

DRAFT

HABITAT DELEGATION Notification Log

Delegation Choice	Confirmed
✓ Al Gore, Vice President (not going)	Honorary
✗ Henry Cisneros, HUD	yes
✗ Michael Stegman, HUD	yes
✗ Andrew Cuomo, HUD	yes
✗ Victor Marrero, STATE	yes
✗ Alan Latimer, STATE	yes
✗ Melinda Kimble, STATE	yes
✗ Ralph Bressler, STATE	yes
✗ Bisa Manigault-Williams, STATE	yes
✗ Carolyn Willson, STATE	yes
✗ David Hales, USAID	yes
✗ Peter Kimm, USAID	yes
✗ Dan Magraw, EPA	yes
✗ Arthur Campbell, USDA	yes
✗ Marca Brisco, Nat'l Council on Disabilities	yes
Martin Levine, Fannie Mae	yes
Sharyle Patton, Commonweal Foundation	yes
Felice Gaer, Jacob Blaustein Center on Human Rights	yes
Aurie Pennick, Leadership Council for Metropolitan Open Communities	yes
Moises Loza, Housing Assistance Council	yes
Gary Lawrence, University of Washington	yes
Mayor Kurt Schmoke, Baltimore, MD	yes
Greg LaShutka, Mayor of Columbus, Ohio	yes
Yolanda Rivera, Banana Kelly Community Improvement Association	yes
✗ Cushing Dolbeare, National Low Income Housing Coalition	yes
Nan Roman, National Alliance to End Homelessness	yes
Art Godi, National Association of Realtors	yes
Jim Irvine, National Association of Homebuilders	yes
Jane Fortson, Progress and Freedom Foundation	yes
Peggy Kerry, The Urban Assembly	yes
Marcie Cohen, AFL-CIO Housing Investment Trust	yes
Tim Honey, Colorado City/County Managers Association	yes
Marta Sotomayor, National Hispanic Council on Aging	yes
Rick Gentry, Richmond Public Housing Authority	yes
Diane Dillon-Ridgely, Zero Population Growth	yes
Charles Rawlings, National Council of Churches	yes
Mary Paumen, U.S. Network for Habitat II	yes
Janice Perlman, Mega-Cities	yes
Gene Roberts, Mayor of Chattanooga	yes
Henry Flores, Federal Home Loan Bank	yes
Marc Grossman, U.S. Ambassador to Turkey	yes
Reynard Ramsey, The Enterprise Foundation	pending
✗ Jackie Johnson, National Indian Housing Council	pending

TOTAL DELEGATION

Molly Brostrom

THE WHITE HOUSE
WASHINGTON

February 1, 1996

MEMORANDUM REGARDING 1995 ANNUAL ETHICS TRAINING

FROM: KATHLEEN M. WHALEN *KMW*
ASSOCIATE COUNSEL TO THE PRESIDENT

According to our records, you have not yet attended a 1995 annual ethics training session. On Friday, February 9, the Office of Administration and USTR will be conducting an ethics training session that will fulfill the 1995 training obligation. The session will be held at 10:00am in Room 450.

Again, annual ethics training is mandatory for all EOP staff. If you fail to attend this final session, it may result in the revocation of your White House access privileges. If you have any questions, please call me at 6-6229.

NOTE TO JEREMY BEN-AMI
MOLLY BROSTROM

FROM: ROB MALLEY (NSC)

Attached is a position paper to be used by the US delegation at the United Nation's preparatory conference on Human Settlements. It has generated some controversy between State, HUD, and AID. It will be made public at the conference, and therefore I want to be sure it is consistent with the President's positions. Could you please take a look at it and let me know whether, from a domestic policy standpoint, it accurately reflects Administration positions on housing policy? I can be reached at 69246

(The conference begins Monday, so a prompt response would be appreciated)

Thanks

State vs HUD + AID

? of how far we are going in
= consistent w/ Pres. agenda

Norman Doug → 709-3896

Needs will demonstrate → pressure is to go further in right

Not a free-standing it to leg

1 → aspirat'l = so Cts don't worry as 't

2 → can't retract from univ'l dec'l of hum-b's

¶ 1 : concession to State Dept

JAN-30-96 TUE 17:22

IO DEVELOPMENT

FAX NO. 2027367467

P.02

U.S. POSITION ON ADEQUATE SHELTER FOR ALL

1. Many of the world's nations agreed at the World Conference on Human Rights (Vienna, 1993) that the series of world conferences, addressing sustainable development issues, would not engage in affirming any new human rights. While affirming that the Habitat II GPA does not create any new international human rights, the United States does affirm the application of universally recognized human rights standards to all aspects of housing programs.

commitment to apply the standards

|| ?

why all aspects

2. In the context of other international documents, the U.S. has accepted language that recognizes what many involved in the preparation of the Global Plan of Action for Habitat II refer to generically as a "right to housing."

