTS, OR THE THOUSANDS OF OTHERS WHO KNOW NO SHELTER AT ALL.

THESE AMERICANS NEED HELP. AND THEY NEED HOPE -- SO THAT'S JUST WHAT I CALL OUR PROGRAM -- HOPE, WHICH STANDS FOR HOME OWNERSHIP AND OPPORTUNITY FOR PEOPLE EVERYWHERE.

OUR PROGRAM ADDRESSES THE FULL RANGE OF HOUSING CONCERNS -- FROM SHELTER FOR THE HOMELESS, TO AFFORDABLE HOUSING FOR LOW-INCOME FAMILIES, TO GREATER ACCESS TO JOBS.

LET'S START WITH WHAT HOPE CAN DO FOR FIRST-TIME HOME-BUYERS. IT'S TIME CONGRESS LET AMERICANS USE THEIR IRA SAVINGS TO GET INTO THAT FIRST HOUSE.\ \ \

THEN THERE ARE THOSE WHO MUST LIVE IN THE POVERTY AND FEAR OF PUBLIC HOUSING. THEY ARE DISPROPORTIONATELY MINORITY AMERICANS. THEY SUFFER ABUSE FROM DRUG-DEALING PREDATORS WITHIN -- AND THE LAST THING THEY NEED IS ABUSE FROM WITHOUT. ^{AND} ^{One of the first + best things} ^{face Kemp did was to} ^{change} ^{HUDO procedures} ^{regulations} ^{so that} ^{drug dealers can be} ^{kicked out} ^{of public housing.} CONCERNING ~~THE~~ ^{*abuse from w/o} LATTER, LET ME SAY JUST ONE THING: ATLANTA IS A GREAT, CHEERFUL CITY THAT HAS PROUDLY RISEN FROM THE ASHES OF A DISTANT PAST. AND SO FOR THOSE WHO PLAN TO REVEL IN A RALLY OF HATE HERE TOMORROW, LET THEM KNOW THIS: ATLANTANS, LIKE ALL AMERICANS, TURN THEIR BACKS ON BIGOTS. \ \

TO ESCAPE VIOLENCE AND CRIME, TO LIVE IN DECENT HOUSING -- OUR PUBLIC-HOUSING TENANTS MUST FIRST BE EMPOWERED. EMPOWERED TO CHOOSE WHERE THEY WANT TO LIVE. EMPOWERED BY HOUSING VOUCHERS.

LOW-INCOME FAMILIES DON'T NEED US TO BUILD NEW PUBLIC-HOUSING HORRORS. THEY NEED DECENT LOW-INCOME HOUSING. AND THAT'S WHY I CALL ON CONGRESS TO EXTEND THE LOW-INCOME HOUSING TAX CREDIT.\\\

EARLIER, I DISCUSSED CAPITAL GAINS. BUT EVEN THIS CUT WOULD NOT BE ENOUGH FOR AMERICA'S IMPOVERISHED INNER-CITIES -- OFTEN AS DESOLATE AND SHATTERED AS A WAR ZONE. NO, FOR THESE COMMUNITIES, WE'VE GOT TO GO ONE STEP FURTHER AND ELIMINATE THE CAPITAL GAINS TAX ALTOGETHER WITHIN ENTERPRISE ZONES. *This surely will attract more investment & jobs.*

THERE IS SOMETHING PERVERSE ABOUT DISCRIMINATORY LENDING PRACTICES THAT HAVE KEPT THE FHA OUT OF THE VERY PLACES THAT NEED THE MOST HELP. SO MY ADMINISTRATION WILL ENSURE THAT FHA IS TRUE TO ITS FIRST MISSION -- TO MAKE HOUSING AFFORDABLE FOR LOW- AND MODERATE-INCOME FAMILIES. IT'S WRONG TO DRAW A RED LINE AROUND THE INNER CITY. IT'S NOT RIGHT OR FAIR. AND WE'RE GOING TO REPLACE THE REDLINE WITH A GREENLINE FOR OPPORTUNITY AND JOBS FOR THE FUTURE.\\\

