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Folder Title:

Senior Staff Speeches - Podesta - National Realty Ctte. 4/7/99

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Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. letter	Phone Number. [partial] (1 page)	03/08/1999	P6/b(6)
002. letter	Cell Phone Number. [partial] (1 page)	04/06/1999	P6/b(6)

COLLECTION:

Clinton Presidential Records
Speechwriting
Jeff Shesol
OA/Box Number: 24501

FOLDER TITLE:

Senior Staff Sp. - Podesta - Nat'l Reality Cttee. 4/7/99

2006-0467-F

vz243

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
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C. Closed in accordance with restrictions contained in donor's deed of gift.

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RR. Document will be reviewed upon request.

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Draft 04/06/99 4:30pm
Jeff Shesol

**CHIEF OF STAFF JOHN D. PODESTA
TALKING POINTS FOR THE NATIONAL REALTY COMMITTEE'S
EXECUTIVE COMMITTEE MEETING
THE FOUR SEASONS HOTEL
WASHINGTON, DC
April 7, 1999**

- I want to thank your president, Jeffrey DeBoer, and your chairman, Randall Rowe, for inviting me here today. You know, most of the time, I occupy a pretty prime piece of real estate over at 1600 Pennsylvania Avenue. But "location" jokes aside, it's nice to step out of the West Wing once in awhile.
- While our administration and the NRC don't always agree, we share a common vision: that business and government, working together, can be stewards of a strong economy, vibrant communities, and a healthy environment. I want to talk to you today about that stewardship, and the ways we can strengthen it as we enter the 21st century.
- But first, let me say a few words about the situation in Kosovo.
We are working with our 18 NATO allies to:
 - strike at Serbia's machinery of repression;
 - allow the Kosovar Albanians to return home;
 - and bring stability to the heart of Europe.
- We launched air strikes:
 - only after exhausting diplomatic efforts;
 - after Milosevic rejected a fair & balanced peace agreement for Kosovo;
 - and after he intensified his year-long campaign of ethnic violence.
- Milosevic is responsible for this crisis and he can end it now by:
 - withdrawing his forces from Kosovo;
 - accepting deployment of an international security force;
 - & allowing refugees to return as we move toward the framework built at Rambouillet.
- As the President said on Tuesday, half-measures and token gestures are not enough; Milosevic must do what is necessary, or we will persist until we prevail. We must end the suffering and build a peaceful Europe that can be America's partner for progress and prosperity.
- In America, these are times of unparalleled prosperity:
 - over the past 6 years, more than 18 million new jobs, 92% in the private sector;
 - peacetime unemployment is the lowest since 1957;
 - strongest period of sustained growth in 30 years, with lowest inflation in 30 years;

-- and the highest home ownership in history.

- The resurgence of commercial real estate markets is another sign of how far we've come.
 - In 1992, investments in non-residential buildings had hit an 8-year low.
 - Since then, they've jumped 36 percent, to more than \$190 billion.
 - Mortgage rates are near the record low of 6.71 we set in October 1998.

- It is our fiscal discipline that has given us these rare and hard-won opportunities. Balancing the budget has made a real difference. President Clinton's new economic strategy of balancing the budget, investing in our people, and expanding trade has transformed the vicious cycle of budget deficits and high interest rates into a virtuous cycle of budget surpluses and low interest rates.

- When interest rates fall, more Americans can buy homes & build buildings, pay mortgages & retire student loans, and start businesses like yours. When deficits disappear, capital -- more than \$1 trillion so far -- is liberated to create wealth, create jobs, and create opportunity at every level of our economy.

- In an age of worldwide capital markets, this is how America prospers:
 - by saving and investing, not by running big deficits. We also must continue our engagement & strong leadership abroad; and expand free and fair trade.

-- Our agenda includes CBI, Africa trade, WTO, China.
-- Premier Zhu Rongji's visit this week reminds us of the importance of our relationship.

- Fiscal discipline means facing long-term challenges. The President's plan, articulated in his State of the Union Address, does exactly that:
 - saves Social Security until 2049 by setting aside 62% of the surplus for 15 years;
 - strengthens Medicare until 2020 by setting aside 15% of the surplus for 15 years;
 - creates responsible targeted tax relief through USA Accounts;
 - & not only pays down the national debt, but completely eliminates it by 2018.

- Fiscal responsibility also means balancing economic growth and environmental health.
 - The NRC has made a very strong case that these goals are more than compatible.
 - In the long-term, you can't have one without the other.

- That idea underlies two new proposals by President Clinton and Vice President Gore:

1) our Livability Agenda

-- helping communities cut traffic congestion, save green space, & promote smart growth

2) our Lands Legacy Initiative

-- preserving places of natural beauty from the remote wilderness to the closest city park

- The Lands Legacy Initiative will strengthen our administration's "no surprises" policy. That, as you know, means "no surprises" to private landowners on future land use if they agree to help protect endangered species -- protecting wildlife while promoting

(confusion)

Three-part

numbers still right?
there was
news on
solvency
last wk.

X

development.

-- In 1992, there were only 14 of these "habitat conservation plans" in place.

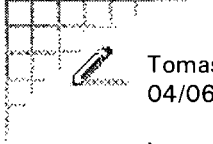
-- Today there are 236, with 200 more under development.

-- Our administration's new guidelines will make them a permanent fixture.

-- I want to thank the NRC for their strong support of the "no surprises" policy.

- This path of fiscal responsibility has led to the longest peacetime expansion in history. The President is committed, as am I, to staying on that path & moving forward. I know you and your businesses are as well.
- And now, I'm happy to take your questions. I'm used to fielding tough questions from one CEO, but today it looks like I've got about 50. But I'm game. Fire away.

]



Tomasz P. Malinowski
04/06/99 12:38:02 PM

Record Type: Record

To: David Halperin/NSC/EOP

cc:

Subject: Podesta

Dave: could you do this?

----- Forwarded by Tomasz P. Malinowski/NSC/EOP on 04/06/99 12:40 PM -----



Jeffrey A. Shesol
04/06/99 09:22:27 AM

Record Type: Record

To: Tomasz P. Malinowski/NSC/EOP@EOP

cc: Joshua S. Gottheimer/WHO/EOP@EOP

Subject: Podesta

Tom,

Sara Latham forwarded me the e-mail she sent you... so you're probably aware that John Podesta wants to make mention of China and Kosovo in his speech tomorrow to the Realtors Assoc. Could you folks forward me a short, Podesta-appropriate paragraph on each? If I write it myself, I'm likely to say something rash.

Thanks.

Jeff

PS No jokes, please, about Kosovo's great virtue being location, location, location.

4/6/99

THE WHITE HOUSE
WASHINGTON

PODESTA SP. OUTLINE

Challenges ahead:

- 1) Soc/med - tax cuts
- 2) Econ - home...
 - fiscal discipline
 - ... and abroad
 - intl fin arch.
 - trade
- 3) Environment
 - livability
 - no surprises3rd way
- 4) Ed.
- 5) Health
- 6) Foreign affairs

Draft 04/06/99 4:30pm
Jeff Shesol

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THE WHITE HOUSE
WASHINGTON

Podesta sp.

Realtors

- * low interest rates
- fiscal responsibility - landmark
- we hope plum fixture of adm...

... home ownership

- info on org
 - his stump sp.
 - stuff on China + Kosovo
 - budget + tax matters.
-

CHIEF OF STAFF JOHN PODESTA
REMARKS AT THE GENERAL COUNSEL CONFERENCE

Thank you, Ed, for the kind introduction.

[Lawyer jokes...]

I am very please to be here this morning, especially because it gives me an opportunity to thank you personally for the work you do for the President and the administration. Whether it is at main Treasury or with Customs, at the IRS or the Mint, with the Secret Service or the ATF, you are working every day--in the --trenches-- providing real service to the American people.

Now, I've often said that working for the President is as high an honor as I could ever want. I can tell you that the most rewarding aspect of my service is the knowledge that I work for a President who is 100% committed to solving problems for average people and to improving the lives of all Americans. It's the knowledge that the work we do makes a real, positive difference.

Just think about how far our work has taken the country over the past six years. Today, American families are healthier, they live in safer neighborhoods, they enjoy a cleaner environment, they have more and better education opportunities, and they reap the benefits of the strongest economy in a generation -- including nearly 17 million new jobs, the lowest unemployment rate in 28 years, the strongest real wage growth in over 20 years, the shortest welfare rolls in 29 years, the lowest inflation in 32 years, and the highest-ownership in American history.

I believe this success is not simply the result of good fortune. It is the result of the President's commitment to a long-term strategy of fiscal discipline, smart investments in our people, and expanding markets for American goods and service.

While we can see, now, that this has been the right path for the country, it hasn't always been an easy path. We've fought hard to come this far. From the first budget plan we passed in 1993, to the balanced budget bills we passed in October, we've had to work tirelessly to make sure that the issues that mean the most to American families have come first.

Nowhere is this more apparent than in the success we had during this year's budget negotiations. At a time when Congress seemed more focused on politics than progress and pundits were claiming that the President wouldn't be able to accomplish even the smallest items on his agenda, we used the strength of our ideas and the importance of our issues to push through a budget that:

- save the surplus so we can reform Social Security;
- make major strides in renewing our public schools;
- helps ensure a clean, healthy environment for generations to come;
- invests in both public and private research & development initiatives; and
- assumes our responsibility in effort to help stabilize the global economy.

This is what a strong agenda and a coherent strategy can do. And this is how we've won the confidence of the American people. Now, as we begin the next legislative session, it is even more critical that we successfully communicate our agenda and the importance of the work still before us. Because, simply put, there are a lot of challenges left.

First and foremost, we need to use this time of prosperity as an opportunity to address long-term challenges such as Medicare and Social Security reform.

Already, the President is working hard to build bipartisan support for protecting Social Security and ensuring that it remains as strong for our children as it has been for our parents.

For more than 60 years, Social Security has guaranteed dignity to our retirees and has kept tens of millions of seniors out of poverty. But a demographic crisis is looming. Today, 76 millions Baby Boomers are looking ahead to retirement and to longer life expectancies. Consequently, by 2030, there will be twice as many elderly as there are today, with only two people working for every person drawing Social Security. After 2032, the Social Security trust fund will cover only about 72 cents on the dollar of current benefits. That is why it is so important that we engage every American as part of the debate.

Next week the President will host a White House Conference on Social Security. Its primary purpose is to better educate the public (and members of Congress) about these issues.

Second, we need to continue our leadership around the globe in efforts to protect and strengthen the international economy... and our economy. As Alan Greenspan has noted the United States "cannot remain as 'oasis of prosperity.'" Our economic success at home depends on economic success around the world -- and now, in particular, it depends on whether we can work with others to restore confidence, manage change, stabilize the financial systems, and spur global growth.

Already, the President has called on the world's leading economies to take the steps necessary to spur growth and restore market confidence. He has secured funding for the IMF which will leverage \$90 billion in new resources for the Fund to ward off the crisis. He has charged Secretary Rubin with working with financial leaders to enhance efforts to speed economic recovery in Asia. And he has called on financial institutions to devote more attention to repairing the safety net in emerging economies.

In the days ahead, the President will continue to work to open new markets to American goods and services. He will continue to push to strengthen our partnerships and trade relationships around the globe. And he will work to ensure that our efforts to strengthen the international economy never become a race to the bottom, but always serve as tools for leveling up and improving the lives of all the people they effect.

Third, we need to remain committed to providing our children with the best possible education. This means continuing our support for important education investment in programs such as child literacy, college mentoring, after-school programs and financial aid. And it means we need to build on the Presidents's vision for improving our education infrastructure by finishing the job of hiring 100,000 teachers, by promoting cutting edge technology, wiring our classrooms and libraries to the Internet, and by passing his plan to build and modernize 5,000 schools across the country.

Fourth, we need to improve the quality of our health care. We can take an important step forward by getting this Congress to pass a comprehensive patients' bill of rights. One that -- among other things -- guarantees all Americans' the right: to see a specialist, to receive the nearest emergency care, to throughout the course of treatment, and to keep medical records private.

Fifth, we need to continue to protect and improve the quality of our environment. Thanks to the steps we've taken during the last six years, today our environment is the cleanest it's been in generation. We've seen real improvement in the quality of the air we breath, the water we drink and the natural wonders we enjoy. The President is committed to building on these success by further implementing his Clean Water Action Plan, by promoting elements of his Climate Change Technology Initiative, and by taking additional action to protect more of our land and natural treasures.

And finally, we need to maintain our military's strength and continue our leadership and vigilance around the world. As recent events in the Middle East have highlighted, the Cold War may be over, but our world remains a dangerous place. Today our military faces a host of challenges -- from the proliferation of weapons of mass destruction to the changing nature of terrorism to emerging 21st century threats such as attacks on our critical infrastructure. Around the world, from Haiti to Bosnia, our military is playing key roles in efforts to further peace and promote democracy. This is why the President is committed to keeping our readiness "razor sharp" and to improving recruitment in the next budget cycles.

Clearly, our work is cut out for us. Your continued support is critical to our success. Again, I want to thank you for all that you do, because it really does make a difference. I look forward to working with all of you and your offices in the days to come.

10TH STORY of Level 1 printed in FULL format.

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January 12, 1999, Tuesday

SECTION: Washington Dateline

DISTRIBUTION: TO NATIONAL, BUSINESS AND REAL ESTATE EDITORS

LENGTH: 648 words

RECENT NEWS

HEADLINE: Consortium Urges Easier Rules to Boost Commercial Mortgages

DATELINE: WASHINGTON, Jan. 12

BODY:

The Capital Consortium, a federation of five trade associations representing all aspects of the commercial real estate industry, submitted a letter to federal banking regulatory agencies today urging them to adopt rules that would make it easier for commercial real estate and multifamily rental housing to raise capital.

The consortium, consisting of the Mortgage Bankers Association of America, the National Realty Committee, The National Association of Realtors, The Bond Market Association, and the Commercial Real Estate Secondary Market and Securitization Association, was formed in 1992. It has championed development of a liquid secondary market for commercial mortgage-backed securities (CMBS), similar to the system currently in place for residential mortgages.

COMMERCIAL
MORTGAGE

The Capital Consortium's letter to the Office of the Comptroller of the Currency, Board of Governors of the Federal Reserve, the Federal Deposit Insurance Corporation and the Office of Thrift Supervision clarifies industry recommendations regarding risk-based capital rules for federally supervised banking institutions. It recommends that federal regulatory agencies immediately adopt the proposed risk weighting for AAA-rated commercial mortgage-backed securities from 100 percent to 20 percent. The lower capital guideline would make holding CMBS more attractive to banks because of the reduced reserve requirements.

As a result, the rules would enhance liquidity for commercial real estate without compromising the safety and soundness of banking institutions. Because AAA-rated CMBS have demonstrated a long and successful performance record, they should be given similar capital treatment as securities issued by federal government sponsored enterprises.

These risk-based capital rules have been under review by federal regulatory agencies as part of their more extensive consideration of proposals for the risk-based capital treatment of securities with AA, A and BBB ratings.

The expansion of a commercial secondary mortgage market, where loans are pooled and sold by lenders to investors, is necessary to provide a reliable stream of mortgage capital, explained NAR President Sharon A. Millett. "Each step the consortium takes brings us closer to the realization of an efficient secondary market for commercial mortgages," she said.

PR Newswire, January 12, 1999

The National Association of Realtors, "The Voice for Real Estate," is the nation's largest professional association, representing more than 730,000 members involved in all aspects of the real estate industry.

The National Realty Committee, America's leading public policy advocate for the commercial real estate industry since 1969, represents top business leaders from more than 200 U.S. public and privately owned companies representing all aspects of income-producing real estate.

The Mortgage Bankers Association of America is a real estate finance trade association representing approximately 3,000 member mortgage companies, life insurance companies, commercial banks, savings banks, savings and loan associations, pension funds and their advisors, consultants and others in the mortgage lending field.

The Bond Market Association represents securities firms and banks that underwrite, trade and sell debt securities, both domestically and internationally. These debt securities include: Municipal bonds; U.S. Treasury securities; Federal Agency securities; Mortgage and other asset-backed securities, Corporate Debt securities; Money Market instruments; and Repos.

The Commercial Real Estate Secondary Market and Securitization Association is an umbrella organization of industry participants having a common purpose of promoting an orderly and ethical global institutional secondary market for the sale of commercial mortgage loans and equity investments.