The Universal Declaration on Human Rights (Article 25 (1)) reads:

"Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family including food, clothing, housing and medical care and necessary social services."; and

The International Covenant on Economic, Social and Cultural Rights (Article II (1)) reads:

"The States Parties to the present Covenant recognize the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing and housing and to the continuous improvement of living conditions. The States Parties will take appropriate steps to ensure the realization of this right."

The United States joined in the adoption by consensus of the Universal Declaration as a UN General Assembly Resolution in 1948. While the United States has signed the International Covenant, it has not ratified it.

3. In 1949, the Congress declared the national purpose of realizing, "as soon as feasible ... the goal of a decent home and a suitable living environment for every American family, thus contributing to the development and redevelopment of communities and to the advancement of the growth, wealth and security of the nation." This national housing goal, reaffirmed by subsequent acts of Congress on a bipartisan basis, continues to be U.S. policy.

vs of Am's

when?

already accepted?
Does not imply fed'l govt resp? in fulfilling?

JAN-30-96 TUE 17:23

IO DEVELOPMENT

FAX NO. 2027367467

P.03

- 2 -

4. The U.S. Department of Housing and Urban Development (HUD) adheres to its legislative mandate to improve national conditions to substandard housing, to expand access to affordable housing and to help build communities of opportunity, with a commitment to cost-effective use of American taxpayers' dollars. ✓

5. HUD adheres to its commitment to empower people and communities, firm in the conviction that the most effective government is that which enables people in communities to exercise maximum flexibility and authority in planning local strategies and in using national resources for local action on the most precious aspects of their lives -- families and children, schools, jobs and personal safety in their communities. ✓

6. It is in the context of the widespread agreement that the Right to an Adequate Standard of Living is universally accepted that the U.S. believes that the issue of housing rights is best pursued. Most of those involved in the discussion agree that the practical meaning to a "Right to Housing" is unspecified. It is the U.S. position that the Habitat Agenda should focus on elaborating the specific requirements for the realization of the Right to an Adequate Standard of Living, with particular reference to shelter. > //

7. With regard to shelter, The Right to an Adequate Standard of Living should include:

i) Concrete and specific legal provisions to guarantee the following:

a) freedom from discrimination based on race, ethnicity, gender, family composition, and disability status in housing and credit markets, and specifically, the statutory recognition that policies in relation to housing must be pursued with a recognition of the fact that the right to an adequate standard of living pertains to every person, including those in female-headed households. ?

b) ensure legal security of tenure and equal access to land among all citizens, including women and the poor. ?

ii) Policies aimed at making housing habitable, affordable, and accessible, including

a) creation of market-based incentives to encourage the private sector to meet the need for affordable rental housing and homeownership; LIHTC, secondary mortgage

b) promoting spatial development patterns and transportation systems that improve accessibility to goods, services and amenities; - managing urban growth

c) mobilizing innovative sources of domestic finance--public and private--for housing and community development;

ed'l govt
should support

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more relevant
to develop
workings

such as?

state & local

person funds
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w/o due
process

JAN-30-96 TUE 17:24

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P. 04

- 3 -

- d) expanding the supply of affordable housing through appropriate regulatory and market incentives;
- e) promoting sustainable economic development through community partnerships;
- f) increasing affordability through provision of rental assistance to the poor;
- g) supporting community-based programs that provide shelter and supportive services to the homeless.

(DPH, ED)

8. With the understanding and agreement that these elements are accepted as the basic components of the shelter aspect of the right to an adequate standard of living, the United States can agree that governments have a fundamental responsibility to be concerned with the shelter needs of all citizens and to enable people to obtain adequate shelter and to protect and improve dwellings and the neighborhoods.

a role

9 The Habitat Agenda should fully reflect the foregoing elements needed to realize the Right to an Adequate Standard of Living in the context of adequate shelter for all.