THE CENTERPIECE OF HOPE IS TO LET ALL AMERICANS LIVE IN DIGNITY AND CONTROL THEIR DESTINY -- AND DIGNITY IS EXACTLY WHAT RESIDENT MANAGEMENT PROJECTS ALLOW. TENANT MANAGEMENT AND TENANT OWNERSHIP IS NOT JUST AN EXPERIMENT -- IT'S THE FUTURE.\

BUT EVEN MORE IS NEEDED. WE ARE ALL GOING TO HAVE TO WORK IN A PARTNERSHIP TO SOLVE THE PROBLEMS OF THE HELPLESS AND THE HOMELESS. MY ADMINISTRATION IS GOING TO DO ITS PART BY EXPANDING HOMELESS ASSISTANCE. LATE LAST YEAR, I SIGNED A BILL THAT BOOSTS FUNDING UNDER THE MCKINNEY ACT TO REDUCE HOMELESSNESS. OUR HOPE PROPOSAL WILL TIE SHELTER WITH BASIC SERVICES FOR THOSE IN NEED. AND SECRETARY KEMP, I KNOW, WILL TELL YOU OF OTHER STEPS WE ARE TAKING.

YOU'RE CERTAINLY DOING YOUR PART -- BUILDING AND RENOVATING SHELTERS FOR THE HOMELESS; FOR BATTERED WOMEN; FOR TROUBLED CHILDREN AND RETARDED ADULTS. AND YOU'RE WORKING WITH THE JOB CORPS, TAKING THE UNSKILLED, THE OUT-OF-WORK, AND TRAINING THEM FOR LIFETIME CAREERS IN CONSTRUCTION AND MAINTENANCE, AND I CONGRATULATE YOU ON YOUR COMMITMENT.

BUT OUR PARTNERSHIP NEEDS A THIRD ELEMENT -- THAT CONSTELLATION OF VOLUNTEERS I CALL THE THOUSAND POINTS OF LIGHT. I COULDN'T COME TO ATLANTA, WITHOUT TAKING NOTE OF ONE SUCH POINT OF LIGHT, A PART-TIME CARPENTER AND HIS WIFE WHO HAVE PROVIDED SHELTER FOR SO MANY IN THIS VERY CITY -- FORMER PRESIDENT JIMMY AND ROSALYNN CARTER. THEY DESERVE OUR THANKS, AS DO ALL THE PEOPLE BEHIND HABITAT FOR HUMANITY.\

AND SO DOES A WOMAN NAMED ELLA MCCALL. ELLA WAS ONCE A HOMELESS MOTHER. NOW SHE HAS HER MASTERS DEGREE, AND SERVES THE HOMELESS AS A SOCIAL WORKER AT A SHELTER IN WASHINGTON, D.C. WHEN A FAMILY STRIVES TO MOVE OUT OF A SHELTER INTO A HOME, THEY NEED ELLA. WHEN A HOMELESS MOTHER WANDERS LOST, WITH HER CHILDREN IN TOW, SHE NEEDS ELLA. AND WHEN I LOOK OUT THE SOUTH WINDOW OF THE WHITE HOUSE AT DUSK, AND SEE THE DISTANT FIGURES OF RAGGED MEN BEDDING DOWN FOR THE NIGHT -- I PRAY TO GOD THAT THIS COUNTRY FINDS MORE PEOPLE LIKE ELLA MCCALL.

YOUR WORK IN JOB TRAINING, JACK KEMP'S WORK IN
TENANT MANAGEMENT AND OWNERSHIP, ELLA MCCALL'S WORK
WITH THE HOMELESS -- ALL OF THIS ULTIMATELY SAVES THE
TAXPAYERS MONEY. BUT THIS ISN'T ABOUT MONEY. IT'S
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AND IF IT TAKES LOVE TO MAKE A HOUSE A HOME, THEN
PERHAPS THE SAME COULD BE SAID OF A COUNTRY. FOR THE
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THANK YOU, GOD BLESS YOU AND GOD BLESS AMERICA.