SOURCE The Capital Consortium

CONTACT: Walter Molony of NAR, 202-383-1177, wmolony@realtors.org; Audra Capas of NRC, 202-639-8400, acapas@nrc.org; Deb Mckinnon of MBA, 202-861-6586, deborahmckinnon@mbaa.org; George Miller of TBMA, 212-440-9403, [gmiller@bondmarkets.com](mailto:gmilller@bondmarkets.com); or Dottie Cunningham of CSSA, 212-352-3151, administrator@cssacmbs.org; all for The Capital Consortium

LANGUAGE: ENGLISH

LOAD-DATE: January 13, 1999

Withdrawal/Redaction Marker

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OA/Box Number: 24501

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NATIONAL REALTY COMMITTEE
Real Estate's Roundtable

1420 New York Ave., NW, Suite 1100
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NRC's Chairman's Roundtable/Executive Committee
March 8, 1999

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NRC's Chairman's Roundtable/Executive Committee**Page 2**

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Robert C. Larson
Taubman Centers Inc.
Bloomfield Hills, MI

Gary L. Lenz
Arthur Andersen LLP
Los Angeles, CA

Robert J. Lowe
Lowe Enterprises, Inc.
Los Angeles, CA

Joseph W. Luik
TIAA
New York, NY

NRC's Chairman's Roundtable/Executive Committee

Page 3

Robert H. Lutz, Jr.
AMRESKO, Inc.
Dallas, TX

Roy Hilton March
Eastdil Realty Company, L.L.C.
Los Angeles, CA

George M. Marcus
The Marcus & Millichap Company
Palo Alto, CA

Alton G. Marshall
Alton G. Marshall Associates, Inc.
New York, NY

J. Kell Martin
First Fidelity Mortgage Corp.
Atlanta, GA

John R. McDonald
McDonald Development Company
Atlanta, GA

Thomas E. Meador
American Express/Balcor
Bannockburn, IL

Raymond C. Mikulich
Lehman Brothers
New York, NY

Hamid R. Moghadam
AMB Property Corporation
San Francisco, CA

Michael P. Morrison
Hopkins & Sutter
Chicago, IL

Stuart C. Nathan
JMB Realty Corporation
Chicago, IL

James D. Noteware
MAXXAM Property Company
Houston, TX

Paul Novak
Patriot American Hospitality
Dallas, TX

A. Mack Pogue
Lincoln Property Company
Dallas, TX

Fred N. Pratt, Jr.
Boston Financial
Boston, MA

Ronald R. Pressman
G.E. Capital
Stamford, CT

George R. Puskar
Lend Lease Real Estate Investments
Atlanta, GA

Charles A. Ratner
Forest City Enterprises, Inc.
Cleveland, OH

Michael W. Reschke
The Prime Group, Inc.
Chicago, IL

Robert M. Rhodes
The St. Joe Company
Jacksonville, FL

Philip A. Riordan
GE Investments
Stamford, CT

Nelson C. Rising
Catellus Development Corporation
San Francisco, CA

Joseph E. Robert, Jr.
J.E. Robert Companies
McLean, VA

A. J. Robinson
The Portman Companies
Atlanta, GA

NRC's Chairman's Roundtable/Executive Committee

Page 4

Stephen Ross
Related Capital Co.
New York, NY

Thomas Taylor
Meditrust
Ft. Worth, TX

Randall K. Rowe
Transwestern Investment Company, LLC
Chicago, IL

Mark R. Tercek
Goldman, Sachs & Co.
New York, NY

William C. Rudin
Rudin Management Company, Inc.
New York, NY

David A. Twardock
Prudential Realty Group
Newark, NJ

Richard B. Saltzman
Merrill Lynch & Co.
New York, NY

Philip J. Ward
CIGNA Investment Management
Hartford, CT

Harvey Schulweis
The Town & Country Trust
New York, NY

Benjamin F. Williams
First Union Real Estate Capital Markets
Charlotte, NC

Orna L. Shulman
Intertech Corp.
Washington, DC

J. McDonald Williams
Trammell Crow Company
Dallas, TX

Edwin N. Sidman
The Beacon Companies
Boston, MA

Kenneth J. Witkin
Fleet Bank
Boston, MA

Robert C. Spoori
LaSalle Partners
Chicago, IL

Scott A. Wolstein
Developers Diversified Realty Corp.
Moreland Hills, OH

Gary P. Stevens
The Carlyle Group
Washington, DC

Jon H. Zehner
J.P. Morgan & Co. Incorporated
New York, NY

Jeffrey L. Swope
Champion Partners, Ltd.
Dallas, TX

John J. Szymanski
The Rouse Company
Sykesville, MD

A. Alfred Taubman
The Taubman Company
Bloomfield Hills, MI



NATIONAL REALTY COMMITTEE
Real Estate's Roundtable

FAX COVER SHEET

DATE: April 6, 1999

TO: Sarah Latham

FROM: Jeff DeBoer
202/639-8400 (phone)
202/639-8442 (fax)

Total pages including cover sheet: 5

Please contact Michelle
if you have any problems with this transmission.

MESSAGE

I will send a hard copy of the attached along with additional background material via messenger. Thanks for all your help! 😊

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002. letter	Cell Phone Number. [partial] (1 page)	04/06/1999	P6/b(6)

COLLECTION:

Clinton Presidential Records
Speechwriting
Jeff Shesol
OA/Box Number: 24501

FOLDER TITLE:

Senior Staff Sp. - Podesta - Nat'l Reality Ctte. 4/7/99

2006-0467-F
vz243

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

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RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Time and Introduction: Ideally we would like for you to arrive at the hotel at about 4:40 PM and plan for you to begin your remarks about 4:45 PM. I will introduce you to the meeting attendees.

Remarks: We would like you to speak for about 15 to 20 minutes and take questions for another 10 to 15 minutes. The setting will be somewhat informal. All meeting attendees will be seated around a hollow square table and you may speak either sitting or standing. Here are a few suggested topics for your remarks. Please do not feel constrained by this list.

- The Balkans
- Budget issues and priorities - 1999 and beyond
- Tax legislation (potential tax cuts and tax reform)
- Social Security/Medicare reform
- You also should know that we are supporting a proposal in the President's budget which would allow Real Estate Investment Trusts (REITs) to form taxable subsidiaries. This is an important proposal as it would allow REITs to conduct business activities — such as development and management services — that are presently not allowed. In short, the proposal will help REITs be competitive and provide services to modern businesses.

REITs?

Other Speakers: Immediately prior to your remarks the group will hear from Mr. Kenneth Kies, the immediate past Chief of Staff for the Congressional Joint Committee on Taxation. Mr. Kies will provide a detailed presentation on the tax and budget picture. During dinner that evening, the group will hear from former White House Chief of Staff Ken Duberstein, and Representative Thomas Davis (R-VA), chair of the House Republican Campaign Committee.

Please give me a call at (202) 639-8400 if you have any additional questions. Again, thank you for taking time to visit with us. I look forward to your remarks.

JDD/mmr

Attachment

NRC EXECUTIVE COMMITTEE MEETING

WEDNESDAY, APRIL 7, 1999

**EXECUTIVE COMMITTEE MEETING
3:00 - 5:30 PM**

**THE FOUR SEASONS HOTEL - SALON A
WASHINGTON, DC**

Randall K. Rowe, Chairman

ANTICIPATED ATTENDEES

Judson C. Ball
Keith P. Bednarowski
Paul Borghard
Barrington H. Branch
Michael R. Buchanan
Timothy Callahan
Nicholas Cammarano, Jr.
Rick Carlson
Martin J. Cicco
Bruce R. Cohen
Frank G. Creamer, Jr.
Douglas Crocker
James J. Didion
Kevin P. Fitzpatrick
Patricia Goldstein
Jonathan D. Green
Arthur A. Greenberg
Richard M. Gunthel
Stephen G. Jones
Carl Kane
Steven J. Kaplan
Frank J. Kawalkowski
Robert C. Larson
Robert J. Lowe
Joseph W. Luik
Robert H. Lutz, Jr.
George M. Marcus
Alton G. Marshall
J. Kell Martin
John R. McDonald

Urban Realty Partners, L.L.C.
Opus U.S. Corporation
G.E. Capital
The Branch-Shelton Company, LLC
Bank of America
Equity Office Properties Trust
PricewaterhouseCoopers
Deloitte & Touche LLP
Merrill Lynch & Co.
Cohen Financial
Creamer Vitale Wellsford, LLC
Equity Residential Properties Trust
CB Richard Ellis
AIG Global Real Estate Investment Corp.
Citicorp Global Real Estate
Rockefeller Center Management Corporation
Equity Group Investments, Inc.
BT Alex. Brown
Cushman & Wakefield, Inc.
KPMG Peat Marwick LLP
Landauer Associates, Inc.
Frank J. Kawalkowski Enterprises, LLC
Taubman Centers Inc.
Lowe Enterprises, Inc.
TIAA
AMRESO, Inc.
The Marcus & Millichap Company
Alton G. Marshall Associates, Inc.
First Fidelity Mortgage Corp.
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Thomas E. Meador
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Paul Novak
Fred N. Pratt, Jr.
George R. Puskar
Michael W. Reschke
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Gary P. Stevens
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John J. Szymanski
Mark R. Tercek
David A. Twardock
Kenneth J. Witkin
Scott A. Wolstein

American Express/Balcor
Lehman Brothers
AMB Property Corporation
JMB Realty Corporation
MAXXAM Property Company
Patriot American Hospitality
Boston Financial
Lend Lease Real Estate Investments
The Prime Group, Inc.
GE Investments
Transwestern Investment Company, LLC
The Carlyle Group
Champion Partners, Ltd.
The Rouse Company
Goldman, Sachs & Co.
Prudential Realty Group
Fleet Bank
Developers Diversified Realty Corp.

as of April 1, 1999

Carl Haacke 04/06/99 12:31:16 PM

Record Type: Record

To: Joshua S. Gottheimer/WHO/EOP

cc:

Subject:

1992: Investments in nonresidential buildings hit an 8 year low at \$113.2 billion.

Today: In the fourth quarter 1998, investments have jumped to \$190.1 billion a record high and an increase of 36 percent after adjusting for inflation.

THE CLINTON/GORE ECONOMIC RECORD:

Then And Now: What a Difference Six Years Make

April 5, 1999

After Six Years, The Results of President Clinton and Vice President Gore's Economic Leadership for the American People Are Clear. Six years ago, President Clinton and Vice President Gore put in place a bold new three-part economic strategy of cutting the deficit to help reduce interest rates and spur business investment; investing in education, health care, science and technology so that America was prepared to meet the challenges of the 21st century; and opening markets abroad so that American workers would have a fair chance to compete and win across the globe. Today, American enjoys the longest peacetime economic expansion on record.

Home ownership Is Up: The Highest in American History

- **1981-1992.** The Home ownership rate *fell* from 65.6 percent in the first quarter of 1981 to 63.7 percent in the first quarter of 1993. [Source: Bureau of the Census]
- **Today.** Two-thirds of American households now own their own home -- the highest percentage in American history. Under President Clinton, more than 7 million families have become new homeowners.

Housing Sales Are at Record Levels

- **1992.** Housing sales were 614,000 for single family.
- **Today.** By 1998 this jumped 45 percent to a record 890,000

Personal Consumption for Housing Highest Ever

- **1992.** \$646.8 billion were spent on Housing
- **Today.** In 1998, that jumped to \$877.9 -- the highest level ever. A 14 percent jump after adjusting for inflation.

Record Low Mortgage Rates

- **1992.** The 30 Year Mortgage rates were 8.4 percent.
- **Today.** In February 1999, they are near record lows at 6.81. The record was set October 1998 at 6.71.

Record Lows for 30 year Treasury Bonds

- **1992.** The 30 Year Treasury Bonds yields were 7.40 percent.
- **Today.** In 1998, they were 5.09 percent a record low.

Business Failures Down

- **1992.** The business failure rate was 110.
- **Today.** In 1997, it dropped to 88.

Deficit Eliminated: The First Budget Surplus in A Generation

- **1992.** The deficit was \$290 billion -- the highest dollar level in history. When President Clinton took office, the deficit was projected to hit \$357 billion in 1998, and

head higher. [Source: CBO]

- **Today.** Last year, for the first time since 1969, we had a budget surplus of \$70 billion -- the largest dollar surplus on record and the largest as a share of our economy since the 1950s. [Source: OMB]

Unemployment Is Down: The Lowest Peacetime Rate in 41 Years

- **1992.** The unemployment rate averaged 7.5 percent.
- **Today.** In February, the unemployment rate was 4.2 percent -- the lowest peacetime level in 41 years. The unemployment rate has been below 5 percent for 21 consecutive months. [Source: BLS]

Jobs Are Up: 18.2 Million Created Since January 1993

- **1988-1992.** The private-sector was barely creating jobs and had experienced one of the worst four-year periods of job growth in history.
- **Today.** The economy has created more than 18.2 million new jobs since January 1993, with 16.8 million in the private sector alone at a faster annual growth rate than any Republican Administration since the 1920s. [Source: Bureau of Labor Statistics]

Private-Sector Growth Is Up: 4.0% Per Year

- **1981-1992.** The private sector of the economy grew 2.4 percent annually from 1981-1992.
- **Today.** The private sector of the economy has grown 4.0 percent annually -- that's the fastest rate of private-sector growth since the Johnson Administration. [Source: Based on data from the Department of Commerce]

Productive Business Investment Is Booming: Fastest Since Kennedy

- **1988-1992.** Real business investment rose just 1.9 percent annually during the previous Administration.
- **Today.** Real productive business investment is up 12.4 percent per year -- faster than any Administration since President Kennedy. [Source: Department of Commerce]

Real Wages Rising Again: Fastest Growth in Two Decades

- **1981-1992.** Real average hourly earnings *fell* under Presidents Reagan and Bush. [Source: BLS.]
- **Today.** In 1998, real wages were up 2.7% -- that's the fastest real wage growth in over 20 years.

Family Income Up More Than \$3,500 Since 1993

- **1988-1992.** Median family income, adjusted for inflation, *fell* by \$1,835, dropping from \$43,674 in 1988 to \$41,839 in 1992.
- **Today.** Since 1993, real median family income has increased by \$3,517, rising from \$41,051 in 1993 to \$44,568 in 1997. [Source: Bureau of the Census]

Government Spending: Lowest in Quarter Century

- **1981-1992.** Under Presidents Reagan and Bush, government spending as a share of GDP increased from 21.7 percent in 1980 to 22.5 percent in 1992.
- **Today.** Under President Clinton, federal government spending as a share of the

economy has been cut from 22.5 percent in 1992 to 19.7 percent in 1998 -- its lowest level since 1974. [Source: OMB]

Inflation: The Lowest in More Than 30 Years

- **1981-1992.** The average annual inflation rate between 1981 and 1992 was 4.2 percent. [Source: BLS.]
- **Today.** Since 1993, the annual inflation rate has averaged just 2.5% -- that's the lowest average inflation rate since the Kennedy Administration. Over the past year, the Consumer Price Index increased only 1.6%.

Middle-Class Taxes: Lowest in 20 Years

- **1981-1992.** The effective federal tax rate for the richest 20% of families was cut from 27.6% in 1980 to 26.2% in 1992, while the poorest 20% of families saw their effective tax rate stay essentially the same.
- **Today.** Under President Clinton, the effective federal tax rate for middle-income families has dropped from 19.2% in 1992 to 18.9% in 1999 -- that's the lowest tax rate since data were first reported 20 years ago. For the poorest 20% of Americans, the effective federal tax rate has dropped from 8.0% in 1992 to 4.6% in 1999 -- that's also the lowest in 20 years. [Source: Congressional Budget Office]

The World's Most Competitive Economy Again

- **1992.** In 1992, the World Economic Forum found that Japan, Germany, Denmark, and Switzerland all had more competitive economies than the United States.
- **Today.** In 1994, United States was declared the world's most competitive economy -- for the first time in a decade. The United States remained #1 in 1995, 1996, 1997, and 1998. [Source: World Economic Forum and IMD.]

**EXPERTS AGREE THAT THE 1993 ECONOMIC PLAN
HELPED CUT THE DEFICIT AND STRENGTHEN THE ECONOMY**

- **Alan Greenspan, Federal Reserve Board Chairman, 2/20/96:** The deficit reduction in President Clinton's 1993 Economic Plan was "an unquestioned factor in contributing to improvement in economic activity that occurred thereafter."
- ***Business Week*, 5/19/97:** "Clinton's 1993 budget cuts, which reduced projected red in more than \$400 billion over five years, sparked a major drop in interest rates that help boost investment in all the equipment and systems that brought forth the New Age economy of technological innovation and rising productivity."
- **Lehman Brothers, 1/10/94:** "Lower deficits, lower long-term rates and higher real grow was the overall promise. With the data now rolling in for December 1993, it seems cle that President Clinton delivered on all three counts..."
- **Paul Volcker, former Federal Reserve Board Chairman, Fall 1994:** "The deficit has com down, and I give the Clinton Administration and President Clinton himself a lot of credit that. [He] did something about it, fast. And I think we are seeing some benefits."
- ***Fortune*, 10/3/94:** "[President Clinton's 1993] economic plan helped bring interest rate down, spurring the recovery."

Joshua S. Gottheimer
04/06/99 12:34:30 PM

Record Type: Record

To: Jeffrey A. Shesol/WHO/EOP

cc:

Subject:

----- Forwarded by Joshua S. Gottheimer/WHO/EOP on 04/06/99 12:33 PM -----

Carl Haacke 04/06/99 12:31:16 PM

Record Type: Record

To: Joshua S. Gottheimer/WHO/EOP

cc:

Subject:

1992: Investments in nonresidential buildings hit an 8 year low at \$113.2 billion.

Today: In the fourth quarter 1998, investments have jumped to \$190.1 billion a record high and an increase of 36 percent after adjusting for inflation.