Drafted: IO/D - RBresler/AID - SSMithey

Cleared: IO - MLKimble
 HUD - MStegman
 AID - DHales
 EPA - DMagraw

SEDA 2001
 01/30/96

govts have fund'l
 resp to provide structure
 ppl the opp'ty

Provide ppl opp'ty

State: cancer folks -
 in Waco -
 → miss: no govt role in hsg

Rio → only
 at hsg ~ 1992

→ make strong as possible
 w/ creating sth new

David Hulse
 at AID -
 worried abt
 opening
 can do more

language from
 global strategy
 for shelter
 which we signed
 on to it
 1988
 - under 15

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~ fulfilling?*

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b) promoting spatial development patterns and transportation systems that improve accessibility to goods, services and amenities;

c) mobilizing innovative sources of domestic finance--public and private--for housing and community development:

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P.04

- 3 -

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Cleared: IO - MLKimble
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AID - DHales
EPA - DMagraw

SEDA 2001
01/30/96

Nan Roman

Personnel?
Norm?

lots of ppl involved
Conf caught in CR
priv. sector advisors
+ public

0 Habitat II - Istanbul Conference June 3-14

Natl Advisory Committee: ~60

economic
homelessness

2 wk preparatory

? of right
to shelter

official delegation: 25 = Ertharin Cousin

647-4820

St. Dept

WH liaison

- WH decision

- Tony Harrington on Board may write to HRC

- Carol?

asked for

\$24 B

Daschle Budget released on 5th

- mid-March → agency budget
pass back next wk

Ashri Fitz project

encouraging them to look for new initiatives -
partnerships

? of how to respond

- how to cope w/ present
+ future

3 1/2" funnier



U. S. Department of Housing and Urban Development
Washington, D. C. 20410-6000

ASSISTANT SECRETARY
FOR POLICY DEVELOPMENT AND RESEARCH

MEMORANDUM FOR: Molly Brostrom, Senior Policy Analyst

FROM: Michael A. Stegman *MA*

SUBJECT: U.S. National Report to Habitat II

DATE: April 10, 1996

As you know, the Office of Policy Development at HUD has coordinated the domestic preparations for Habitat II: the Second Global Conference on Human Settlements, which will take place in Turkey this June. As part of the Habitat process, each country participating in the Conference is developing its own report on urban conditions. For the U.S. report, HUD has developed Beyond Shelter: the U.S. National Report to Habitat II, which identifies some of the most pressing challenges facing urban communities, articulates the Federal commitment to building strong cities, and recommends actions for various levels of government, private firms, and community-based organizations. Please find attached a copy of the report for your review and comment.

According to U.N. guidelines, national reports should truly be "national" in scope. For HUD, this has meant going beyond Departmental issues and activities to include the urban perspective of other Federal agencies. But more importantly, it has meant going beyond the Federal commitment to focus on the efforts of state and local government, private firms, and community-based organizations. While the report technically is an Administration document, it reflects input from a variety of sources:

- The National Preparatory Committee for Habitat II, comprised of more than 50 leaders from a variety of disciplines, including affordable housing, finance, community development, civil rights and civic action, environmental protection, and the foundation community;
- A committee of agency representatives from across the Federal government; and
- Town meetings, which provided the non-governmental organizations, local government officials, and individual citizens an opportunity to identify critical issues that must be addressed at the local, national, and international levels.

As you will see, much of the material in the report is not new. The report borrows heavily from the President's Urban Policy Report, The Plan to Complete the Transformation of HUD (Blue II), the President's Council on Sustainable Development Report (Sustainable Communities chapter) and the Secretary's essays. And although the drafting process included an opportunity for public input, in no way is the report intended to reflect public consensus. In short, we have worked very hard to ensure that the issues and recommendations put forth are consistent with Administration policy.

One of the primary messages that resonated from the public comments was the importance of moving the discussion beyond the Federal government. As you read through the report, please bear in mind that it is not meant to be an exhaustive look at Federal programs and policies, nor is it meant to serve as an exhaustive look at the problems facing America's cities. Instead, the purpose of the report, which we are targeting to a domestic audience, is to remind people of the importance of our cities. We hope that this document will provoke thought, stimulate discourse, and inspire action among the public, private, and community-based sectors.