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WHITE HOUSE STAFFING MEMORANDUM

01/16/90

2:00 p.m. 01/17/90

DATE: _____ ACTION/CONCURRENCE/COMMENT DUE BY: _____

SUBJECT: PRESIDENTIAL REMARKS: HOME BUILDERS ASSOC. - ATLANTA
(01/16 draft: Two)

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REMARKS: Please provide any comments/recommendations directly to Chriss Winston by 2:00 p.m. on Wednesday, 01/17, with a copy to my office. Thanks.

RESPONSE: *See comments*

89 DEC 17 P 3: 05

James W. Cicconi
Assistant to the President
and Deputy to the Chief of Staff
Ext. 2702

1990 JAN 16 PM 8:19

Davis/Martin
Jan. 16, 1990
Title: Habitat
Draft: Two

**PRESIDENTIAL ADDRESS: HOME BUILDERS ASSOC., OMNI, ATLANTA
((Time)) FRIDAY, JAN. 19, 1990**

((Thank you, Shirley Wiseman -- Martin Perlman, Mark Tipton, Jay Buchert, Kent Colton and Bob Bannister -- great to see you. Hasn't been so long, has it, since our last meeting in November?))

((And it's great to be back in Atlanta. In fact, I believe that it was in this very hotel, about a year and a half ago, that the Democrats held their 1988 Convention.\\ Of course, I have fond memories of that convention. It gave me an excuse to go fishing in Wyoming.))\\ \\

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Yet despite it all, Byron was right -- a home is ^a place in the heart. I can't speak for our neighbors, but for us, that little shack **was** home. And I have to wonder, and worry, how many families **break** apart because they can't afford to buy or rent a home even as half decent as our first place.\\

We cannot allow the high costs of housing to suffocate the financial life of America's young people. When it comes to housing, **this must not become a society of "haves" and "have nots."**\\

To create decent housing people can afford, government must cut some redtape -- **and that's exactly what Jack Kemp and I propose to do.**\\ Industry, too, must cut its regulation -- for example, by easing up on the demanding, often redundant, paperwork necessary to get a mortgage in America.\\

(And while I'm at it, can I get something off my chest? As I travel around this country, I see so many new suburbs utterly denuded of trees -- ironic, since the new owners' first instinct will be to plant as many trees as possible. So I respectfully

suggest, as a former businessman, that leaving the original trees might be a shrewd sales strategy.)

But the truth is, there's one housing policy, and one sales strategy, that's better than all others combined -- a healthy, growing economy.\\ This first month of the 1990s marks the 86th month of economic growth in America. As Shirley says, it was housing that paved the way to the longest peacetime recovery in modern history. You built ten million homes in the '80s. And by working together, the housing industry will help keep this country going strong in the '90s.\\

But to keep America moving, we will need the cooperation of Congress. I can think of one simple action Congress can take to give the economic expansion a boost. It has already been debated. It has already won the support of the majority of Members. What we need now is a simple up-^{or}and-down vote to cut the tax on capital gains.\\

What would such a cut mean for America? Senator Bob Dole told me he was having lunch at a restaurant in New York. And just as he was getting ready to leave, Bob's waiter stopped him and said: "Senator, please pass this capital gains tax cut. I'm getting ready to sell my house, and a tax cut would mean a world of difference to my family." So when someone tries to convince you that this is a tax cut for the rich, remember that waiter. Remember the retiree who's selling a home. Remember the farmer and the small businessman.

A capital gains tax cut will help every American who holds a job or owns a home. So I call on the ^{Democrat} leaders of Congress to give the American people a break, to let democracy work in the House and Senate.\\\

Also vital to home buyer and home builder alike is a fair and stable rate of interest. A one-percent increase in the interest rate knocks two million families out of the market. But in the last few years, millions of families could afford a new home because mortgage interest rates have dropped from ~~14~~¹⁸ percent in the early 1980s to less than 10 percent today.\\ And I want to see them come down even more.\\

The 1990s must be another decade of lower taxes and lower interest rates. But to have a stable economy, it must also be a decade in which Washington, at long last, adopts fiscal policies as sound as those of the average American household.