U.S. Fish and Wildlife Service
 Department of the Interior
 1849 C Street, NW
 Washington, D.C. 20240
 (202) 208-6011, fax (202) 501-6589

To: JAY SWANSON

From: Peter Umhofer

Pages: 12

Date: 4/6/99

Fax: 6-5709

Comments: 1) TALKING POINTS / BACKGROUND ; 2) LANDS LEGACY
 INITIATIVE ; 3) PRESS RELEASES .

Goals of the Administration for Endangered Species Act

- Base ESA decisions on sound science
- Increase efforts to recover and delist species
- Minimize social and economic impacts
- Provide quick, responsive answers and certainty to landowners
- Create incentives to conserve species
- Increase partnerships with other Federal agencies, States, tribal governments, local communities, corporations, conservation organizations and private landowners in the planning and implementation of candidate conservation and recovery activities
- Focus on an ecosystem approach to conserving species
- Promote efficiency, consistency and flexibility

Habitat Conservation Plans and No Surprises

Talking Points

- No Surprises policy was announced in February 1998 and only applies to Habitat Conservation Plans. This policy gives private landowners assurances on future land use if they agree to set some land to protect endangered species.
- Many of you are familiar with the No Surprises policy which was announced in February 1998. This Administration has developed incentives that enable landowners to preserve and protect wildlife habitat by taking simple, flexible, inexpensive and above all, scientifically sound steps. This assurance has been essential for private landowners, developers and corporations as long term Habitat Conservation Plans are developed.
- In the near future, the Administration will announce the final Safe Harbor and Candidate Conservation Agreement policy. This policy will promote the implementation of voluntary beneficial management actions for listed species on non-Federal property while providing participating landowners with the necessary assurances that no additional future regulatory restrictions will be imposed.
- In 1982, Congress amended the Endangered Species Act to allow for the creation of HCPs. Congress intended HCPs to be used to reduce conflicts between species and economic development and foresaw the development of creative partnerships in the interest of species conservation. HCPs can effectively balance the need for conservation with the economic needs of landowners.
- When this Clinton Administration began there were only 14 HCPs in place. Today there are 236 HCPs with 200 more under development. HCPs are absolutely necessary if we are going to have effective endangered species conservation on private lands in the 21st century.

- We must sit down together with landowners, state and local governments, tribes, developers and others to develop real world approaches that encompasses economic developments and species conservation. The U.S. population is growing at a rate of 3 million people a year. It will be nearly 400 million by 2050. That is the equivalent of adding 15 New York cities to our population between now and then.
- Innovative solutions are needed. Over 80 percent of endangered species have all or part their range on private lands. The HCP process is a way to look at planning over wide areas that include many species and habitat types.
- The need for HCPs arises out of a simple fact: endangered and threatened species live and roam wherever they find suitable habitat, without regard to who owns it. The Endangered Species Act protects species officially listed on the Federal list of endangered or threatened wildlife or plants. Essentially, an individual cannot "take" species, which means you cannot harm them or kill them or attempt to do so.
- HCPs have brought to the table people and organizations that would never have been part of species conservation process in the past. It has gotten people thinking about what they want their communities to look like in the future. It also generates more support for conservation. State and local governments and private developers have found that they can safely proceed with their planned activities and meet their obligations under the ESA. Rather than viewing species conservation as a burden, people come to believe HCPs benefit their communities in the long run.
- HCPs range in size from a half acre to 5 million acres.
- The Fish and Wildlife Service and National Marine Fisheries Service on March 9, 1999 announced new guidelines to clarify and strengthen the use of habitat conservation plans. The new guidelines include biological goals and objectives, adaptive management, monitoring, permit duration and public participation.

Permit process

The HCP process works like this: the developer designs a plan for an HCP and applies for an incidental take permit. The National Marine Fisheries Service or the Fish and Wildlife Service provide technical assistance and carry out their own responsibilities. If the plan meets the ESA conservation requirements, provide for public inputs and thoroughly describes the proposed project, NMFS or FWS may issue an incidental take permit. This permit signifies that the project has complied with the requirements of the ESA and can continue as long as the project is conducted according to the terms of the HCP.

Examples

San Diego Multi-Species Habitat Conservation Plan (San Diego, CA)

San Diego County has a greater number of threatened and endangered species than anywhere in the continental United States. In March 1998, Secretary Babbitt announced the San Diego Multiple Species Habitat Conservation Program (HCP) which aims to acquire and preserve about 172,000 acres of habitat over the next 50 years. This area is adjacent to the San Diego National Wildlife Refuge and is comprised of large blocks of interconnected habitat, would mitigate the impacts of continued urban development located mostly outside of the preserve boundaries. The plan emphasizes the protection and management of habitats rather than focusing preservation efforts on one species at a time. The HCP will allow 85 species (20 listed species and 65 unlisted species) to survive as the San Diego area continues to grow. About half of the acreage needed for the program is already publicly owned or destined for public ownership. Much of the rest is expected to be bought over the next years from willing sellers or deeded by landowners in exchange for development rights on other habitat lands. As part of this HCP, San Diego County can now approve developments in sensitive habitats as long as developers follow the HCP rules, which include compensation for such damage by preserving other habitat.

Orange County Habitat Conservation Plan (Orange County, CA)

This HCP covers 44 species including listed species such as the gnatcatcher, peregrine falcon and southwestern willow flycatcher. The HCP covers 208,000 acres. The Service, Orange County, The Irvine Company and 11 private landowners developed an HCP focuses on conserving the coastal sage scrub ecosystem of California and its complement of listed and rare native species. The HCP allows includes a long term growth plan to ensure that any future development in this area protects 37,000 acres of reserve habitat.

Natomas Basin Habitat Conservation Plan (Sacramento, CA)

The Natomas Basin HCP is the second non-forest plan related HCP in Northern California. The agreement establishes a patchwork of habitat reserves for 26 native plants and animals, including 11 federally listed threatened and endangered species, in exchange for allowing development to proceed in the Natomas Basin, the largest remaining undeveloped area in Sacramento County.

The plan will allow developers for the next 50 years to construct projects in endangered species habitat if they mitigate their actions by purchasing one-half acre of habitat for every acre developed. Fees will be collected by the non-profit Natomas Basin Conservancy, which will purchase suitable land and manage the resulting wetland and upland areas for the giant garter snake, a federally threatened species, and the state-listed Swainson's hawk.

The City of Sacramento's HCP is part of a larger conservation effort intended for the Natomas Basin, which extends northward into Sacramento and Sutter counties, and could eventually cover about 53,000 acres. Both counties are working with the Service, California Department Fish and

Game, and other stakeholders to complete HCPs for their own jurisdictions.

The plan allows some reserves to remain as actively managed ricelands and farmers may be paid under the plan to convey easements simply to maintain their lands in agriculture. Wetland reserves will be a mosaic of habitats, including rice fields, managed marshes, water delivery canals, and irrigation ditches and drains managed for the giant garter snake and other animals that rely on wetlands. The upland reserves, mainly along the Sacramento River, will include grasslands, pasture and fallow fields and irrigated croplands, that will be managed to provide both food and shelter for Swainson's hawk and other wildlife depend on agricultural lands.

Plum Creek Timber Company Habitat Conservation Plan (Washington)

The Plum Creek HCP was established in 1997 and spans 170,000 acres in the central Cascades in Washington. This area covers extensive holding near the Interstate 90 corridor. The duration of the plan is 50 years and covers 280 species including four endangered species: northern spotted owl, grizzly bear, gray wolf and marbled murrelet. The HCP also covers salmon. Plum Creek received assurances that if it manages its lands according to the mutually agreed upon terms and conditions no additional regulatory restrictions will be placed upon it for the species covered by the HCP. The HCP covers 23 watersheds and provides for the protection of riparian habitats, wetlands and caves. This innovative plan is designed to encourage conservation of numerous species and plants on lands not just those currently listed.

Sonoran Desert Conservation Plan (Tucson, AZ)

The community of Tucson and county officials are working to develop a regional Multiple Species Conservation Plan. The Fish and Wildlife Service is providing assistance to county officials to develop a plan which will protect eighteen endangered species while still allowing development. There is a strong consensus among local officials, ranchers and environmentalists to protect open space and develop a conservation plan for the Tucson area. The Multiple Species Conservation Plan is expected to be completed in the spring of 2000.



U.S. Fish & Wildlife Service

Lands Legacy Initiative

Cooperative Endangered Species Conservation Fund

This component of the President's Lands Legacy Initiative, delivered by the Service through its existing Cooperative Endangered Species Conservation Fund program, will provide resources to State and local governments to aggressively integrate conservation planning and habitat protection into local land use planning and decision-making. The initiative will focus on protecting habitat for endangered, threatened and at-risk species, and furthering the conservation and recovery of these species, through acquisition of land or easements or development of habitat protection agreements.

Grants to States

This component of the initiative provides funding for States to develop and implement Habitat Conservation Plans; conserve species through the use of Candidate Conservation Agreements and Safe Harbor Agreements; and acquire land in support of species recovery. Up to 25 percent of the Safe Harbor, and Candidate Conservation Agreement grants will be used to develop the agreements and plans, and at least 75 percent will be used to implement actions such as habitat restoration, fencing, prescribed burning, etc.; up to 50 percent of the HCP grants will be used for development of the plans and 50 percent will be used for implementation.

HCP Grants

More and more States and local governments are working with the Service to develop and implement HCPs through landscape-level planning processes. Regional, multiple species HCPs are a good approach for not only providing ecosystem conservation, but also for providing landowners within that region a defined mechanism for

Endangered Species Funding		
	1999 Appropriation	2000 Funding Request
Grants to States	\$7,520	\$50,520
Conservation Planning Assistance		2,000
HCP Land Acquisition	6,000	26,000
Administration	480	1,480
Total	14,000	80,000

Amounts in thousands of dollars

proceeding with activities that would otherwise conflict with endangered species. Grants will be available to the States to facilitate the development of HCPs and to assist with the implementation of conservation actions called for in the HCP Grants will not be used to fund the mitigation required of the HCP applicant. Rather, grant funds will be used for conservation actions by the State or local governments which complement the actual mitigation action completed by the applicant to fully minimize and mitigate the take of covered species and their habitats.

Safe Harbor Grants

When listed species are found on private and other non-Federal lands, the willing cooperation of landowners is essential for achieving recovery. Safe Harbor Agreements are an extremely

effective means of garnering the cooperation of these landowners. The Service's Safe Harbor Policy encourages non-federal landowners to enhance or improve habitat for endangered species on their property by providing assurances that additional restrictions will not be imposed as a result of their voluntary conservation actions. This program will provide funding to the States for planning, development, and implementation of Safe Harbor Agreements on State, private, and other non-Federal lands. With increased funding and an increased role for the States in implementing the policy, the success of existing Safe Harbor Agreements can be duplicated and greatly expanded.

Candidate Conservation Agreement Grants
Candidate Conservation Agreements are an extremely important and effective conservation tool for declining species that are not yet listed. Many of these conservation agreements have successfully removed threats and listing was avoided. This program will provide funding to the States for planning, development, and implementation of Candidate Conservation



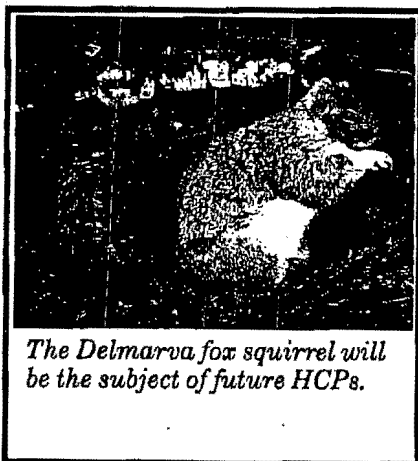
The Gooding's onion is an example of a candidate species precluded from listing due to the benefit of Candidate Conservation Agreements.

Agreements covering candidate and proposed species on State, private, and other non-Federal lands. States and private landowners support the development of Candidate Conservation Agreements because they provide opportunities to employ

innovative approaches to species conservation without the burden of regulatory restrictions. The demand for Candidate Conservation Agreements is expected to greatly expand with finalization of the Candidate Conservation

Agreements with Assurances Policy,

which provides increased incentives to non-Federal landowners to conserve candidate, proposed, and other non-listed species on non-Federal lands by assuring that no additional conservation measures will be required should the candidate species under an approved agreement become listed in the future.



The Delmarva fox squirrel will be the subject of future HCPs.

Agreements supported by this initiative.

HCP Land Acquisition

Grant assistance to States for habitat protection within, and adjacent to, HCP areas will be expanded to promote the recovery of threatened and endangered

species. This assistance will enable state and local governments to fulfill land acquisition components of the HCP conservation program; however, these funds cannot be used to fulfill private mitigation obligations under the HCPs. For example, in FY 1998, \$750,000 was granted to the Washington County, Utah HCP to secure a sufficient amount of habitat for

a viable reserve for the desert tortoise and meet the recovery goal for the Upper Virgin River Recovery Unit of the desert tortoise. This example is one of many opportunities; the Service has identified several hundred million dollars needed for HCP land acquisition assistance. The HCP Land Acquisition program is a key way the

Species Recovery Land Acquisition

Grants will be made to States to acquire lands in support of recovery tasks in approved recovery plans. Land acquisition is often an essential element of a comprehensive plan for recovery of listed species.

Conservation Planning Assistance

The demand for conservation planning assistance from the Service will expand with the additional grant programs. Service participation throughout the process is critical for successful implementation of the program. The Service will have to provide timely expert technical assistance and coordination in the development, implementation, and monitoring of the HCPs, Safe Harbor Agreements, and Candidate Conservation



Over 90% of U.S. sea turtle nesting occurs on coastal beaches in Florida.

Service can assist States and local governments in planning for urban development and other economic activities while also providing for the protection of threatened and endangered species.

Administration

Approximately 1.5% of the funds will be used to administer the expanded grant programs. Federal grant management and administrative oversight are necessary to ensure compliance with program requirements and purposes.



Safe Harbor Agreements provide assurances to landowners and benefit such species as the red-cockaded woodpecker.

-2-

The draft addendum also proposes guidelines for developing an adaptive management strategy, which would be necessary if significant biological data gaps exist for covered species when an HCP is approved. When an HCP incorporates an adaptive management strategy, the implementing agreement's permit would clearly state the range of possible adjustments and the circumstances under which it would be triggered. The applicant would be able to assess the potential economic impacts of such adjustments before agreeing to the HCP permit.

"We want to ensure each HCP has measurable goals and objectives and includes, where necessary, the flexibility to adjust the conservation actions as circumstances change or as more information becomes available," Clark said. "At the same time, we want to give applicants certainty about what we will require them do under different circumstances."

The draft addendum also builds on current guidance for establishing monitoring programs to ensure proper compliance with an HCP, to determine whether biological goals and objectives are being met, and to guide an adaptive management strategy, if one is used.

In addition, it provides guidance on factors to consider in establishing the duration of incidental take permits. These factors include duration of the applicant's proposed activities, possible positive and negative effects on covered species, the extent of scientific and commercial data underlying the HCP's operating conservation program, the length of time necessary to achieve the benefits of the conservation program, and the extent to which the program incorporates adaptive management strategies.

The proposal calls for increased public participation in the HCP process. This would mean a minimum 60-day public comment period for most HCPs and a minimum 90-day comment period for most large-scale, regional, or exceptionally complex agreements. The exception would be HCPs that qualify as "low effect"--those defined as involving minor or negligible effect on listed species, their habitats, or other environmental resources--which would have a 30-day comment period.

The two agencies are soliciting comments, recommendations, or suggestions from the public, other concerned government agencies, the scientific community, industry, or any other interested party about this draft addendum.

The proposal guidelines were published in today's Federal Register. Comments may be made in writing to Division of Endangered Species, U.S. Fish and Wildlife Service, 4401 North Fairfax Drive, Room 452, Arlington, Virginia 22203 (fax: 703-358-1735) or Office of Protected Resources, National Marine



NEWS

from the U.S. Fish and Wildlife Service

March 9, 1999

Hugh Vickery 202-208-5634

GUIDELINES FOR HABITAT CONSERVATION PLANS PROPOSED

Today the U.S. Fish and Wildlife Service and the National Marine Fisheries Service proposed guidelines to clarify and strengthen the use of habitat conservation plans as conservation tools under the Endangered Species Act.

Congress created HCPs in 1982 to protect a species while allowing economic development. An HCP allows the agencies to permit "taking" of individual endangered or threatened species incidental to otherwise lawful activities, when the effects of the taking are mitigated and minimized by conservation measures. There more than 240 HCPs in effect and more than 200 under development.

The proposal would improve the way HCPs are developed and administered in five areas: establishment of measurable biological goals and objectives, use of adaptive management, monitoring, public participation, and determination of the duration of the incidental take permits. The guidelines would become an addendum to the agencies' joint Handbook for Habitat Conservation Planning and Incidental Take Permitting Process.

"We've learned a great deal about what makes an effective HCP as we've worked with hundreds of landowners and other partners to develop voluntary agreements over the past four years," said Jamie Rappaport Clark, director of the U.S. Fish and Wildlife Service. "These guidelines incorporate what we've learned into the joint handbook so the HCP process can even better conserve wildlife while ensuring certainty for landowners and other applicants."