In order to have copies of the report for the conference, we need to begin the production process within the next few weeks. Given this short timeframe, please provide your feedback by Wednesday, April 17. You may contact me or Norman Dong at (202) 708-3896. This will be the last opportunity for review and comment before we begin production.

I look forward to receiving your comments and suggestions.

too doomsday?
- consistent w/ HUD
policy?
- e.g. concerns of
CBO's

BEYOND SHELTER:
The U.S. National Report to Habitat II
DRAFT: April 10, 1996

whose name
on it?

- enablement
- gov emp or EE/ECs
- beef - p Br'field
- Crime

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INTRODUCTION

In June 1996, the United Nations will convene the Second Global Conference on Human Settlements (Habitat II) in Istanbul, Turkey. Also known as the City Summit, Habitat II is the last of a series of global conferences that began with the United Nations Conference on Environment and Development in 1992 in Rio de Janeiro. The fundamental objective of the conference series has been to promote sustainable development -- a paradigm that combines economic development, social prosperity, and environmental protection to meet the needs of the present generation without compromising the ability of future generations to meet their own needs. Habitat II focuses on the importance of sustainable urban development.

Throughout history, cities across the globe have been the cornerstone of civilization. Cities are a prism for the genius of civilizations, where entrepreneurs hatch their schemes and find the markets and financing to bring them to fruition; where the elites of technology, industry, and the arts meet to brainstorm; and where deep shifts in culture and politics might begin with an unexpected encounter. As Lewis Mumford put it nearly fifty years ago, "cities are a symbol of the possible."

But today, cities around the world face daunting challenges in this era of rapid urbanization. From New York to New Delhi, from Milan to Nairobi, from Vancouver to Sao Paulo, cities across the globe face problems of economic development, poverty alleviation, job creation, affordable housing, fiscal stability, and the environment. In recognition of the global nature of these issues, the international community is convening Habitat II to develop an international policy framework for promoting communities that are economically, socially, and environmentally viable for the 21st century.

The City Summit comes at a time when many Americans have lost sight of the importance of our urban communities. Poor, largely minority, people have become concentrated in inner-city neighborhoods where education and job opportunities are severely limited. While many suburban areas are home to a thriving middle class, our inner-cities have become home to the poorest households in America. But as this report will indicate, this vicious cycle of poverty concentration, social despair, and fiscal distress that plagues much of urban America today affects us all, matter where we live.

The Clinton Administration is committed to restoring opportunity for all Americans. All people should have access to decent, affordable housing in neighborhoods of their choice. All people should have access to the educational opportunities necessary to compete in rapidly changing job markets. All people should have an opportunity to take part in decisions that affect their lives. And all people should live in communities where businesses, households, and government make efficient use of land, energy, and other resources, allowing the area to achieve a high quality of life with minimal waste and environmental damage.

In recent years, there has been an upswelling of community-building activity at the local level, not just within government, but also among the private and grassroots organizations. Recognizing

the significant contribution of these local organizations, Habitat II embraces the principle of enablement, whereby national governments work in partnership with local governments, private firms, and the growing network of community-based organizations to develop locally-crafted solutions to help the homeless, build and renovate housing, create jobs, increase homeownership, and protect the environment. ✓

In the United States, building strong communities is a national endeavor, requiring partnerships among the Federal, state, and local governments, community-based groups, private organizations, and individual citizens. After years of overly prescriptive, top-down solutions from Washington, the Federal government now recognizes the importance of local initiative consistent with standards of justice and equal opportunity for all citizens. Because localities know their own needs best, specific strategies for urban revitalization must reflect community-based planning and decision-making if they are to achieve lasting results. Better solutions will come when those who live the problem plan with others who have a common stake in its solution, not because it is an abstract mission, but because it is a personal concern.

But in no way does the concept of enablement imply abandonment. The Federal government's commitment to helping families and communities most in need will never change. For example, the Federal government has an essential and appropriate role in upholding national ideals that may be difficult to sustain locally, especially with regard to fighting discrimination and providing a voice for the most vulnerable among us. In addition, the Federal government has a fundamental responsibility to create a framework of supports, incentives, and clear rules so people can help themselves and lift themselves beyond governmental assistance. And by targeting its resources, the Federal government injects public capital to produce infrastructure and services that attract private investment. Admittedly, fiscal constraints in Washington make the effort more difficult, but the Federal government will always play a leadership role in the national community-building endeavor.