None of us is allowed to spend our bonus before we earn it. Nor should Congress start planning where to spend a possible "peace dividend." To the extent that world events allow us to cut defense spending, then we should recognize that cutting the federal budget deficit would be a true dividend for America's taxpayers.\\\

And too often, Congress forgets that every house is the handiwork of an architect, a surveyor, a mason, a plumber, a carpenter, a painter and dozens of other working men and women. If Congress levies new burdens on our economy, it is these very people who will be put out of work.

But, of course, even if we do cut the capital gains tax; even if we do keep interest rates low; even if we do protect the economy -- this is cold comfort for those Americans who languish in the projects, or the thousands of others who know no shelter at all.

These Americans need help. And they need hope -- so that's just what I call our program -- HOPE, which stands for Home Ownership and Opportunity for People Everywhere.

Our program addresses the full range of housing concerns -- from shelter for the homeless, to affordable housing for low-income families, to greater access to jobs.

Let's start with what HOPE can do for first-time homebuyers. It's time Congress let Americans use their IRA savings to get into that first house.\\\

Then there are those who must live in the poverty and fear of public housing. They are disproportionately minority Americans. They suffer abuse from drug-dealing predators within -- and the last thing they need is abuse from without. And concerning the latter, let me say just one thing: Atlanta is a great, cheerful city that has proudly risen from the ashes of a distant past. And so for those who plan to revel in a rally of hate tomorrow, let them know this: Atlantans, like all Americans, turn their backs on bigots.\\

To escape violence and crime, to live in decent housing -- our public-housing tenants must first be empowered. Empowered to choose where they want to live. Empowered by housing vouchers.

Low-income families don't need us to build new public-housing horrors. They need decent low-income housing. And that's why I call on Congress to renew the low-income housing tax credit.\\\

Earlier, I discussed capital gains. But even this cut would not be enough for America's impoverished inner-cities -- often as desolate and shattered as a war zone. No, for these communities, we've got to go one step further and eliminate the capital gains tax altogether ^{within} enterprise zones.

Ryder
x4576

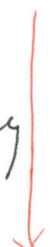
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[too strong?]



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funding under the McKinney Act to reduce homelessness. And Jack will tell you of other steps we are taking.

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And if it takes love to make a house a home, then perhaps the same could be said of a country. For the poorest among us, America must not just be a place to live in, but a home for all.

Thank you, God bless you and God bless America.

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James W. Cicconi
Assistant to the President
and Deputy to the Chief of Staff
Ext. 2702

1990 JAN 16 PM 8:19

Davis/Martin
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Title: Habitat
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INSERT

AWKWARD
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GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
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REMARKS: Please provide any comments/recommendations directly to Chriss Winston by 2:00 p.m. on Wednesday, 01/17, with a copy to my office. Thanks.

RESPONSE:

N/C 1:50

James W. Cicconi
Assistant to the President
and Deputy to the Chief of Staff
Ext. 2702

1990 JAN 16 PM 8:19

Davis/Martin
Jan. 16, 1990
Title: Habitat
Draft: Two

**PRESIDENTIAL ADDRESS: HOME BUILDERS ASSOC., OMNI, ATLANTA
((Time)) FRIDAY, JAN. 19, 1990**

((Thank you, Shirley Wiseman -- Martin Perlman, Mark Tipton, Jay Buchert, Kent Colton and Bob Bannister -- great to see you. Hasn't been so long, has it, since our last meeting in November?))

((And it's great to be back in Atlanta. In fact, I believe that it was in this very hotel, about a year and a half ago, that the Democrats held their 1988 Convention.\\ Of course, I have fond memories of that convention. It gave me an excuse to go fishing in Wyoming.))\\

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Yet despite it all, Byron was right -- a home is place in the heart. I can't speak for our neighbors, but for us, that little shack was home. And I have to wonder, and worry, how many families break apart because they can't afford to buy or rent a home even as half decent as our first place.\\

We cannot allow the high costs of housing to suffocate the financial life of America's young people. When it comes to housing, this must not become a society of "haves" and "have nots."\\

To create decent housing people can afford, government must cut some redtape -- and that's exactly what Jack Kemp and I propose to do.\\ Industry, too, must cut its regulation -- for example, by easing up on the demanding, often redundant, paperwork necessary to get a mortgage in America.\\

(And while I'm at it, can I get something off my chest? As I travel around this country, I see so many new suburbs utterly denuded of trees -- ironic, since the new owners' first instinct will be to plant as many trees as possible. So I respectfully

suggest, as a former businessman, that leaving the original trees might be a shrewd sales strategy.)