"We are pleased that so many private landowners, as well as state and local governments, are taking advantage of the HCP program," said Terry D. Garcia, Commerce Department Assistant Secretary for Oceans and Atmosphere. "We believe the public will be pleased that we are responding to their comments on how the program can be improved and that we are willing to make changes as the program grows."

The draft addendum announced today proposes that all future HCPs incorporate and clearly state biological goals and objectives. Although biological goals and objectives were implicit in past HCPs and their operating conservation programs, they were not explicitly stated. These goals and objectives will provide clear guidance for both the applicant and the agencies regarding the purpose and direction of the HCP's operating conservation program.

Office of Public Affairs
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Washington, DC 20240
Room 3447

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-3-

Fisheries Service, 1335 East-West Highway, Silver Spring, Maryland 20910 (fax: 301-713-0376). The deadline for comments is May 8, 1999.

The U.S. Fish and Wildlife Service is the principal Federal agency responsible for conserving, protecting, and enhancing fish and wildlife and their habitats for the continuing benefit of the American people. The Service manages the 93-million-acre National Wildlife Refuge System comprised of more than 500 national wildlife refuges, thousands of small wetlands, and other special management areas. It also operates 66 national fish hatcheries and 78 ecological services field stations. The agency enforces Federal wildlife laws, administers the Endangered Species Act, manages migratory bird populations, restores nationally significant fisheries, conserves and restores wildlife habitat such as wetlands, and helps foreign governments with their conservation efforts. It also oversees the Federal Aid program that distributes hundreds of millions of dollars in excise taxes on fishing and hunting equipment to state fish and wildlife agencies.

-FWS-

2ND STORY of Level 1 printed in FULL format.

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Federal News ServiceMARCH 17, 1999, WEDNESDAY

SECTION: IN THE NEWS

LENGTH: 2204 words

HEADLINE: PREPARED STATEMENT OF
NELSON C. RISING
CHAIRMAN, ENVIRONMENTAL POLICY ADVISORY COMMITTEE
NATIONAL REALTY COMMITTEE
BEFORE THE SENATE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
SUBJECT - COMMUNITY GROWTH AND THE LOSS OF OPEN SPACE

BODY:

National Realty Committee, otherwise known as Real Estate's Roundtable in Washington, is the nation's foremost public policy advocate on federal tax, finance, environmental and technology issues affecting commercial real estate. NRC's member's are top business leaders from more than 200 public and privately owned companies across all segments of the industry, including owners, builders, lenders, managers, advisors and investors. Thank you Chairman Chafee, Senator Baucus, members of the Committee. My name is Nelson Rising. I am the CEO of Catellus Development Corporation, a San Francisco-based publicly traded, diversified real estate company. The company has a portfolio of 21 million square feet of income-producing properties, and land that would support 18,000 residential units and approximately 48 million square feet of commercial space located throughout California, as well as in Dallas, suburban Chicago, Denver, Phoenix and Portland. I am speaking today on behalf of the National Realty Committee (NRC). NRC's members are top business leaders from more than 200 public and privately owned companies across all segments of the real estate industry, including owners, builders, lenders, managers, advisors and investors. Our entire industry--not just our members--has a stake in smart well-planned growth. I can tell you from personal experience that well-planned communities with strategies for preserving quality open space offer better real estate investment opportunities than communities with less planning discipline. As you may know, many cities today are experiencing a kind of renaissance. The success stories include places like San Francisco, Portland, Boston, New York and Chicago that demonstrate a rich mixture of residential and job-intensive commercial and retail uses, attention to the public realm and plenty of open space. Similarly suburban areas with a strong jobs-housing mix, easily accessible retail and office districts, transit- and pedestrianfriendly neighborhoods, and substantial amounts of open space are also flourishing. In other words, smart growth is already beginning to demonstrate its value in the market place.

For many communities across the country the ability to facilitate smart growth, and the quality-of-life issues encompassed by that term, is not so much a luxury, as it is a necessity. Indeed, it's a matter of competitiveness. In today's tight labor markets, communities that seek to attract top employers must demonstrate that they can offer a quality of life that will help companies recruit and retain the best work force they can. For example, in Atlanta,

NRC

ISSUE

ENVIRO/CITIES

Federal News Service, MARCH 17, 1999

Georgia, it was a real wake-up call for the city when Hewlett Packard decided not to pursue a substantial campus expansion citing worker complaints over traffic congestion and related problems. NRC Executive Committee member, Michael R. Buchanan, who is a senior executive of Bank of America, noted at a recent Atlanta forum on smart growth that business leaders are sometimes among the first to recognize the serious consequences to their communities of a deterioration in key quality of life indicators.

The first question that needs to be answered is how can communities best accommodate the absolute certainty of additional growth while maximizing its most beneficial elements. No one is against the jobs, local tax revenues, more affordable housing and other amenities that well-planned development can provide. But, at the same time, citizens are increasingly demanding that growth be facilitated without increasing local income taxes to pay for infrastructure costs, without increasing traffic congestion to unacceptable levels and without degrading environmental resources, including open space. As a Californian I am particularly concerned about how to address this issue. The Census Bureau tells us that by the year 2025, California will add the equivalent of the current population of the state of New York. This expected growth--as well as growth in other areas around the country--can only be accommodated successfully if we are attentive to the principles of smart growth.

The next question is what can Congress and the rest of the federal government do to respond to the public's growing demand for smarter growth and more open space. The answer is that it can advance policies and legislation that will provide state and local governments additional resources to grow smarter; and it can reform existing federal laws and policies that inadvertently impede the ability of states and local communities to grow in smarter ways. While Washington can help, the parameters of the federal role need to be carefully defined to ensure local governments continue to chart their own paths. In addition, it's essential to respect the law of unintended consequences. I don't need to tell you that federal involvement in local land use issues--while already significant--has sometimes been unpopular, unproductive, or both. I am not an expert on existing federal programs, but I understand there is a bipartisan effort underway to fully fund some of the most critical existing conservation programs including the federal "Land and Water Conservation Fund." NRC supports that effort. In addition, I suggest the Committee give the Administration's "Better America Bonds" proposal the serious consideration it deserves. Its basic premise seems to me to be a good one: to offer local governments the resources to help gain the leverage that additional bonding authority can provide. With the funds from the bond issues, local governments can make their own decisions about open space preservation, redevelop their own brownfields properties and address other environmental issues. Bond financing--whether locally or federally subsidized--is, in my view, not only more cost effective but also more equitable than using current appropriations of tax dollars. This is because it allocates the cost of acquiring green space over the life of the bonds. In that way it ensures contributions from the current and the next generation. After all, our children or our children's children will also be benefiting from the preservation efforts we pursue today.

Another constructive step this Committee could take is to ensure federal policies advance--rather than inadvertently undermine--the efforts of communities to pursue their vision of smart growth. To a degree I know I may be preaching to many of the converted here because the ESA and Superfund bills passed out of this Committee in the last Congress would have gone far to resolve some of the impediments I will touch on here. I'm speaking here especially of the brownfields provisions in Senator Smith's Superfund bill or, for that matter, the very similar provisions in Senator Lautenberg's current

Federal News Service, MARCH 17, 1999

stand-alone "brownfields" bill, S.20. I also believe the provisions of the bipartisan ESA bill approved by this Committee in the last Congress dealing with habitat conservation planning and the "no surprises" assurances would facilitate smart growth.

To encourage landowner participation in smart growth planning, federal land-use laws such as the Endangered Species Act (ESA) or the wetlands provisions of the Clean Water Act should offer safe harbors to landowners that participate constructively in achieving the goals of the statute. By that I mean regulatory certainty should be offered to landowners whose projects advance environmental and economic objectives in tandem. With the prospect of greater certainty regarding what the rules are and how long they will remain in effect, landowners become far more motivated and constructive partners with local, state and federal regulators--whether the issue is recycling brownfields properties or pursuing habitat conservation planning.

Certainly California's experience with development agreements and the experience of other states with so called "vested rights" agreements bear this point out. More specifically, business, municipal and environmental groups have all pointed out that uncertainty regarding possible Superfund liability--no matter how remote--remains a factor favoring developments outside of urbanized areas and in so-called "greenfields." By the same token legal concerns regarding the ability of federal regulators to make good on their no-surprises assurances under ESA inhibits some landowners from participating in habitat conservation planning. As for the wetlands program administered by the Environmental Protection Agency (EPA) and the Army Corps of Engineers, no one seems to have proposed a safe harbor for smart growth in that arena. As a result, national policies still favor preserving tiny wetlands in the middle of retail or office projects even when the development occurs in highly urbanized areas. NRC is of the view that smart growth, including in-fill projects, could be advanced if the federal government offered those types of projects greater opportunity to mitigate wetlands impacts off site including use of mitigation banking. In addition, there appears to be new thinking at EPA regarding the Clean Water Act's stormwater runoff provisions which causes us great concern. A potential federal land use program under consideration at EPA may be focused on controlling the way individual projects are planned at the site level. Such a program bears the risk of micromanaging local land use in a very unproductive fashion and on a more comprehensive scale than the wetlands or endangered species program. Environmental and land use laws are not the only ones that may inadvertently undermine smart growth. Federal tax policies also require reconsideration in light of smart growth objectives. I recognize these laws are not within the immediate jurisdiction of this Committee. However, if you will indulge me I would like to offer some examples of how the IRS code can undermine the kind of development usually characterized as "smart growth." It is the peculiar way the tax code treats the renovation of existing buildings. And it actually adds to the pressure to build new buildings--usually in so-called "green fields" outside existing urban areas. Very briefly, today's depreciation rules for real estate don't differentiate between the economic useful life of improvements to leased space and the tax life of the overall building structure. As a result, current tax law dictates a depreciable life for leasehold improvements of 39 years-- the depreciable life of the entire building-- yen though most lease terms average only 7 years. The implication of this policy is that the cost of upgrading existing space in existing buildings is artificially high. This increased tax cost adversely affects the modernization of buildings--for example, by incorporating more energy efficient components. This enhances demand for brand new development at the suburban fringe and

Federal News Service, MARCH 17, 1999

contributes to the deterioration of urban centers with older building stock. To fix this anomaly we recommend a cost recovery period for leasehold improvements of ten years, a period somewhat longer than the average lease term. Similar problems exist with the tax treatment of demolition costs for non-historic structures and environmental cleanup expenses--problems that affect many environmentally desirable in-fill development projects. Under current law, demolition costs and the unrecovered basis of any demolished structure must be capitalized and added to the basis of the land, rather than deducted. This tends to discourage acquisition of land that includes a structure which must be demolished (in part or in full) to construct a more suitable improvement. This is because the cost of demolition is not recoverable until the underlying land is sold. More appropriate tax treatment would permit demolition costs to be added to the basis of the new building and amortized over a reasonable period (60 months) or at least depreciated over the life of the building.

Like demolition expenses, costs to clean up land purchased in a contaminated state must be capitalized and added to the basis of the non-depreciable land. The 1997 Taxpayer Relief Act provided immediate expensing of brown field cleanup costs in empowerment zones and other high poverty targeted areas. This tax treatment should be made a permanent part of the tax code and should be extended in some fashion to non-targeted areas as well. If not immediate deductibility, then more rapid amortization periods, such as 60 months, would be appropriate. As with demolition expenses, requiring that environmental cleanup costs be capitalized is a disincentive to the acquisition and redevelopment of sites in some already urbanized areas.

To sum up, I would simply say that smarter growth and more open space conservation would not only bring environmental benefits but also economic ones. I note that the Democratic and Republican leadership of this committee are both senior members of the Finance Committee. We would encourage you to share some of these economic issues with your colleagues on that Committee as well. Our members stand ready to assist you in advancing these objectives with rational federal policies. I would be happy now to take any questions you may have.

Thank you.

END

LANGUAGE: ENGLISH

LOAD-DATE: March 18, 1999

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National Mortgage News

September 1, 1997

SECTION: INCOME LENDING/COMMERCIAL; Pg. 12

LENGTH: 642 words

HEADLINE: CRE Group Backs Habitat Measure

DATELINE: Washington

BODY:

The National Realty Committee, a leading commercial real estate policy advocate, has thrown its support behind a Clinton Administration policy that balances habitat conservation planning on private lands with commercial development opportunities.

"NO-SURPRISES"
ENV 120

Under the "no surprises" policy, private landowners who voluntarily sacrifice development rights on a designated portion of their land, or pay for other species protection measures, may proceed with a development project with the assurance from the federal government that they will not be asked to give up additional land or face regulatory "surprises."

WHAT IS
NO SURPRISES

Essentially, the policy allows for a trade-off between the property owners and developers who want to build up their land and the environmental interests of the government, the exchange being some land for the guarantee that no further limits be placed on development until the agreement expires.

Should the plan fail to adequately protect a species and additional conservation steps need to be taken, the burden for funding the new steps falls on the federal government, not the landowner, which is a reversal from how the situation would be in the absence of a "no surprises" plan.

Since 1994, when the government began writing such assurances into habitat conservation agreements with private landowners, over 200 such agreements have been approved, according to the NRC. In the 11 years before the Clinton Administration plan, only 58 such agreements were made.



"The 'no surprises' policy has more than proven its worth as a regulatory incentive that leverages federal efforts with considerable private-sector resources," said Robert J. Lowe, senior vice chairman of the NRC and former chairman of the NRC's Environmental Policy Advisory Committee.

The NRC added, "The 'no surprises' policy encourages habitat conservation planning, a long-term, proactive approach that is increasingly aimed at protecting large, unified ecosystems sheltering many species. Such plans are generally viewed favorably by scientists, environmentalists and business interests as a superior alternative to the traditional case-by-case approach to species conservation - an approach that often fails to protect species before they are at risk of becoming extinct.

QUOTE

"Given the considerable time and expense that go into developing a conservation agreement, however, landowners are reluctant to pursue such plans

National Mortgage News, September 1, 1997

if they and their financial partners face the risk that these agreements can be reopened by the federal government at any time in the future."

One example the NRC highlighted as emblematic of a successful "no surprises" agreement was negotiated over six years and agreed upon last June. The plan will make 165,000 acres of Southern California real estate off-limits to development in order to protect the California gnatcatcher and numerous other endangered species.

It was negotiated by federal authorities, private landowners, state and local planners and environmental groups. The landowners agreed to give up development rights on a portion of their land in exchange for the assurance that they will not face any new development restrictions for the duration of the agreement.

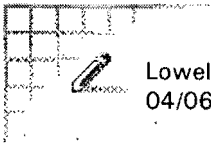
Should the agreement fail to adequately prevent further decline of the endangered species, additional protection steps will have to be paid for by the federal government.

The NRC said, "(We) believe this agreement illustrates how critical the 'no surprises' policy is for bringing private landowners to the negotiating table with other private and public sector interests."

"Last year, NRC and a broad crosssection of business, governmental and environmental interests developed a proposal that recommended statutory codification of the 'no surprises' policy and other initiatives to reform the Endangered Species Act in a responsible and balanced manner."

LANGUAGE: ENGLISH

LOAD-DATE: September 16, 1997



Lowell A. Weiss
04/06/99 09:46:45 AM

Record Type: Record

To: Jeffrey A. Shesol/WHO/EOP

cc:

Subject: Re: Podesta

Jeff-

This draft incorporates Podesta's edits to my draft (some are good; some are quirky).

Draft 2/10/99 10:00 am

**CHIEF OF STAFF JOHN PODESTA
REMARKS FOR THE BUSINESS ROUNDTABLE WINTER MEETING
WASHINGTON, DC**

February 10, 1999

Thank you for inviting me to participate today.

3Qs

New meaning of "the Jury is still out."

[Acknowledgments / Thank You] But in all seriousness, I am very glad to be here today. I'm grateful for the chance to give you some insight into this Administration's priorities over the coming year.

std. intro.

For more than 25 years, the BRT has encouraged policies aimed at strengthening our nation for the long-term -- policies to spur the creation of jobs, usher in economic growth with low inflation, and open new markets abroad. We haven't always agreed, but I think it's fair to say that we have shared a common vision: that stewardship of our economy and social policy for the long-term is how we ought to measure success. Today, the country is doing pretty well by those measures. Over the past six years, America has created nearly 18 million new jobs -- a remarkable 93% of them in the private sector. We have achieved the strongest period of sustained growth in 30 years -- with the lowest inflation in 30 years. Once again, our country is leading the world in exports -- and we are deeply committed to working with you to build on this success.

your group...

shared goals

overall econ

Best of all, this record peacetime expansion is inclusive, not exclusive. Corporate profits are up -- and so are incomes for working families. Executive compensation is up -- and so are real wages. Business investment is booming --



and so is investment in many hard-pressed inner cities. Once again, the connection between Wall Street and Main Street is very much a two-way street.

You here today deserve a great deal of credit for America's economic turnaround. American industry has never been stronger, swifter, or more innovative -- and never better at helping its workers retool for economic change.

gives them credit

And we have worked hard to create the economic conditions for you to prosper. That is what President Clinton's three-part economic strategy of fiscal discipline, investments in our people, and expanded trade was all about. And that's why, during his remaining months in office, the President intends to keep on this successful course.