Participants at the Istanbul conference will develop the Habitat Agenda, which sets out an consensus-based policy framework for promoting economically, socially, and environmentally sustainable urban communities for the 21st century. In the United States, the Department of Housing and Urban Development, in cooperation with other Federal agencies and the National Preparatory Committee for II, has developed this report to address some of the major challenges facing America's cities. Beyond Shelter: the U.S. National Report for Habitat II is intended to provoke thought, stimulate discourse, and inspire action among anyone who is concerned, or should be concerned, about the future of America's urban communities. The recommendations in this report are not only for state and local governments, but also for citizens, community-based groups, colleges and universities, and the private sector, because government by itself cannot overcome apathy, spur innovation, or inspire new values.

Make no mistake about it, the problems facing our cities will not be solved overnight. Ending the isolation and despair of distressed urban communities and restoring our cities to their historic role as engines of opportunity and prosperity are ambitious, long-term goals. In no way does the Federal government purport to have all of the answers to the challenges facing urban America.

Nor will the Istanbul conference provide the magic elixir for the challenges facing cities across the globe. Habitat II is the beginning of a new era of sharing ideas about how to the public, private, and community-based sectors can work together to strengthen our cities. *Ge* ✓

WE BELIEVE

The vicious cycle of poverty concentration, social despair, and fiscal distress that plagues much of urban America today weakens the ability of metropolitan regions to compete in the global economy.

Poor communities represent an untapped economic opportunity for the whole country, and that while we work together to open foreign markets to American made goods and services, we also need to work together to open the economic frontiers of poor communities here at home.

The role of social safety net programs is not to maintain individuals, families, or communities in perpetual dependence, but to create a framework of supports, incentives, and clear rules so people can help themselves and lift themselves beyond governmental assistance.

Better solutions will come when those who live the problem plan with others who have a common stake in its solution, not because it is an abstract mission but because it is a personal concern.

The job of strengthening communities will not be advanced measurably by replacing Washington bureaucracies with 50 state bureaucracies that can be equally rigid and unresponsive. Decentralization and devolution that are meaningful to the American people will give them tools in their communities, in the places where they live and where they can do something about their jobs, children, schools, and safety.

Using modern technology, it is now possible to bring national resources to communities in ways that are driven by goals, plans, and strategies of the communities themselves, and that we can do it with greater efficiency, with less waste, and with a clear eye on taxpayer dollars.

The Federal government has an essential and appropriate role in upholding national ideals that may be difficult to sustain locally, especially with regard to fighting discrimination and providing a voice for the most vulnerable among us.

Our objective is to build not just housing units, but neighborhoods; not just ^{to} constructing schools, but ^{to} educating children; not just in raising income, but in creating beauty and ending the poisoning of our environment.

To achieve our vision of developing strong, sustainable urban communities, some things must grow -- jobs, productivity, wages, capital and savings, profits, information, knowledge, and education -- and others -- pollution, waste, and poverty -- must not.

America is not a developing country where the poor are many and the middle-class are few. In America, the middle class are many and the poor are few. We believe that this country has the capacity to end the isolation of the poor and to address the decline of our urban communities.

CITIES IN AMERICA

Cities are the Foundation of Our Nation

The United States has become an urban nation. Between 1950 and 1990, the U.S. metropolitan population increased by more than 100 percent to reach a total of 192.7 million. Today, eight out of ten Americans live in one of 330 metropolitan areas, and more than half live in the 39 metropolitan areas with populations of one million or more. At the core of these metropolitan regions are America's cities, which serve as the lifeline of our society.

would? → America's cities are the center of social and cultural life of our nation. Cities are the great democratizers of American society, where people of different cultures and languages meet, mix, and work together. America's great cities harbor and nurture our innovative genius. Science and technology, art and fashion, entertainment, research and higher education -- all of these activities flourish in the creative ferment of urban America.

And America's urban centers have long been a primary source of the nation's economic wealth and progress. Cities are headquarters for many of the factories, laboratories, and offices that form the foundation of our economy. Moreover, they are centers of banking and commerce that generate investment for the future. Central cities are home to more than 30 percent of the people and more than 40 percent of the jobs in America's metropolitan regions.