But the truth is, there's one housing policy, and one sales strategy, that's better than all others combined -- a healthy, growing economy.\\ This first month of the 1990s marks the 86th month of economic growth in America. As Shirley says, it was housing that paved the way to the longest peacetime recovery in modern history. You built ten million homes in the '80s. And by working together, the housing industry will help keep this country going strong in the '90s.\\

But to keep America moving, we will need the cooperation of Congress. I can think of one simple action Congress can take to give the economic expansion a boost. It has already been debated. It has already won the support of the majority of Members. What we need now is a simple up-and-down vote to cut the tax on capital gains.\\

What would such a cut mean for America? Senator Bob Dole told me he was having lunch at a restaurant in New York. And just as he was getting ready to leave, Bob's waiter stopped him and said: "Senator, please pass this capital gains tax cut. I'm getting ready to sell my house, and a tax cut would mean a world of difference to my family." So when someone tries to convince you that this is a tax cut for the rich, remember that waiter. Remember the retiree who's selling a home. Remember the farmer and the small businessman.

A capital gains tax cut will help every American who holds a job or owns a home. So I call on the leaders of Congress to give the American people a break, to let democracy work in the House and Senate.\\\

Also vital to home buyer and home builder alike is a fair and stable rate of interest. A one-percent increase in the interest rate knocks two million families out of the market. But in the last few years, millions of families could afford a new home because mortgage interest rates have dropped from 14 percent in the early 1980s to less than 10 percent today.\\ And I want to see them come down even more.\\

The 1990s must be another decade of lower taxes and lower interest rates. But to have a stable economy, it must also be a decade in which Washington, at long last, adopts fiscal policies as sound as those of the average American household.

None of us is allowed to spend our bonus before we earn it. Nor should Congress start planning where to spend a possible "peace dividend." To the extent that world events allow us to cut defense spending, then we should recognize that cutting the federal budget deficit would be a true dividend for America's taxpayers.\\\

And too often, Congress forgets that every house is the handiwork of an architect, a surveyor, a mason, a plumber, a carpenter, a painter and dozens of other working men and women. If Congress levies new burdens on our economy, it is these very people who will be put out of work.

But, of course, even if we do cut the capital gains tax; even if we do keep interest rates low; even if we do protect the economy -- this is cold comfort for those Americans who languish in the projects, or the thousands of others who know no shelter at all.

These Americans need help. And they need hope -- so that's just what I call our program -- HOPE, which stands for Home Ownership and Opportunity for People Everywhere.

Our program addresses the full range of housing concerns -- from shelter for the homeless, to affordable housing for low-income families, to greater access to jobs.

Let's start with what HOPE can do for first-time homebuyers. It's time Congress let Americans use their IRA savings to get into that first house.\\\

Then there are those who must live in the poverty and fear of public housing. They are disproportionately minority Americans. They suffer abuse from drug-dealing predators within -- and the last thing they need is abuse from without. And concerning the latter, let me say just one thing: Atlanta is a great, cheerful city that has proudly risen from the ashes of a distant past. And so for those who plan to revel in a rally of hate tomorrow, let them know this: Atlantans, like all Americans, turn their backs on bigots.\\

To escape violence and crime, to live in decent housing -- our public-housing tenants must first be empowered. Empowered to choose where they want to live. Empowered by housing vouchers.

Low-income families don't need us to build new public-housing horrors. They need decent low-income housing. And that's why I call on Congress to renew the low-income housing tax credit.\\\

Earlier, I discussed capital gains. But even this cut would not be enough for America's impoverished inner-cities -- often as desolate and shattered as a war zone. No, for these communities, we've got to go one step further and eliminate the capital gains tax altogether with enterprise zones.