First, as you heard in his State of the Union Address, the President will insist on maintaining our fiscal discipline. We believe that the single most important thing this Administration has done to help businesses flourish was getting our fiscal house in order. Deficit reduction has helped cut interest rates and free up more than \$1 trillion in capital for businesses like yours to make long-term investments.

*1) Fiscal discipline **

We believe that the key to maintaining this environment is to use America's hard-earned budget surpluses to prepare for the big challenges that are right around the corner. That's why the President has proposed that over the next 15 years we devote 62% of the budget surplus to shoring up Social Security, 15% to strengthening the Medicare trust fund, and providing tax relief to Americans through the vehicle of a Universal Savings Account, which will help all workers save and invest for their retirement. We believe this plan is good not only for meeting our obligations to our children and grandchildren. It's also pro-growth. Under the President's framework, our publicly held debt would fall to its lowest level since 1917. As Alan Greenspan has said, that means higher national savings, and continued low -- or even lower -- interest rates.

surplus

The debate in Washington is boiling down very quickly to two straightforward propositions -- whether we should adopt this approach -- investing the surplus to strengthen and preserve Social Security and Medicare -- or spend the surplus on a 10% tax rate cut. That's a debate worth having? We are happy to match our approach of investing the surplus for the future, against efforts to use it for massive tax cuts today.

tax cut debate

Second, the President will increase investments in our people -- especially in education and training. One of the President's proudest accomplishments is that even as we have balanced the budget, we have nearly doubled investments in the kind of education and training that our current and future workforce desperately need. This year, we will be asking for Ed Rust's and the BRT's leadership in helping us hold states and school districts accountable for results. We will insist that states and school districts end the counter-productive practice of social promotion; turn around -- or close down -- their worst-performing schools; raise

2) Invest in people (Do I have a bit here?)

standards for teachers; expand public school choice; and adopt sensible discipline policies. This plan is not about asserting greater federal control. It's about lifting our sights and raising our expectations -- just as we are asking our children to do.

3) trade
Third, the President will continue to expand free and fair trade. I can assure you that this President is determined to secure fast track -- as am I. And I will say more about that in a minute. But I really believe that the battle over fast track is much bigger than a battle over the merits of free trade. I believe it represents a fundamental disagreement over America's foreign policy and national security interests.

For fifty years and through 10 Presidents -- five of them Democrats and five Republicans -- America has projected a unified front on foreign policy and trade. But today, this consensus is under fire. Many in Congress are calling for our nation to turn inward, to turn to isolationism. You can see it in the fevered calls for greater export controls on American computers and other high tech products. You can see it in a new fear and loathing of the UN and IMF. You can see it in heated opposition to our role in peacekeeping in Bosnia, our financial support for ailing allies in Latin America, and our efforts to engage China. You can see it in the call for building high walls of protectionism that threaten to set off similar responses around the world.

So let's not kid ourselves: We've got a lot of work ahead of us. We have to forge a new consensus not only on trade but also on our national interests in a rapidly changing, post Cold-War world. We have to find new ways to show the American public that opening new markets -- and helping to stabilize ailing economies in Asia and Latin America -- are vital for our continued growth and security. We must show that the only real way to put America first is to continue to exert strong American leadership in the world.

As for fast track specifically, we can no longer afford to act as if concerns over displaced workers here at home and labor and environmental standards around the world don't exist. They are legitimate concerns -- and we can meet them. One way to do so is by creating a new arm of the International Labor Organization, to help developing nations put in place basic labor protections and strengthen their social safety net.

And now, I'm happy to answer any questions you have. I'm used to fielding tough questions from one CEO, but today it looks like I've got about 50. But I'm game. Fire away.

###

Draft 04/06/99 2:30pm
Jeff Shesol

**CHIEF OF STAFF JOHN D. PODESTA
TALKING POINTS FOR THE NATIONAL REALTY COMMITTEE'S
EXECUTIVE COMMITTEE MEETING
THE FOUR SEASONS HOTEL
WASHINGTON, DC
April 7, 1999**

- I want to thank your president, Jeffrey DeBoer, and your chairman, Randall Rowe, for inviting me here today.
- [joke about location, location; one of the prime pieces of real estate in the country: 1600 PA Ave.?)
- While our administration and the NRC don't always agree, we share a common vision: that business and government, working together, can be stewards of a strong economy, vibrant communities, and a healthy environment. I want to talk to you today about that stewardship, and the ways we can strengthen it as we enter the 21st century.
- But first, let me say a few words about the situation in Kosovo.
We are working with our 18 NATO allies to:
 - strike at Serbia's machinery of repression;
 - allow the Kosovar Albanians to return home;
 - and bring stability to the heart of Europe.
- We launched air strikes:
 - only after exhausting diplomatic efforts;
 - after Milosevic rejected a fair & balanced peace agreement for Kosovo;
 - and after he intensified his year-long campaign of ethnic violence.
- Milosevic is responsible for this crisis and he can end it now by:
 - withdrawing his forces from Kosovo;
 - accepting deployment of an international security force;
 - & allowing refugees to return as we move toward the framework built at Rambouillet.
- As the President said on Tuesday, half-measures and token gestures are not enough; Milosevic must do what is necessary, or we will persist until we prevail. We must end the suffering and build a peaceful Europe that can be America's partner for progress and prosperity.
- In America, these are times of unparalleled prosperity:
 - over the past 6 years, more than 18 million new jobs, 92% in the private sector;
 - peacetime unemployment is the lowest since 1957;

- strongest period of sustained growth in 30 years, with lowest inflation in 30 years;
- and the highest home ownership in history.
- The resurgence of commercial real estate markets is another sign of how far we've come.
 - In 1992, investments in non-residential buildings had hit an 8-year low.
 - Since then, they've jumped 36 percent, to more than \$190 billion.
 - Mortgage rates are near the record low of 6.71 we set in October 1998.
- It is our fiscal discipline that has given us these rare and hard-won opportunities. Balancing the budget has made a real difference. President Clinton's new economic strategy has transformed the vicious cycle of budget deficits and high interest rates into a virtuous cycle of budget surpluses and low interest rates.
- When interest rates fall, more Americans can buy homes & build buildings, pay mortgages & retire student loans, and start businesses like yours. When deficits disappear, capital -- more than \$1 trillion so far -- is liberated to create wealth, create jobs, and create opportunity at every level of our economy.
- In an age of worldwide capital markets, America prospers by saving and investing, not by running big deficits. We also must continue our engagement & strong leadership abroad; and expand free and fair trade.
 - Our agenda includes CBI, Africa trade, WTO, China. . .
 - Premier Zhu Rongji's visit this week reminds us of the importance of that relationship.
- Fiscal discipline means facing long-term challenges. The President's plan, articulated in his State of the Union Address, does exactly that:
 - saves Social Security until 2049 by setting aside 62% of the surplus for 15 years;
 - strengthens Medicare until 2020 by setting aside 15% of the surplus for 15 years;
 - creates responsible targeted tax relief through USA Accounts;
 - & not only pays down the national debt, but completely eliminates it by 2018.
- Fiscal responsibility also means balancing economic growth and environmental health.
 - The NRC has made a very strong case that these goals are more than compatible.
 - In the long-term, you can't have one without the other.
- That idea underlies two new proposals by President Clinton and Vice President Gore:
 - 1) our Livability Agenda
 - helping communities cut traffic congestion, save green space, & promote smart growth
 - 2) our Lands Legacy Initiative
 - preserving places of natural beauty from the remote wilderness to the closest city park
- The Lands Legacy Initiative will strengthen our administration's "no surprises" policy. That, as you know, means "no surprises" to private landowners on future land use if they agree to help protect endangered species -- protecting wildlife while promoting

development.

-- In 1992, there were only 14 of these "habitat conservation plans" in place.

-- Today there are 236, with 200 more under development.

-- Our administration's new guidelines will make them a permanent fixture.

-- I want to thank the NRC for their strong support of the "no surprises" policy.

- This path of fiscal responsibility has led to the longest peacetime expansion in history. The President is committed, as am I, to staying on that path & moving forward.

March 1, 1999

BUSINESS-GOVERNMENT RELATIONS COUNCIL (B-GRC)

DATE: Tuesday, March 2
TIME: 8:00 a.m.
LOCATION: Willard Hotel, Crystal Room

I. PURPOSE

You have been invited to speak at an informal, off-the-record B-GRC breakfast, designed to give its members an opportunity to meet you and discuss issues of importance to the business community. They are expecting you to provide them with a brief overview of the Administration's agenda and to be available for 15 - 20 minutes of discussion.

II. BACKGROUND

Founded in 1966, the B-GRC is a non-profit association comprised of the top corporate executives from the Washington offices of national business or industrial organizations. Unlike the Business Roundtable and the Business Council, the B-GRC's membership consists solely of companies' Washington representatives. The Council facilitates business-government relations through sponsorship of seminars, forum discussions and policy meetings. Currently, the Council has 133 members and is headed by Gregg Ward, who is also the senior vice president for the Chicago Mercantile Exchange. (A complete list of active members is attached.)

III. AUDIENCE

70 people are scheduled to attend the sit down breakfast. A list of B-GRC members is attached.

IV. SEQUENCE OF EVENTS

- Jay Dunn is available to accompany and staff you at the event.
- Paulette Pidcock, who is coordinating the B-GRC event, will meet you in the lobby of the Waldorf, and escort you to the breakfast.
- After eating breakfast, you will be introduced by Paulette. You will be expected to speak for approximately 10 minutes and take 15-20 minutes worth of questions.

V. SITE LOGISTICS

The room will have 6-10 round tables. (The breakfast is a seated breakfast.) You will speak from a podium at the front of the room.

VI. PRESS

Closed press / off the record session.

BUSINESS-GOVERNMENT RELATIONS COUNCIL TALKING POINTS

- For more than 30 years, the B-GRC has worked to foster better government-business relations and to promote an agenda that would help create jobs, grow the economy, lower inflation and open markets.
- While the Administration and business haven't always agreed on particulars, we have shared a common vision -- working to develop a healthy, long-term stewardship of our economy and social policy.
- Over the last six years, we have been very successful:
 - nearly 18 million new jobs; a remarkable 93% of them in the private sector;
 - longest peacetime expansion in history;
 - lowest inflation in 30 years;
 - America is leading the world in exports.
- Most important, this record is inclusive, not exclusive:
 - corporate profits are up, and incomes for working families are up;
 - senior management compensation is up, but so are average real wages;
 - business investment is booming, and investment in depressed urban and rural areas is up.
- Business deserves much of the credit for America's economic turnaround. Our industries have never been stronger, more productive or more innovative.
- The President has worked hard to create the economic conditions for prosperity through his three part economic strategy of:
 - fiscal discipline
 - investments in people and technology;
 - more markets for American goods and services.
- I want to talk to you about 1) these three pillars; 2) the priorities the President outlined out in his State of the Union; and 3) take some of your questions.
- First, the President's top priority is maintaining our fiscal discipline. Nothing has done more for our economy. Deficit reduction has helped cut interest rates and freed up more than \$1 trillion in capital for businesses like yours to make long-term investments.
- To do so, the President has articulated two bottom line budget priorities: 1) paying down the debt; and 2) addressing our long-term fiscal challenges of Social Security and Medicare.
- The President's plan would use the surplus over the next 15 years:
 - 62% to strengthen Social Security and extend its Trust Fund life to 2049;
 - 15% to strengthen Medicare and extend its trust fund life to 2020;
 - 12% to provide responsible, targeted tax relief through USA Accounts;
 - 11% to address vital needs such as education, military readiness, research and development.

- This plan is right for America. It:
 - meets our obligations to the future;
 - helps reduce our debt to its lowest level since 1917;
 - provides targeted, responsible tax relief (child care, long-term care, business investment)
- It also frames the debate in the right way: Do we invest the surplus in a way that addresses some of our most important, long-term issues? Or do we spend it on a consumption oriented tax cut?
- Second, the President is calling for increased investments in our people -- especially in education and training. Already, we've nearly doubled these investments (HOPE Scholarship, 100,000 teachers, tax credits, life-long learning) and provided the workforce the type of training the need for the future.
- In particular this year we will focus on holding states and school districts accountable for results. They must:
 - end social promotion;
 - turn around / close down the worst-performing schools;
 - raise standards for teachers;
 - increase public school choice (charter schools);
 - adopt sensible discipline policies.
- We are not looking for greater federal control; we are lifting our sights and raising expectations - just as we are asking our children to do.
- This also means working to improve health care through a strong, enforceable Patients' Bill of Rights:
 - continuity of care;
 - right to see a specialist;
 - emergency room treatment.
- Finally, the President will continue to expand free and fair trade.
- The President is committed to securing Fast Track negotiating authority -- as am I. But I really believe that the battle over Fast Track is much bigger than a battle over the merits of free trade.
- For 50 years, and 10 presidents, America has held a unified front on foreign policy and trade. Today, that consensus is under fire:
 - there is a turn toward isolationism;
 - there are increased calls for greater export controls;
 - we experienced criticism over: IMF, support for Latin America, and engagement with China.

- We have a lot of work ahead of us. We must forge a new consensus not only on trade but on our national interests in changing the post-Cold War world. We must make the public understand that:
 - engagement abroad is vital for continued growth and security;
 - the only way to put America first is to continue American leadership in the world
 - our agenda includes: CBI, Africa Trade, WTO, China accession
- As for Fast Track, we must recognize concerns over: 1) displaced workers; and 2) labor and environmental standards. We can address these concerns, as the President has said, by working together to build a new consensus on trade.
- The President is strongly committed to carrying forward the economic strategy that has helped American businesses and workers. And you remain an important part of this strategy.
- Now, I'm open for a few questions.

From: David Halperin on 04/06/99 01:31:24 PM

Record Type: Record

To: Jeffrey A. Shesol/WHO/EOP

cc: Tomasz P. Malinowski/NSC/EOP, Ted Widmer/NSC/EOP, Wendy E. Gray/NSC/EOP

Subject: For Podesta remarks

As you know, much effort at the White House this week is focused on foreign policy, particularly on two issues that will have a profound impact on the security and prosperity of all Americans -- the crisis in Kosovo and our relationship with China.

In Kosovo, we are working with our eighteen NATO allies to strike at Serbia's machinery of repression, allow the Kosovar Albanians to return home, and bring stability to Southeast Europe. We launched strikes only after exhausting diplomatic efforts, only after Mr. Milosevic rejected a fair and balanced peace agreement for Kosovo and instead intensified a year-long campaign of ethnic violence against the Kosovars.

Mr. Milosevic is responsible for this crisis. As President Clinton has said, Mr. Milosevic can end it, now, by withdrawing his forces from Kosovo; accepting deployment of an international security force; and making it possible for all refugees to return as we move toward a political framework based on the Rambouillet accords. Empty promises and token gestures from Mr. Milosevic won't do the trick. If Mr. Milosevic does not do what is necessary, NATO's campaign will continue until we prevail. We must prevail to end the suffering and to build a peaceful Europe that can be America's partner for progress and prosperity.

In the midst of this crisis, Premier Zhu ^{Rongji}~~Rongji~~ of China is arriving for important talks with the President. We strongly believe it is in America's interest to strengthen cooperation with China where we can act together for mutual benefit, while speaking candidly and directly about areas -- including human rights -- where we disagree. We have worked constructively with China to promote peace on the Korean Peninsula and elsewhere and to limit the spread of weapons of mass destruction. Broader economic relations have increased opportunities for American businesses, workers and farmers -- and also helped spread the message of freedom in China. And we hope soon to reach an agreement that will bring China into the World Trade Organization on fair terms, thereby providing even more opportunities for Americans. [We have no illusions about China, and we will always protect our national interests. Where we can promote those interests through cooperation with China, we will continue to do so. A strategy of confrontation for confrontation's sake will accomplish nothing.]

----- Forwarded by David Halperin/NSC/EOP on 04/06/99 01:12 PM -----

* Peter Umhofer - Exterior
208-6011

THE WHITE HOUSE
WASHINGTON

NO SURPRISES POLICY

▶ Endangered spec. act

way we provide property owners
assurance do rt things by
Endangered spec., we assure no
surprises.

- our commitment to making this
policy perm. - which is good

part of...

Habitat Conserv. Plan

- agree w/ us + landowner
on end. spec.

- see today's Fed pg. : agencies -
new guidelines to strengthen
process.

- (third)
Way of protecting end. spec. while
accommodating landowner



Jeffrey A. Shesol
02/24/99 02:13:30 PM

Record Type: Record

To: Michael Waldman/WHO/EOP
cc:
Subject: sprawl language for Tuscon

They've got to be kidding. Can we talk about this, as a general matter, at least? Thanks.

----- Forwarded by Jeffrey A. Shesol/WHO/EOP on 02/24/99 02:12 PM -----



Elliot J. Diring
02/24/99 02:10:32 PM

Record Type: Record

To: Jeffrey A. Shesol/WHO/EOP
cc: Fred DuVal/WHO/EOP, Beth A. Viola/CEQ/EOP
Subject: sprawl language for Tuscon

A strong community is a livable community. It's easy to see why so many people are moving to southern Arizona -- where else can you play golf 365 days a year? But as you're seeing, new growth brings new stresses and strains. Traffic congestion. Overcrowded schools. The challenge -- the same challenge being faced by communities across the country -- is to grow in ways that ensure a high quality of life and strong, sustainable economic growth. And I'm pleased to see the remarkable efforts under way here to meet that challenge -- to accommodate new people and new growth, while preserving the extraordinary landscapes that are so much a part of your history and culture.