Driven by their central cities and other emerging centers, metropolitan regions that transcend municipal boundaries and even state lines have become the building blocks of the national economy. America is now a common market of regional economies where cities and suburbs are partners in an interregional competition to sell goods and services in national and global markets. In today's global economy, competition is no longer among localities but among metropolitan regions around the world; Detroit's main competition is not suburban Macomb County but the regions of Baden-Wurtemberg in Germany and Kyushu in Japan.

The Challenges Facing Our Urban Areas

Despite the economic and social importance of cities, they face enormous challenges. All types of communities face problems related to crime, poverty alleviation, economic development, job training, public health, affordable housing, residential mobility, fiscal stability, and the environment. But many cities face these problems at an elevated level because of the concentration of poor households and eroding tax base.

What follows is not meant to serve as an exhaustive list of the challenges facing our urban communities, but a discussion of several fundamental issues that our nation must be address.

Economic and Social Life in America's Inner-Cities

Fast moving, powerful forces worldwide have disrupted long-established patterns of economic

activity and social organization in every country, including the United States. Global competition and technological innovation are restructuring the U.S. economy, and good paying jobs for those with less than a college education are vanishing, especially in cities. As manufacturing employment has left urban cores for suburban, rural, and even foreign locations, less-skilled workers in inner-city communities have been without jobs and incomes.

Manufacturing traditionally provided relatively good jobs for people with modest skills. These jobs carried with them middle-class wages and benefits that increased steadily from the 1940s onward. But after World War II, more manufacturing jobs left the central cities, as Table 1 illustrates, and relocated in the suburbs because land was cheaper, transportation of goods was easier, skilled labor was available, and markets were growing. With the decline of manufacturing and the rise of the service-sector, many middle-income workers found themselves in lower paying jobs in other industries and in other professions. Cities specializing in manufacturing -- many in the Northeast and the Midwest -- suffered serious employment loss as a result of this decline.

Widespread migration to the suburbs has compounded the urban crisis. After the 1960s, the image of suburbs as a homogeneous set of bedroom communities with commuters leaving each morning for jobs in the central cities gave way to the reality that suburbs had transformed themselves into more diversified places. During the 1980s, the growth rate of the suburban population was 16.1 percent -- triple the rate of central cities.

As upwardly mobile families left central cities for the suburbs, poor, largely minority, people have become concentrated in inner-city neighborhoods where education and job opportunities are severely limited. Today, stark contrasts in income now exist between the central cities and their surrounding suburbs. In 1990, the overall poverty rate in America's suburbs was slightly more than 8 percent, compared to 18 percent in our urban areas. Moreover, 26 percent of all urban children live in poverty, compared to 11 percent of suburban children. And as Table 2 illustrates, conditions in America's urban communities are getting worse over time.

And poverty is further concentrated in certain distressed inner-city neighborhoods, and each decade, the problem seems to be getting worse. In 1990, 11 percent of the population of the 100 largest cities lived in extreme poverty census tracts -- those with more than 40 percent poverty - - compared with 8 percent in 1980, and 5 percent in 1970. Conditions for disadvantaged households living in these urban areas are bleak:

- More than half of all adults have less than a high school education, compared to 20 percent of adults in other urban neighborhoods;
- More than 40 percent of working age males, ages 16 to 64, were unemployed in 1993, compared with just over 19 percent in other urban neighborhoods; and
- One in three households receive welfare benefits, compared to only 11 percent of all urban households.

TABLE 1
Changing Employment Patterns
for U.S. and Three Large Cities

	Number of Jobs (Thousands)				Percent of Total			
	1953	1970	1980	1989	1953	1970	1980	1989
U.S. Total	50,202	70,880	90,406	107,895	100.0%	100.0%	100.0%	100.0%
Services ^a	13,786	19,708	28,196	39,200	27.5	27.8	31.2	36.3
Manufacturing ^b	20,208	22,955	24,631	24,562	40.2	32.4	27.2	22.8
New York	2,977	3,350	2,866	2,048	100.0	100.0	100.0	100.0
Services	990	1,596	1,616	1,422	33.3	47.6	56.4	69.4
Manufacturing	1,176	971	650	268	39.5	29.0	22.7	13.1
Philadelphia	788	772	628	614	100.0	100.0	100.0	100.0
Services	183	301	323	365	23.2	39.0	51.4	59.4
Manufacturing	398	291	171	111	50.5	37.7	27.2	18.1
Boston ^c	402	465	437	520	100.0	100.0	100.0	100.0
Services	138	249	278	382	34.3	53.5	63.6	73.5
Manufacturing	130	105	77	53	32.3	22.6	17.6	10.2

Sources: Council of Economic Advisers, Economic Report of the President, February 1995; and Keith R. Ihlanfeldt, The Importance of the Central City to the Regional and National Economy: A Review of the Arguments and Empirical Evidence, Unpublished Manuscript, U.S. Dept. of Housing and Urban Development, December 1994.