There is something perverse about destructive practices that have kept the FHA out of the very places that need the most help. So my administration will ensure that FHA is true to its first mission -- to make housing affordable for low- and moderate-income families. It's wrong to draw a red line around the inner city. It's not right or fair. And we're going to strike this redline policy altogether.\\\

The centerpiece of HOPE is to let all Americans enjoy the dignity of controlling their destiny -- and dignity is exactly what resident management projects allow, from the Kenilworth-Parkside project in Washington, D.C., to the ((name)) right here in Atlanta. Tenant management and tenant ownership is no longer an experiment -- it's the future.\\

But even more is needed. We are all going to have to work in a partnership to solve the problems of the helpless and the homeless. My administration is going to do its part by expanding emergency shelters. Late last year, I signed a bill that boosts

funding under the McKinney Act to reduce homelessness. And Jack will tell you of other steps we are taking.

You're certainly doing your part -- building and renovating shelters for the homeless; for battered women; for troubled children and retarded adults. And you're working with the Job Corps, taking the unskilled, the out-of-work, and training them for lifetime careers in construction and maintenance, and I congratulate you on your commitment.

But our partnership needs a third element -- that constellation of volunteers I call the Thousand Points of Light. I couldn't come to Atlanta, without taking note of one such point of light, a part-time carpenter and his wife who have provided shelter for so many in this very city -- former President Jimmy and Rosalynn Carter. They deserve our thanks, as do all the people behind Habitat for Humanity.\\

And so does a woman named Ella McCall. Ella once a homeless mother. Now she has her master's degree, and serves the homeless as a social worker at a shelter in Washington, D.C. When a family strives to move out of a shelter into a home, they need Ella. When a homeless mother wanders lost, with her children her in tow, she needs Ella. And when I look out the south window of the White House at dusk, and see the distant figures of ragged men bedding down for the night -- I pray to God that this country finds more people like Ella McCall.

Your work in job training, Jack Kemp's work in tenant management and ownership, Ella McCall's work with the homeless --

all of this ultimately saves the taxpayers money. But this isn't about money. It's about caring.

And if it takes love to make a house a home, then perhaps the same could be said of a country. For the poorest among us, America must not just be a place to live in, but a home for all.

Thank you, God bless you and God bless America.

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THE WHITE HOUSE

WASHINGTON

January 17, 1990

MEMORANDUM FOR CHRISS WINSTON

FROM: JIM PINKERTON

SUBJECT: Home Builders Association (Atlanta) Draft Speech

pg. 2, para. 5, line 1 "I see so many suburbs utterly denuded of trees.... [L]eaving the original trees might be a shrewd sales strategy."

We applaud this clever use of the President's tree-conservation theme -- if you can work trees into a defense speech, we will really be impressed. More seriously, it would pay to find out whether the Home Builders already have a policy on this question of leaving the original trees, however, lest we unknowingly walk into the middle of some existing controversy in the industry.

5,5,3 "They suffer abuse from drug-dealing predators within -- and the last thing they need is abuse from without."

The meaning of "within" and "without" is unclear. We do not really realize that the phrase "abuse from without," for instance, means racism until the word "bigots" five lines later.

The idea of making a parallelism out of drugs and racism is a good one, however. We suggest something like "They are disproportionately minority Americans. They suffer disproportionately from the scourge of crime and drug abuse. We must better ensure their personal security. Their homes like anyone else's should be secure from the elements, secure from crime and drugs, and secure from fear and hatred, especially racial hatred. And concerning the latter...."

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89 DEC 17 P2: 58

THE WHITE HOUSE
WASHINGTON



January 17, 1990

MEMORANDUM FOR CHRISS WINSTON

Deputy Assistant to the President for
Communications

FROM:

BRENT O. HATCH 
Associate Counsel to the President

SUBJECT:

Presidential Remarks -- Home Builders Association

Counsel's office has reviewed the above-referenced Presidential remarks. We have no legal objections.