We're committed to helping you meet that challenge. Vice President Gore and I have proposed a new Livability Agenda, to give communities new tools and resources to reduce traffic congestion, save green space, and promote smart growth. Working in partnership, we can build livable communities for the 21st century.

Livability

So Arizona is already facing some of the challenges I spoke of in my State of the Union Address one month ago. As your communities and your regional economy grow, you are working to maintain your high quality of life and preserve the spectacular landscapes that mean so much to your history and culture. And we will work with you to meet that challenge: Vice President Gore and I have proposed a new Livability Agenda, to give communities new tools and resources to reduce traffic congestion, save green space, and promote smart growth.

Joshua S. Gottheimer
04/06/99 10:30:40 AM

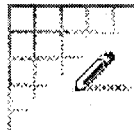
Record Type: Record

To: Jeffrey A. Shesol/WHO/EOP

cc:

Subject: livability

----- Forwarded by Joshua S. Gottheimer/WHO/EOP on 04/06/99 10:30 AM -----

 Jeffrey K. Nussbaum @ OVP
04/06/99 10:18:38 AM

Record Type: Record

To: Joshua S. Gottheimer/WHO/EOP

cc:

Subject: livability


Livabty.11

This is the big one:

THE WHITE HOUSE

Office of the Vice President

For Immediate Release

September 2, 1998

REMARKS BY VICE PRESIDENT AL GORE
THE BROOKINGS INSTITUTION

Wednesday, September 2, 1998

Since it was first seen by human eyes, the new world has been a revelation to the old. The American countryside used to make travelers stand still in astonishment. That's how beautiful it was.

From the Lakota storytellers who described the vast clearness of

the Western sky as a metaphor for inner courage; to the Hudson River painters whose canvases and brush strokes grew ever larger and wider in an effort to show old Europe just how majestic were the cliffs of the Storm King; from Thoreau, who saw an entire pilgrimage in a still body of water in a Massachusetts meadow; to Mark Twain, who wrote back to his Eastern readers that the Tahoe depths were so lucid, you could see straight down a mile to the stones on the lake's bed; to Spanish settlers who named the high places in California after the views they commanded -- Buena Vista and Alta Vista; all these Americans knew that their home was a place of natural grace.

This nation's cities and villages used to be a model of civil life. We were the experts at creating the gathering-places, the very architecture, that set the stage for democracy: the Puritans built their villages around common greens; the livestock grazed there, but, more importantly, the village green was where news was proclaimed, and where neighbors chatted or argued over the issues of the day.

As our cities grew, their life took the vibrant shape of America: the mixed-use building of dwellings over small shops allowed people to work long hours, raise families close by, and start the climb up the economic ladder; as the nineteenth century drew to an end and America looked around at its new wealth and diversity, the City Beautiful movement was inaugurated: proud civic buildings -- libraries and post offices, town halls and colleges, parks and recreation areas for working men and women's days off, ornate commercial buildings and statuary -- proclaimed to the world that though Cleveland or Milwaukee or Corvallis or Tuscaloosa were new, they had plenty to be proud of.

The great civic buildings and recreation areas drew the people together in the heart of the cities: at best, the working people mingled with the affluent, Latin families picnicked alongside Anglos, and students of Chinese parentage sat in reading-rooms alongside those whose folks were Irish. The civic spaces, by drawing people together in pride and enjoyment, also helped create the diversity and self-respect that characterized our bold new country.

In the hearts of our cities, those who are willing to seek them still find the precious gifts of culture and history. Our communities are a reflection of who we are as a people, and where we have been. From 18th Street and Vine District in Kansas City; to the Bronzeville area in Chicago, one of the homes of jazz; to historic Beale Street in Memphis -- our cherished landscape tells the story of how we came to be just who we are.

We can still see the greatness of what those Americans saw in our natural and civic landscape -- but all too often, in too many places, we see only traces of that greatness, because over the last thirty years, bad planning has too often distorted our towns and landscapes out of all recognition. We drive the same majestic scenery, but in too many places, the land we pass through is often burdened by an ugliness that leaves us with a quiet sense of sadness. The burden is national. No state has escaped it.

From the desert Southwest to the forested Northeast, from the most pristine snowfields in Alaska, to the loveliest hollows of the Carolinas -- thickets of strip development distort the landscape our grandparents remember. We walk through the hearts of the cities, but so often the downtown is a wasteland of boarded-up storefronts that goes silent at night, as commuters start their grueling commute to further and further periphery suburbs.

Many of our walkable main streets have emptied out, and their small shops closed, one by one, leaving a night-time vacuum for crime and disorder. Acre upon acre of asphalt have transformed what were once mountain clearings and congenial villages into little more than massive parking lots. The ill-thought-out sprawl hastily developed around our nation's cities has turned what used to be friendly, easy suburbs into lonely cul-de-sacs, so distant from the city center that if a family wants to buy an affordable house they have to drive so far that a parent gets home too late to read a bedtime story. In many such developments, an absence of sidewalks, amenities, and green spaces discourages walking, biking, and playing -- and kids learn more about Nintendo and isolation than about fresh air and taking turns.

Houses in such places were built fast and heedlessly by bulldozing flat an ecosystem, and ripping out the century-old trees that had sustained the neighborhood's birds and wildlife. People move in and make their lives, but as the bulldozers leapfrog their dreams, they begin to long for something they remember -- the meadow that used to be the children's paradise at the end of the suburban street, the local shops where neighbors passed the local news from one to another, the park where families shared picnics.

The problem which we suffer in too many of our cities, suburbs, and rural areas is made up of so many different pieces that until recently it has been a problem that lacked a name. "Sprawl" hardly does justice to it.

But Americans are resourceful people. While the blight of poor development and its social consequences have many names, the solutions, pioneered by local citizens, are starting to coalesce into a movement. Some call it "sustainability;" some call it "smart growth;" others refer to "metropolitan strategies;" still others prefer to talk about "regionalism." In New York and Portland, in towns like Celebration in Florida and in other areas nationwide, it's been called the movement for "liveability." And that's as good a word as any to describe the many solutions that local citizens are crafting.

This movement across the country is showing us how we can build more liveable communities -- places where families work, learn, and worship together -- where they can walk and bike and shop and play together -- or choose to drive -- and actually find a parking place! -- and get out and have fun.

A liveable suburb or city is one that lets us get home after work fast -- so we can spend more time with friends and family, and less time stuck in traffic. It is one that restores and sustains our historic

neighborhoods, so they are not abandoned and bulldozed under, but are alive with shops and cultural events. It is one that preserves among the new development some family farms and green spaces -- so that even in the age of cyberspace, kids can still grow up knowing what it's like to eat locally-grown produce, or to toss a ball in an open field on a summer evening. Most of us can't afford to travel to Yellowstone or the Grand Canyon when we want to enjoy the rich American landscape; a liveable neighborhood lets you and your spouse walk through a natural ecosystem as you simply take an evening stroll down your street.

A liveable community cares about parks as well as parking lots, and develops in a way that draws and local strength and uniqueness -- resisting the "cookie-cutter monster" that has made so much of our country look all the same.

And increasingly, in the 21st Century, a liveable community will be an economically powerful community: a place where a high quality of life attracts the best-educated and trained workers and entrepreneurs. A place where good schools and strong families fuel creativity and productivity. A place where the best minds and the best companies share ideas and shape our common future.

So many towns and suburbs are building more livable communities, and showing that you can embrace community development while growing stronger economically in the process. Indeed, first and foremost, our cities, suburbs, and neighborhoods need continued economic growth and strength to thrive.

That is why our efforts to make communities more livable today must emphasize the right kind of growth -- sustainable growth. Promoting a better quality of life for our families need never come at the expense of economic growth. Indeed, in the 21st Century, it can and must be an engine for economic growth.

In the last fifty years, we've built flat, not tall: because land is cheaper the further out it lies, new office buildings, roads, and malls go up farther and farther out, lengthening commutes and adding to pollution. This outward stretch leaves a vacuum in the cities and suburbs which sucks away jobs, businesses, homes, and hope; as people stop walking in downtown areas, the vacuum is filled up fast with crime, drugs, and danger.

Drive times and congestion increase; Americans waste about half a billion hours a year stuck in traffic congestion. An hour and a half commute each day is ten full workdays a year spent just stuck in traffic. The problem isn't the cars themselves; for so much of this century, cars have given us the chance to chase our dreams. We just never expected to hit a traffic jam along the way.

So the exhausted commuter seeks affordable housing further out -- and can't help pushing local farmers out of business, since family farms can't pay the rising property taxes. Orchards and dairy farms go under; the commute gets even longer; and nobody wins, least of all our children. America, which is losing 50 acres of farmland to development

each hour, could become the largest net importer of food, instead of the world's largest exporter by the next century.

This kind of uncoordinated growth means more than a long drive to work; it means a half hour to buy a loaf of bread; it means that working families have to spend thousands of dollars a year more on transportation costs when they might want the option of spending that money on a year of a good college for a son or daughter. It means that people coming off welfare and eager to work, especially if they have children, find that they don't have a way to reach an available job and still pick a child up from day care.

It means mothers isolated with small children far from play-mates, and old people stuck in their homes alone. Air and water quality go down; taxes go up; there are no sidewalks, and even if there were, there is nowhere to walk to.

We gather at the mall, but there is nowhere to sit outside with family on a fine day. Suddenly we see: this is not the community we were looking for.

I often refer to the well-known theory called "broken windows." When a criminal sees a community with broken windows, garbage strewn on the street, and graffiti on the walls, there is a powerful but unspoken message: if you're looking for a place to commit a crime, it's here, because we have a high tolerance for disorder.

If a young family is looking for a place to live, or an entrepreneur is looking for a place to start a business, what kind of message does a community send if there are no parks and green spaces; nowhere to shop and walk and play with your children; no running paths to help people stay well and productive; no nearby countrysides or family farms?

The message is clear: you'd better not raise your family here, because we don't value the quality of life you want. But a liveable, walkable, playable community -- like a safe community or a good, modern classroom, sends a very different message: we care about this place, and you should, too.

So many generations moved out to the suburbs to find the good life -- more space, more safety, more privacy, and a better quality of life. Today, it is where the vast majority of new jobs are created. We should be able to reclaim that dream.

We're starting to see that the lives of suburbs and cities are not at odds, but intertwined. No one in a suburb wants to live outside a dying city.

No one in the city wants to be trapped by surrounding rings of parking lots instead of thriving, liveable suburban communities. And no one wants to do away with the open spaces and farmland that give food, beauty, and balance to our post-industrial, speeded-up lives.

Fortunately, all across America, communities are coming together to meet these new challenges of growth -- to restore historic neighborhoods, to protect centuries-old farmland, to turn shopping malls into village squares, to preserve both our natural and our cultural heritage. These communities are proving that America can grow according to its values -- which include goodness, but also include beauty. By working together, they show us we can build an America that is not just better off, but better.

What is being gained is not just liveability, but new life for our democracy.

As citizens come together to plan their common future -- as they realize that they can make a difference right in their own neighborhoods -- we open the door to more vibrant civic life and self-government on a much broader scale. That is why smart, green growth must happen at the local and community level.

The American Heritage Rivers initiative rewards communities that restore their rivers and waterfronts. Empowerment zones unite communities to revitalize central cities. These initiatives reveal that rediscovering the pride of place, the delight of home, has an unparalleled power.

In the words of Daniel Kemmis, who was one of several thinkers who joined Tipper and me at our home early in 1997 for a series of discussions on this subject, "what holds people together long enough to discover their power as citizens is their common inhabiting of a single place." In other words, to paraphrase the TV show: "everyone needs a place where everybody knows your name." When I was a child, I lived in a community just like that -- Carthage, Tennessee. I've often described it as a place where people know about it when you're born, and care about it when you die. There are a lot of Americans who want to live in a community that has that feeling.

Let me share a few examples of what is happening across the country:

Consider Chattanooga, a city of black and white families, both affluent and working class, in my home state of Tennessee. Like the Spanish settlers who made their home on the Buena Vista, Chattanooga's founders were entranced by the beauty of the land that lies between two majestic mountains and a sweeping bend of the Tennessee River. Each feature of the landscape speaking to the soul, in Wordsworth's memorable phrase, "like a mighty voice." But by the time I was growing up, that voice had grown hoarse. The smog was so thick people couldn't even see the mountains. The air was so polluted that on some occasions, when women wore nylon stockings outside, their legwear would actually disintegrate from the pollution. The riverfront was littered with dilapidated warehouses and a vacant high school, and the town's oldest bridge was considered so unsafe the state wanted to tear it down. According to one council member, in Chattanooga, "the prosperity of one generation became the burden of the next one."

Then the people of Chattanooga decided to reclaim the natural beauty of the place. More than 2,500 people turned out for public meetings and listening sessions. They looked at pictures of different neighborhoods and communities, and were consulted for their ideas and preferences. Students proposed turning the old warehouses into an aquarium that families could visit. Soon after, the vacant high school reopened as a nationally-recognized magnet school. The old bridge was reinforced, and reopened as the country's longest pedestrian walkway over a river, a beautiful sight. As Tennessee's Senator, I was proud to help Chattanooga develop an electric bus system to give people an alternative to all those hours in traffic. And best of all -- just as those students had dreamed -- those old warehouse properties were turned into the largest freshwater aquarium in the world -- attracting 1.3 million visitors every year since it has opened, making kids, fish, and retailers very happy. Today, Chattanooga is not only cleaner than it has been in decades -- it is led the entire state in job growth for the first half of last year.

In St. Paul, people like Mary Gruber are showing us the power of citizen action. She is a nurse living with her husband -- a pipe fitter -- in the working class north end of St. Paul. She is also active in the St. Paul Ecumenical Alliance of Congregations. In the early 1990's, she met a social worker who told her that she spent the first six weeks of every school year looking for shoes for kids. She saw that poverty was undermining their community's efforts to provide a good education. But when she wondered where all the jobs would come from, all she saw in her neighborhood were abandoned old factories. Doing a little research, she found that there were more 4,000 acres of abandoned factories in inner cities, barring job growth.

Together with the members of her religious coalition, she helped bring together 45 inner-city and suburban churches, environmental groups, developers, and government officials to clean up those old sites and bring jobs back. They came up with their own slogan: "Turn Polluted Dirt Into Paydirt." They held rallies, they sent letters, they met with state legislators. And they persuaded the legislature to pass a seven-year plan to reclaim 175 acres of polluted sites, create more than 2,000 new jobs there, and leverage up to \$70 million in private investment in the once-neglected community. One of them summed it up this way: "I hate to sound like a civic cheerleader, but...you come away thinking that this is worth your time." In St. Paul, changing the physical landscape meant a change for the better in people's lives.

In Routt County, Colorado, in the Rocky Mountains, residents and businesses became concerned that an explosion of year-round resorts and tourism could degrade the character of their small ranching and mining community. On summer weekdays, in a town with a population of just 15,000, it wasn't unusual for 28,000 cars to crowd the main street. One bank president said: "It's not a question of whether we are going to grow. It's a question of how we're going to manage that growth to maintain the things we all came here for." They also realized that destroying their rural way of life would only hurt tourism. So more than 1,000 residents worked on a plan called "Controlling Our Own Destiny," which led to plans for affordable housing, more open space,

and better transportation and schools.

More than 10,000 acres have been set aside as permanent land-ranches that the town can grow around. And former adversaries, from ranchers to business people to conservationists, are now working together for strong, sustainable, and beautiful growth.

Then there is the City of Detroit. We all remember how Detroit seemed to be in a free-fall just a few years ago -- losing jobs, losing businesses, gaining crime and poverty. Distrust between the city and the surrounding suburbs was the norm. Today, Detroit is experiencing an economic renaissance -- and much of that progress is due to Mayor Archer's efforts to work with the surrounding counties.

Our Empowerment Zone in Detroit not only helped to attract \$4 billion in private investment and thousands of jobs to the once-ravaged city core, it also linked the zone's residents with available jobs out in the suburbs. The natural surroundings benefit, too. Communities have come together to protect and preserve the Detroit River as one of our new American Heritage Rivers. Thirteen communities, three counties, and the state have banded together to fight urban blight along Detroit's northern border. And last year, city residents even approved \$38 million in improvements for recreational facilities located out in the suburbs. Diverse religions are seeing a common interest. They all realize that the only way to achieve growth and prosperity for everyone is to work together.

In the 1970's, Portland, Oregon was consuming 30,000 acres of its rich agricultural land every year, and threatening the pristine forests leading to Mount Hood. To protect the land, Portland passed a smart growth plan -- creating a more walkable, liveable community while preserving historic areas rather than building farther and farther out. They were told that it would be impossible -- that the new emphasis on quality of life would force out businesses and force down property values. Instead, the opposite has come to pass: high-tech campuses sprung up, home values have increased, Portland's population swelled with families fleeing sprawl and congestion elsewhere -- and a new light rail system has attracted 40% of all commuters.