^a"Services" employment includes Transportation and Public Utilities, Finance, Insurance, and Real Estate, and Services employment.

^b"Manufacturing" employment includes Construction and Durable and Nondurable Goods Manufacturing.

^c Suffolk County, MA.

TABLE 2
Vital Statistics for 94 Large U.S. Cities,^a 1960, 1970, 1980, and 1990

Item	1960	1970	1980	1990
Population as Percent of U.S.	26.1%	22.5%	20.9%	20.1%
Percent Minority Population	18.9	24.1	37.1	40.1
Unemployment Rate	5.5	4.7	7.3	8.1
Percent Employed in Manufacturing	25.3	22.1	17.4	14.0
Percent Did Not Graduate High School	58.7	48.8	42.2	27.9
Dependent Ratio ^b	37.8	37.1	32.9	32.9
94 Cities' Median Family Income as Percent of U.S. Median Family Income	106.7	100.4	92.6	87.5
Family Poverty Rate	17.2	11.0	13.6	15.1
Percent Population in Census Tracts with More than 40% Poverty	8.0	5.1	8.1	10.8
Female Headed Families with Own Children as Percent of All Families	7.9 ^c	10.4	13.8	14.5

Source: U.S. Census data for 1960, 1970, 1980, and 1990, as compiled by John D. Kasarda, **Urban Underclass Database Machine Readable Files**, Social Science Research Council, New York, 1992 and 1993 (except as noted). Calculations by HUD.

^a Based on the 100 Largest MSA Central Cities in 1980 with the exception of Anchorage, Fort Lauderdale, Jackson, MS, Jersey City, Newark, and Amarillo for which tract-level data was not available in 1960.

^b Ratio of population less than 15 and greater than 64 years of age to total population

Cities cannot survive under these current conditions. The problems associated with urban poverty tend to increase per capita expenditures for welfare, hospitals, police, fire, education, and other public services. Resulting public sector costs and budget squeezes are forcing cutbacks in expenditures for the poor and the non-poor alike. Reduced quality of life and increased tax burdens induce businesses and middle-income households to leave beleaguered cities, generating a downward spiral in economic and social conditions.

This downward spiral eventually overwhelms the ability of community to deal with these mutually reinforcing problems. As a result, many distressed communities suffer from a lack of social capital -- the networks, norms, trust, and other features of social life -- that enable citizens to act together more effectively to pursue shared objectives. Indications of the decline of social capital in distressed urban neighborhoods abound:

- Poor urban parents disproportionately report that groups supporting youth development, such as scout troops, organized sports, religious activities, and special classes are not readily available for their children.
- People living in neighborhoods of concentrated poverty, including those who are not employed, single women heads of households, elderly persons, disabled individuals, legal immigrants, abandoned children, and homeless persons, often are isolated socially and generally have more limited social networks to rely on for practical advice. *rec'y?*
- In one study of inner-city Boston, fewer than 30 percent of inner city teenagers reported that they "know well" persons in professional occupations, and 50 percent reported knowing of no such persons in their neighborhood.

Although civic engagement has declined among households of all income levels, Harvard professor Robert D. Putnam states that people with lower incomes and those who feel financially strapped are somewhat less engaged in community life and somewhat less trusting than those who are better off. But resident participation in community institutions and services, robust informal and interpersonal relations, and strong personal and occupational role models are all important elements in building strong communities. Social capital in itself is not enough to build strong urban communities, but it is an essential prerequisite in the revitalization effort.

Decent and Affordable Housing

Most Americans are among the best housed persons in the world. This success results from an unparalleled orchestration of the private market, community-based efforts, and national economic and housing policies. There are federally-insured mortgages, a federally-supported home loan banking system, building codes, zoning and land use laws, water and sewer programs, housing codes, fair housing laws, mortgage interest deductions for homeowners, low-income housing assistance programs, eviction standards to guarantee security of tenure, and programs to rebuild and improve neighborhoods. But despite this commitment, the goal of a decent home in a

suitable living environment for every American family, which was first articulated in the National Housing Act of 1949, has remained elusive.