Thank you for the opportunity to review this matter.

cc: James W. Cicconi

89 DEC 17 P2:54

WHITE HOUSE STAFFING MEMORANDUM

01/16/90

2:00 p.m. 01/17/90

DATE: _____ ACTION/CONCURRENCE/COMMENT DUE BY: _____

SUBJECT: PRESIDENTIAL REMARKS: HOME BUILDERS ASSOC. - ATLANTA
(01/16 draft: Two)

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
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CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>PINKERTON</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>WINSTON</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
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1990 JAN 16 PM 8:19

Davis/Martin
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Title: Habitat
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To create decent housing people can afford, government must cut some redtape -- **and that's exactly what Jack Kemp and I propose to do.**\\ Industry, too, must cut its regulation -- for example, by easing up on the demanding, often redundant, paperwork necessary to get a mortgage in America.\\

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Then there are those who must live in the poverty and fear of public housing. They are disproportionately minority Americans. They suffer abuse from drug-dealing predators within -- and the last thing they need is abuse from without. And concerning the latter, let me say just one thing: Atlanta is a great, cheerful city that has proudly risen from the ashes of a distant past. And so for those who plan to revel in a rally of hate tomorrow, let them know this: Atlantans, like all Americans, turn their backs on bigots.\\

To escape violence and crime, to live in decent housing -- our public-housing tenants must first be empowered. Empowered to choose where they want to live. Empowered by housing vouchers.

Low-income families don't need us to build new public-housing horrors. They need decent low-income housing. And that's why I call on Congress to renew the low-income housing tax credit.\\\

Earlier, I discussed capital gains. But even this cut would not be enough for America's impoverished inner-cities -- often as desolate and shattered as a war zone. No, for these communities, we've got to go one step further and eliminate the capital gains tax altogether with enterprise zones.

There is something perverse about destructive practices that have kept the FHA out of the very places that need the most help. So my administration will ensure that FHA is true to its first mission -- to make housing affordable for low- and moderate-income families. It's wrong to draw a red line around the inner city. It's not right or fair. And we're going to strike this redline policy altogether.\\\

The centerpiece of HOPE is to let all Americans enjoy the dignity of controlling their destiny -- and dignity is exactly what resident management projects allow, from the Kenilworth-Parkside project in Washington, D.C., to the ((name)) right here in Atlanta. Tenant management and tenant ownership is no longer an experiment -- it's the future.\\

But even more is needed. We are all going to have to work in a partnership to solve the problems of the helpless and the homeless. My administration is going to do its part by expanding emergency shelters. Late last year, I signed a bill that boosts

funding under the McKinney Act to reduce homelessness. And Jack will tell you of other steps we are taking.

You're certainly doing your part -- building and renovating shelters for the homeless; for battered women; for troubled children and retarded adults. And you're working with the Job Corps, taking the unskilled, the out-of-work, and training them for lifetime careers in construction and maintenance, and I congratulate you on your commitment.

But our partnership needs a third element -- that constellation of volunteers I call the Thousand Points of Light. I couldn't come to Atlanta, without taking note of one such point of light, a part-time carpenter and his wife who have provided shelter for so many in this very city -- former President Jimmy and Rosalynn Carter. They deserve our thanks, as do all the people behind Habitat for Humanity.\

And so does a woman named Ella McCall. Ella once a homeless mother. Now she has her master's degree, and serves the homeless as a social worker at a shelter in Washington, D.C. When a family strives to move out of a shelter into a home, they need Ella. When a homeless mother wanders lost, with her children her in tow, she needs Ella. And when I look out the south window of the White House at dusk, and see the distant figures of ragged men bedding down for the night -- I pray to God that this country finds more people like Ella McCall.

Your work in job training, Jack Kemp's work in tenant management and ownership, Ella McCall's work with the homeless --

all of this ultimately saves the taxpayers money. But this isn't about money. It's about caring.

And if it takes love to make a house a home, then perhaps the same could be said of a country. For the poorest among us, America must not just be a place to live in, but a home for all.

Thank you, God bless you and God bless America.

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