Today, the environment is better protected; developers advertise "not sprawl but community villages;" new developments, crafted with care, boast community spaces, light rail stations, and on-the-block day care; and Portland's community spirit is one of joy.

As one newspaper described: "many of the newer companies in Oregon -- like Hewlett-Packard, Intel, and Hyundai -- say they moved here because there are forests, fruit orchards and meandering creeks just across the street from the contained urban areas. The employers said they wanted to locate in an area that could attract educated workers who were as interested in quality of life as a paycheck." Or as one Intel employee put it: "companies that can locate anywhere they want will go where they can attract good people in good places." Coming together as a community made good common sense.

And we see this kind of success across the nation -- from Chicago to Fresno to South Florida to Indianapolis to San Antonio.

How, then, can the federal government encourage and strengthen smarter, more liveable, sustainable growth? Again, smart growth is about local and community decisions, and we don't want to tell anyone where to live, or where to locate a business. But I believe there is an important role for federal support for local energies.

We, the federal government, can start by getting our own house in order, and making it look good. We should start paying closer attention to liveability and smart growth in the building and planning we provide to taxpayers -- such as where we locate new libraries, post offices, and so on, and whether we should fix up old beautiful old buildings in historic areas before rushing to build bland new ones farther out.

Secondly, we can get our own house in order by reexamining federal policies that may have been well-intentioned, but have encouraged the wrong kind of growth and runaway sprawl.

For example, in some cases, federal subsidies actually encouraged communities to extend sewage lines far out into undeveloped areas, rather than improving and expanding them in places where families already relied on them. And until we changed the policy, the federal government gave employers big subsidies to offer parking spaces to their employees, but much less help in covering their mass transit costs. We need a national dialogue on these kinds of policies.

Third, we can provide carefully targeted incentives to encourage smarter growth -- such as support for mass transit and light rail systems -- not to restrict growth in any way, but to reward growth that strengthens family-friendly communities.

Fourth, we can play an enormously positive role as a partner with cities, suburbs, and rural areas, as we have already started to do through our empowerment initiative and through our work with the U.S. Conference of Mayors and the National Association of County Organizations on their Joint Center for Sustainable Communities. That way, whole regions can create a vision and build together for their common future.

President Clinton and I have already done a lot to make the federal government a better partner -- part of the solution. We are cleaning up old Brownfield sites and toxic waste dumps, and replacing them with parks, new businesses, and new homes. The President's Council on Sustainable Development has worked very hard to encourage better, more liveable communities. Our community empowerment strategy is bringing billions of dollars in new private investment to central cities, and breathing new life into America's central cities. We have passed targeted tax cuts for families, small businesses, and communities. We are rebuilding and modernizing crumbling schools. Under our new transportation bill, we are giving local communities an unprecedented local control over the kind of infrastructure they choose, and we will make sure that control is preserved. We are putting 100,000 community

police on the streets -- police who walk a neighborhood beat and know the kids on the sidewalk by name. We have taken new action to help local communities protect their farmland, wetlands, and private forests.

Today, on behalf of President Clinton, I am pleased to announce three additional steps we will take to help encourage smarter growth and more liveable communities all across America.

First, today I am announcing that FANNIE MAE will launch a new \$100 million pilot program that will recognize an economic reality that has long been ignored by our mortgage system: families that live near mass transit save as much as hundreds of dollars a month, and therefore should qualify for larger mortgages. These new location-efficient mortgages, which come with a 30-year transit pass, will give families more choices, by enabling them to live in more desirable neighborhoods, with higher property values. They will also illuminate whether this financial innovation will encourage smarter growth nationwide.

Second, I am announcing two new initiatives to give more information to communities. We will offer grants that enable communities to get and display federal information on easy-to-understand computerized maps, to see all the parks and buildings and farmlands in the region, and even predictions of future growth. This will make it dramatically easier to envision and plan smarter, more liveable growth for the future.

Third, we are taking new action to protect our farmland. On my family's farm in Carthage, I learned a simple truth: if you lose an acre of fertile farmland, you lose it forever. That's why, two years ago, we reached out to states, tribes, and local governments and asked them to help us protect our farmland through the purchase of easements. Today, I am proud to announce today that we are awarding more than \$17 million to 19 states to ensure that thousands of acres of our best farmland are preserved for generations to come. This investment will protect more than 53,000 acres of precious farmland on 217 farms across America. Our kids will see horses, cows, and farms outside books and movies.

This is just the beginning of a renewed federal commitment to smarter, more liveable growth -- and I will be announcing additional actions in the coming months. But in every case, our goal will be to put more control, more information, more decision-making power into the hands of families, communities, and regions -- to give them all the freedom and flexibility they need to reclaim their own unique place in the world. That is why I will begin this fall by holding several listening sessions on smart growth and liveability, to hear first-hand what is working, and what the federal government can do to become a better partner. In the coming months, members of the President's Cabinet will hold several additional sessions around the country as well.

What is clear to the local and federal governments, more and more, is something any parent has known when struggling to afford and then protect a home: places matter to people; they shape people, for good or ill. Our communities must be more than mere plots of bulldozed land,

more than mere networks of roads and soulless buildings. They must allow us to come together, to walk and bike and play with our children, and to know that we can shape the communities we want for their children. They are a reflection of who we are as a people.

We must preserve and protect what is special about our natural landscape, and about our man-made landscape as well. That is why America must always seek strong and aggressive growth -- but growth that is consistent with local values.

Wallace Stegner once reminded us that, as deeply as we treasure the mythic cowboys and pioneer men and women and lone rangers who tamed America's great frontier, we treasure our traditions of homesteading and community-building just as much. As Stegner wrote: "This is the native home of hope. When [America] fully learns that cooperation...is the pattern that most characterizes and preserves it, then it will have achieved itself and outlived its origins. Then, [we have] a chance to create a society to match [our] scenery."

All across America, you and your neighbors have started to do just that. And it's high time. Because this land is your land. From California to the New York island -- from the Redwood Forests to the Gulf Stream waters -- this land was made for you and me. Thank you -- and God bless our most beautiful nation, America.

THE WHITE HOUSE

Office of the Vice President

For Immediate Release

January 11, 1999

CLINTON-GORE LIVABILITY AGENDA:
BUILDING LIVABLE COMMUNITIES FOR THE 21ST CENTURY

"In the 21st century, increasingly, a livable community will be an economically powerful one.

-- Vice President Gore, Sept. 2, 1998

Vice President Gore is today launching a comprehensive Livability Agenda to help communities across America grow in ways that ensure a high quality of life and strong, sustainable economic growth. This billion dollar initiative will strengthen the federal government's role as a partner with the growing number of state and local efforts to build "livable communities" for the 21st century.

Key elements of the interagency initiative -- to be included in President Clinton's proposed FY 2000 budget -- will provide communities with new tools and resources to preserve green space, ease traffic congestion, and pursue regional "smart growth" strategies. As part of the Livability Agenda, the Administration will continue to work with and learn from states, communities, and other stakeholders, and to develop new strategies to provide them with additional tools and resources.

Livability Goals

The Clinton-Gore Livability Agenda aims to help citizens and communities:

Preserve green spaces that promote clean air and clean water, sustain wildlife, and provide families with places to walk, play and relax.

Ease traffic congestion by improving road planning, strengthening existing transportation systems, and expanding use of alternative transportation.

Restore a sense of community by fostering citizen and private sector involvement in local planning, including the placement of schools and other public facilities.

Promote collaboration among neighboring communities -- cities, suburbs or rural areas -- to develop regional growth strategies and address common issues like crime.

Enhance economic competitiveness by nurturing a high quality of life that attracts well-trained workers and cutting-edge industries.

FY 2000 Livability Initiatives

The President's FY 2000 budget request to Congress will propose significant new investments to support major Livability programs:

Better America Bonds -- To help communities reconnect with their land and water, preserve green space for future generations, and provide attractive settings for economic development, the Administration is proposing a new financing tool generating \$9.5 billion in bond authority for investments by state, local and tribal governments. The President's budget will propose tax credits totaling more than \$700 million over five years -- to support Better America Bonds, which can be used to preserve green space, create or restore urban parks, protect water quality, and clean up brownfields (abandoned industrial sites). The program will be coordinated through an interagency process.

Community Transportation Choices -- To help ease traffic congestion, the proposed Department of Transportation budget for FY 2000 will include a record \$6.1 billion for public transit and \$2.2 billion -- a total 16 percent increase over FY 1999 -- to aggressively implement innovative community-based programs in the Transportation Equity Act for the 21st Century. Such programs provide flexible support to help communities create regional transportation strategies, improve existing roads and transit, and encourage broader use of alternative transportation. This includes \$1.6 billion for the Congestion Mitigation and Air Quality Improvement Program, which supports state and local projects that reduce congestion and improve air quality.

Regional Connections Initiative -- To promote regional "smart growth" strategies and to complement the Administration's other regional efforts, the Department of Housing and Urban Development will provide \$50 million as matching funds for local partnerships to design and pursue smarter growth strategies across jurisdictional lines. Strategies will include compact development incentives, (b) coordinated reinvestment in existing infrastructure, and (c) ways to manage reinforce the region's overall development strategy.

Other Livability Initiatives -- The President's proposed FY 2000 budget will include funding for several other initiatives supporting local livability efforts:

Community-Centered Schools -- A new \$10 million grant program administered by the Department of Education to encourage school districts to involve the community in planning and designing new schools.

Community-Federal Information Partnership -- A new \$40 million program funded by several agencies to provide communities with grants for easy-to-use information tools to help develop strategies for future growth.

Regional Crime-Data Sharing -- \$50 million will be provided to expand programs to help communities share information to improve public safety. These programs will: (1) improve and continue to computerize national, state, and local criminal history records; and (2) develop or upgrade local communications technologies and criminal justice identification systems to help local law enforcement share information in a timely manner.

The Livability Agenda integrates the commitments of more than a dozen Federal agencies. The Agenda also supplements the various programs that make up the Administration's Community Empowerment Agenda, which is designed to encourage reinvestment in existing communities and provide greater opportunity for their residents.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

January 12, 1999

PRESIDENT CLINTON'S LANDS LEGACY INITIATIVE:

Forging a Conservation Vision for the 21st Century

January 12, 1999

President Clinton, in the FY 2000 budget he will submit to Congress, is proposing a \$1 billion Lands Legacy initiative to expand federal protection of critical lands across America, help states and communities preserve local green spaces, and strengthen protections for our oceans and coasts.

This landmark initiative -- a 125 percent increase over FY 1999 funding -- represents the largest one-year investment ever in the preservation of America's lands legacy. It includes \$900 million from the Land and Water Conservation Fund (LWCF), marking the first time any Administration has requested full funding from LWCF, which draws revenues from federal offshore oil sales. To sustain these efforts in the new century, the President commits to work with Congress to create a permanent funding stream beginning in FY 2001.

The Lands Legacy initiative continues the Clinton-Gore Administration's vigorous efforts to save America's natural treasures. And, by providing significant new resources to states and local communities, it forges a new conservation vision for the 21st century -- one that recognizes the importance of preserving irreplaceable pieces of our natural legacy within easy reach of every citizen.

Lands Legacy will be administered by the Department of the Interior (DOI), \$579 million; the Department of Agriculture (USDA), \$268 million; and the Department of Commerce's National Oceanic and Atmospheric Administration (NOAA), \$183 million. It will be coordinated with the \$1 billion Livability Agenda announced by Vice President Gore of January 11 through interagency cooperation and consultation.

In addition, the President is calling on Congress to extend permanent wilderness protection to more than 5 million acres in 17 national parks and monuments, including Yellowstone, Grand Teton, Glacier, Great Smoky Mountains and Cumberland Gap.

Saving America's Natural Treasures

Federal Acquisitions - The initiative increases federal land acquisition funding through the Land and Water Conservation Fund by 26 percent to a total of \$413 million (\$295 million for DOI, and \$118 million for USDA). In recent years, the Administration has dedicated LWCF funds to protecting Yellowstone National Park from mining, saving ancient redwoods in California's Headwaters Forest, preserving Civil War battlefields, completing the Maine-to-Georgia Appalachian Trail, and acquiring more than 100 other natural and historic sites across the country. Priorities for FY 2000 include acquisition of over 450,000 acres in California's Mojave Desert, 100,000 acres for addition to New England wildlife refuges and national forests, and lands critical to the ongoing restoration of Florida's Everglades.

Protecting Our Parks - The President also is calling on Congress to grant permanent wilderness protection to over 5 million acres within Arches, Big Bend, Bryce Canyon, Canyonlands, Capitol Reef, Crater Lake, Glacier, Grand Teton, Great Smoky Mountains, Rocky Mountain, Yellowstone and Zion National Parks; Cedar Breaks, Colorado and Dinosaur National Monuments; Assateague Island National Seashore/Chincoteague National Wildlife Refuge; and Cumberland Gap National Historic Park. Granting these areas the highest level of federal protection available would, in the words of the Wilderness Act of 1964, recognize them as areas "where the earth and its community of life are untrammelled by man, where man himself is a visitor who does not remain."

Helping States and Communities Preserve Green Spaces

Land Acquisition Grants - Lands Legacy includes \$150 million through LWCF for matching grants to state, local and tribal governments, and nonprofit land trusts, for acquisition of land and easements for urban parks, greenways, outdoor recreations, wildlife habitat, and coastal wetlands. The DOI program retools the LWCF state grants program for "smart growth" and open space preservation. Grants will be awarded on a competitive basis, with priority going to projects consistent with statewide "smart growth" plans.

Open Space Planning Grants - The initiative proposes a new \$50 million program of matching grants to states to develop open space preservation and "smart growth" strategies. States would use a variety of data and tools to identify priority areas for urban development, farmland, and conservation. The program, administered by DOI, would award grants competitively, with priority going to proposals that tie state plans to regional strategies for managing the economy, job growth, and infrastructure development.

Cooperative Endangered Species Conservation Fund - The initiative proposes \$80 million -- a \$66 million increase -- for state and local land acquisition to protect threatened and endangered species. By supporting Habitat Conservation Plans and other flexible tools under the Endangered Species Act, the Fund promotes collaborative strategies that sustain both wildlife and economic development. The program is administered by the U.S. Fish and Wildlife Service.

Forest Legacy Program - To protect private forest land that provides critical wildlife habitat and is threatened by development, the initiative proposes \$50 million -- an increase of more than six-fold -- for matching grants to states for the purchase of permanent conservation easements. Use of protected lands for forestry and compatible activities is permitted. The program is administered by the U.S. Forest Service (USFS), and the proposed funding would protect roughly 135,000 acres.

Urban and Community Forestry - The initiative proposes \$40 million -- a 29 percent increase -- for matching grants to states and communities to establish, maintain, and expand urban and community forests and related green spaces. The program, administered by USFS, operates in partnership with 8,000 volunteer organizations in more than 10,000 communities. The proposed funding would support 75,000 projects in more than 10,000 communities.

Farmland Protection Program - To protect farmland and sustain rural economies, Lands Legacy would provide \$50 million in matching grants to states, communities, tribes and land trusts for the purchase of permanent conservation easements on farmland threatened by development. The program, administered by USDA's Natural Resources Conservation Service (NRCS) was created by the 1996 Farm Bill. Through mid-1998,

\$35 million in federal funding had leveraged an estimated \$230 million in easements, protecting about 127,000 acres.

Smart Growth Partnership - Lands Legacy proposes a new revolving loan program to support acquisition of land and easements in rural areas. The Partnership, administered by USDA, would make loans to intermediate borrowers (state, local and tribal governments, and nonprofit corporations), which in turn would loan funds to rural businesses, land trusts and other nonprofit organizations. Proposed funding of \$10 million would support \$50 million in loans. Priorities are supporting "smart growth" strategies and helping owners of underproducing forest land at risk of sale improve forest productivity.

Urban Parks and Recreation Recovery - The initiative proposes \$4 million in matching grants and technical assistance for the restoration of parks in economically distressed urban communities. The program, administered by the National Park Service, awarded over 1200 grants from 1978 to 1995 but has remained unfunded since 1995.

Protecting Our Oceans and Coasts

National Marine Sanctuaries - Lands Legacy proposes \$29 million -- a 107 percent increase -- to strengthen protections at 12 marine sanctuaries off California, Florida, Georgia, Hawaii, Louisiana, Massachusetts, North Carolina, Texas, Washington, and American Samoa, and to plan for future marine sanctuaries. The funding will allow NOAA to accelerate the adoption and implementation of management plans for existing sanctuaries and expand outreach activities with coastal communities.

Coastal Zone Management Act Program - To help promote "smart growth" strategies along America's coasts, the initiative proposes \$90 million, a 55 percent increase, to help states implement Critical Coastal Area Management and Restoration Plans. The matching grants can be used to acquire lands or to undertake other efforts to protect wildlife habitat, protect life and property from coastal hazards, and revitalize ports and urban waterfronts.

National Estuarine Research Reserves System - The initiative proposes \$19 million, a 375 percent increase, to expand a network of critical estuaries representing all the biological regions along America's coasts. NOAA provides guidance and matching funds to states to acquire land, protect resources and conduct research and education. Twenty-two reserves in 19 states and territories manage about 500,000 acres. The proposed funding would double the protected acreage.

Coral Reef Restoration - Lands Legacy proposes \$10.3 million -- a \$10 million increase -- to protect fragile coral reefs from pollution and other human impacts. NOAA, in conjunction with DOI, would restore injured reefs in Puerto Rico, Florida, Hawaii and U.S. territories, and develop a coral nursery to grow donor material for restoration projects.

Coastal Dredge Area Restoration - The initiative proposes \$10 million for NOAA to work with the U.S. Army Corps of Engineers to use material dredged from ports and shipping channels to restore coastal habitats. Dredging is critical to keep shipping lanes open and deepen channels to accommodate larger ships. Reusing dredge spoils benefits the environment and reduces disposal costs.

Fisheries Habitat Restoration - To restore declining fisheries, the initiative proposes \$25 million for NOAA's National Marine Fisheries Service to acquire and protect critical habitat. Efforts would focus on Northeast and Middle Atlantic coast, the Gulf Coast, the West Coast, Alaska, and other regions that participate in the National Estuary Program or have multiple threatened or endangered species.

THE WHITE HOUSE

Office of the Vice President

For Immediate Release

January 11, 1999

REMARKS AS PREPARED FOR DELIVERY BY
VICE PRESIDENT AL GORE LIVABILITY ANNOUNCEMENT

Monday, January 11, 1999

I am here today to announce a bold new initiative to support America's communities in their goals of growing according to their best values. It is an initiative that will help us build more livable communities in which to raise our families -- places where young and old can walk, bike, and play together; places where we not only protect historic old neighborhoods, but where farms, green spaces, and forests can add life and beauty to the newest of suburbs; places where we can work competitively, and still spend less time in traffic and more time -- that most precious of commodities for the families we really are -- with our children, our spouses, our friends.

Across America, we are discovering that livable communities -- places with a high quality of life -- are more economically competitive communities. That may be why Nobel prize-winning economist Robert Solow calls livability "an economic imperative."

The way we build and develop determines whether economic growth comes at the expense of community and family life, or enhances it. Now, we have seen a new vision of how to build and plan better -- so that a strong economy energizes the strong neighborhoods that support strong families. By helping communities pursue smarter growth, we can build an America for our children that is not just better off -- but better.

This particular building -- the American Institute of Architects -- is a suitable setting for presenting this important issue. You have often, through the years, been the keepers of an American treasure we are only beginning fully to appreciate: the architecture of community. At our best in America, we have built for people gathering together: from the open village greens of our serene old New England towns, to the mixed-use downtowns of our most vibrant cities, to the leafy beauty of a safe, well-thought-out suburb -- our architects and developers have a rich tradition of building in ways that have enhanced civic life and family well-being.

There is now a resurgence of interest in this kind of building for people. Better planning is moving, in a grassroots way, from community activists to local zoning board members to visionary retail and residential developers. All of these Americans are putting together parts of a bigger picture -- a way of life in which economic dynamism, green spaces, and friendly civic streets all coexist. Some call it the movement for "livability."

You know just how important this movement is -- and I know that is why AIA started its exciting new Center for Livable Communities just three months ago, to help communities with their growth strategies. In too many places across America, the beauty of local vistas has been degraded by decades of ill-planned and ill-coordinated development. Plan well, and you have a community that nurtures commerce and private life. Plan badly, and you have what so many of us suffer from first-hand: gridlock, sprawl, and that uniquely modern evil of all-too-little time.

Frank Lloyd Wright once said that a doctor can bury his mistakes -- but an architect can only advise his client to plant vines.

If only it were that simple to remedy the mistakes that decades of bad zoning and planning have imposed on our cities, suburbs, and natural landscapes.

The problems? In many older communities, walkable main streets have emptied out, leaving a nighttime vacuum filled with crime and disorder. As I noted at the Brookings Institution last summer, the sprawl that has developed around our cities has transformed easy suburbs into lonely cul-de-sacs, so distant from commercial centers that if a family wants an affordable house, a commuting parent often gets home too late to read a child a bedtime story. Even worse, after all those hours stuck in traffic, the freedom of the open road can explode into commuting-induced road rage.

Development has become something to be opposed instead of welcomed; people move out to the suburbs to make their lives, only to find they are playing leapfrog with bulldozers. They long for amenities that are not eyesores -- just as they long to give their kids the experience of a meadow, that child's paradise, left standing at the end of a street. Many communities have no sidewalks -- and nowhere to walk to, which is bad for public safety as well as for our nation's physical health. It has become impossible in such settings for neighbors to greet one another on the street, or for kids to walk to their own nearby schools. A gallon of gas can be used up just driving to get a gallon of milk. All of these add up to more stress for already overstressed family lives.

This kind of sprawl is harder on families than just the long drive to work and back; it means working families must sink thousands of dollars into extra commuting costs, when they may want the choice of devoting those funds to a year of state college. It means that people leaving welfare and eager to work have no way to get to where their new job is, and still pick up a child in day care. It means that resources are siphoned away from older neighborhoods to build ever more distant new amenities in new communities. It means that air and water quality go down, and taxes go up. We can do better.

And we are -- guided by our citizens. The good news is that many communities are coming together -- from families to local activists to mayors and county executives -- to craft solutions. I've seen it with my own eyes. In Sacramento, townspeople and developers reclaimed an old brownfields site and turned it into a thriving residential community. In Denver, the community is converting the old runways of Stapleton Airport into an appealing new neighborhood with open spaces.

In Portland, I helped dedicate the new light rail system -- already beloved by its users. It is easing traffic congestion, and building a Portland with, in the locals' own words, "fewer arteries and more heart."

This truly is a movement. In the 1998 election, more than 200 communities discussed -- and the vast majority adopted -- measures to manage sprawl and enhance local livability.

The time has come to learn from this citizen ingenuity and apply it to a bigger canvas. In the metropolitan Atlanta region, the average working parent has to drive 34 miles a day. Taken all together, metropolitan Atlantans are literally commuting long enough every day to reach the sun. Atlanta is growing so far toward Chattanooga, and Chattanooga toward Atlanta, that the joke is that the two will merge into a huge, uninterrupted expanse of development called Chatlanta -- or

perhaps Atlantanooga. Fortunately, metropolitan Atlanta is now coming together to seek a better way. And Chattanooga has long since become a national and world leader in focussing its energies on smarter growth.

Of course, the federal government's role should never be that of beauty commissar. It is not appropriate for us to get into the business of local land use planning. But it is our job to work with states, such as Governor Glendening's Maryland, to support their remarkable smart growth efforts. It our job to amplify citizens' voices, and make it easier for communities to get their hands on the tools they need to build the way they want. It is our job to keep learning from community successes, and do what we can to support them.

At its heart, this is about seeing the practical wisdom that lets us leave behind false choices. It need not be citizens versus developers, business versus the environment, cities and suburbs versus meadows and farmlands. When we see our connectedness and craft solutions for the common good, we see that the right solutions are good for business, as well as for the environment and for families.

The regions that have embraced livability have learned that it doesn't just generate common sense -- it generates dollars and cents too. Companies such as Intel and Hewlett Packard can go anywhere. As livable communities have learned to their joy, they go where the quality of life is high, because that is where qualified people want to live.

Today, I am proud to take the first big step in this effort by launching our new Livability Agenda for the 21st Century -- to help communities have the tools and resources they need to preserve green spaces, ease traffic congestion, promote regional cooperation, improve schools, and enhance economic competitiveness.

First, I am pleased to announce that in the budget we will submit to Congress next month, we are proposing \$700 million in new tax credits for state and local bonds to build more livable communities. These new "Better America Bonds" will help communities reconnect to the land and water around them, preserve open spaces for future generations, build and renovate parks, improve water quality, and enhance economic competitiveness by redeveloping old factories known as Brownfields. We estimate that this proposal will leverage nearly \$10 billion of investments in our communities over the next five years -- and will go a long way toward preserving a high quality of life across America.

Second, we are taking new steps to ease traffic congestion so parents can spend more time with their kids and less time stuck behind a steering wheel. Last year, President Clinton gave communities unprecedented new opportunities to invest in mass transit and reduce traffic congestion. Today, we are proposing the single highest investment in public transit in history -- \$6.1 billion to help communities develop alternatives to building more clogged highways. We are also proposing a record \$1.6 billion for state and local efforts to reduce air pollution and ease traffic congestion.

Third, we are taking new steps to promote regional cooperation, so entire regions work together for smart growth and competitiveness. Issues like traffic, air pollution, and jobs don't recognize defined borders, and neither should our solutions. To promote cooperation among neighboring communities, we are proposing a new \$50 million Regional Connections initiative -- to aid in the development of truly regional game plans for smarter growth.

Finally, we are proposing targeted initiatives to help communities meet the new challenges of growth in the 21st Century. In our grandparents' day, schools and civic buildings were proud local showpieces, and anchorstones for the architecture of community. At a

time when too many schools are arbitrarily built in the middle of cornfields, away from the center of communities, we are proposing a \$10 million grant program to encourage school districts to involve the whole community in planning and designing new schools -- a project the AIA will be closely involved in as well. We are proposing nearly \$40 million to provide communities with easy-to-use information and technical assistance to develop strategies for smarter growth. And since livable communities must be safe communities, we are proposing \$50 million to promote the sharing of crime-data across jurisdictions, to track down criminals who cross state lines.

With the steps we are announcing today, we are taking citizens' concerns to the top of the national agenda. With this, which is by far the single largest investment in smart growth and sound community planning in America's history -- we will help you build what we hear you are asking for, and what is no less than you and your families deserve: livable communities, comfortable suburbs, vibrant cities, and, for your grandchildren's well-being and for their grandchildren's too, green spaces all around and in between. Thank you all.

REMARKS BY VICE PRESIDENT AL GORE
LIVABILITY ANNOUNCEMENT
Tuesday, January 12, 1999

We are here today to support America's communities in their goal of smarter growth, while preserving the open spaces that make this nation so special -- and in a minute, I will introduce President Clinton, who will make two announcements to do just that.

It's a special honor for me to be introduced this morning by the great-grandson of one of America's greatest conservationists, Theodore Roosevelt.

We all know Teddy Roosevelt as a great President. To me, he was more than that. He was also a great Vice President.

When Teddy Roosevelt was Vice President, he was once caught in a hotel fire, and ordered down to the lobby with the other guests. A clerk prevented him from returning to his room, and TR said, "but I'm Vice President." The clerk let him go but then stopped him and said, "hold on -- vice president of what?" Roosevelt said, "the United States, of course." The clerk said, "then get back down here. I thought you were vice president of this hotel."

Nearly 100 years ago, Teddy Roosevelt knew that preserving the beauty and natural wonder of this great land was vital not just to the health of our environment, but also to the health of our families, the power of our economy, and the strength of our communities. President Clinton and I have worked very hard the past six years to govern from that same wisdom -- to craft solutions that are good for families, business, and the environment.

Six years later, not only do we have the healthiest economy in a generation -- we have the cleanest environment in a generation. Today, we are preserving our nation's rivers -- by bringing together businesses and communities through our American Heritage Rivers Initiative. We're redeveloping thousands of acres of contaminated land and rundown old factories -- by leveraging up to \$28 billion in private investment and creating 200,000 jobs. One day after 1998 was named the hottest year on record, we are working to reduce the threat of global warming -- by working with the Big Three automakers to develop affordable cars that are three times more fuel efficient. We're working to reduce chemical contamination -- through a voluntary partnership with chemical companies. We are proving that we can grow the economy and protect the environment at the same time.

We know: it's not enough just to protect our natural treasures. Many of the green places and open spaces that need protecting most today are in our own neighborhoods. In too many places, the beauty of local vistas has been degraded

by decades of ill-planned and ill-coordinated development. In too many places, people move out to the suburbs to make their lives, only to find they are playing leapfrog with bulldozers. They long for amenities that are not eyesores -- just as they long to give their kids the experience of a meadow, the child's paradise, standing at the end of a street. Many communities have no sidewalks -- and nowhere to walk to, which is bad for public safety as well as for our nation's physical health. It has become impossible in such settings for neighbors to greet one another on the street, or for kids to walk to their own nearby school. A gallon of gas can be used up just driving to get a gallon of milk. Too often, if a parent wants to read a child a bedtime story, their only choice is to do it from a cell phone while they're stuck in traffic. All of these add up to more stress for already overstressed family lives.

The good news is that many communities are coming together to craft solutions. In the 1998 election, more than 200 communities discussed -- and most adopted -- measures to enhance livability. They understand: not only is smart growth better for our families, but places with a high quality of life are more economically competitive as well. We have been proud to play a role -- not by telling communities what to do, but to help them do what they want to do.

Yesterday, I was proud to launch our new Livability Agenda for the 21st Century, to help communities get the tools they need to preserve green spaces, enhance economic competitiveness, and improve our quality of life. It includes a proposed \$700 million in tax credits for state and local bonds to build more livable communities; new steps to ease traffic congestion -- including the single highest investment in public transit in history; and new steps to promote cooperation and sound planning among neighboring communities.

The message is clear: working together, we can build more livable communities and protect our natural heritage for future generations while sustaining economic growth well into the 21st Century. There is no person who understands that better, no person who has worked harder to protect our resources and preserve our heritage, no person who has worked harder to give our families and communities the tools they need to make their hopes and dreams come true than President Bill Clinton. He is here to tell us how we can build on that progress, and to make two announcements to take the next step toward protecting our open spaces and creating more livable communities. Ladies and gentlemen . . . President Bill Clinton.

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The Clinton Administration is formalizing a policy that protects property owners from unexpected obligations under the Endangered Species Act. Called the "no-surprises policy," it is part of Interior Secretary Bruce Babbitt's attempt to convince skeptics that species preservation and economic development can be compatible.

The no-surprises policy encourages property owners to sign on to habitat conservation plans (HCPs), which are designed to protect listed species and their habitat on private lands. The HCPs allow developers and landowners to destroy critical habitat or even to kill an endangered species incidental to development, provided that they mitigate these activities so that the species as a whole is no worse off.

A private forest owner, for example, might agree to set aside a section of forest, plant new trees, or swap timber rights in order to protect an endangered bird. In exchange, the federal government promises not to make more demands in the future. "It signifies that a deal is a deal," Babbitt said in May, when he proposed that no-surprises become a permanent regulation.

Congress created HCPs in 1982, but only 14 existed when President Clinton took office. By 1998, they will number more than 400, covering 18.5 million acres of private land inhabited by 300 jeopardized species. Interior Department officials attribute this exponential growth in HCPs to the no-surprises policy.

"No-surprises was designed to aid people doing good conservation practices," says Ken Burton, spokesperson for the US Fish and Wildlife Service (USFWS). "It assures them that they're not going to be held liable for something that was unforeseen."

"We're very pleased with the current rule," says Roger Platt, national policy counsel for the National Realty Committee, which represents commercial real estate and developer interests. "The no-surprises policy tries to address the fact that many landowners are not eager to enter into agreements with the federal government unless they can be sure that once they have made a substantial commitment in time, money, and land, the government will keep its side of the bargain to allow economic development to proceed."

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Many environmentalists agree that HCPs are a good idea in theory. The problem is that no one knows if the plans, as implemented, are helping listed species. Monitoring has been uneven at best, and not enough time has passed for conclusive research. Moreover, many HCPs are likely to be flawed, either because of a rush to put plans in place or because not enough is understood about each species' survival. "What makes the no-surprises issue so controversial and heated is that many conservationists and scientists are looking at HCPs and seeing major risks being taken with respect to species protection," says John Kostyak, counsel for the National Wildlife Federation.

Consider the endangered red-cockaded woodpecker, a southeastern species threatened by habitat loss. According to Jerome A. Jackson, the Mississippi State University biology professor who led the federal red-cockaded woodpecker recovery team, USFWS signed off on many HCPs throughout the South that were in reality just relocation plans designed to shift red-cockaded woodpeckers from private to public land, with private landowners covering the costs. Essentially, Jackson says, USFWS told landowners, "You move the birds to federal lands, and we'll count that as habitat conservation." Then the landowner destroys the habitat to put in condos. That has happened again and again and again." Researchers discovered that adult male woodpeckers refused to relocate to public lands, Jackson says, and kept returning to original nesting sites - but the trees were gone.

"Each time you implement any given policy, you're going to have situations that come up that you didn't foresee," Burton says. However, the no-surprises policy seems to shift the burden of unforeseen events from the landowner to vulnerable species. That may be a flaw in the current policy, because although many HCPs appear to be well designed, others do not.

By granting long-term assurances to property owners, the government may find itself faced with a choice of watching species go extinct or coming up with public funds to mitigate harmful activities allowed under the no-surprises policy. "Our sense is the government needs to be realistic and sensitive to the resources that it has available in deciding for how long a period of time they can extend these assurances," says Michael Bean, chairman of the wildlife program at the Environmental Defense Fund.

But the Interior Department seems to be in no mood to hear bad news. A June press release from Babbitt announced that "Endangered species are flourishing under our new reforms."

The public comment period on no-surprises ended in July. Unless the comments raise substantial concerns about the policy, no-surprises could be a federal rule before the end of the year.

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