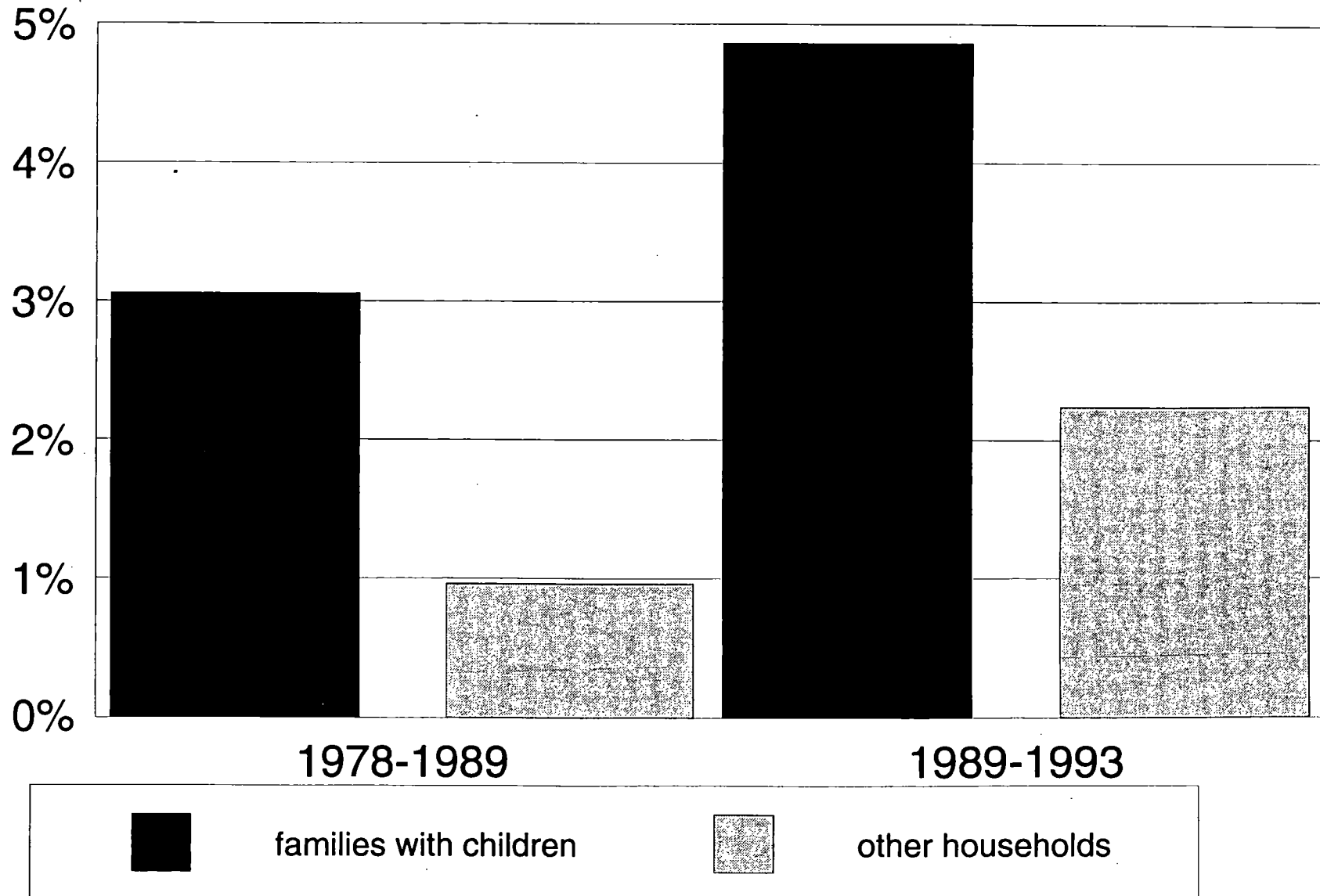
The primary causes of housing problems in the U.S. today are not broad-based housing shortages but lagging incomes and high housing costs. Decent quality housing is widely available but remains unaffordable for many households. For example:

- Between 1970 and 1990, housing became less affordable for buyers and renters alike across the nation. While 16 percent of families were spending 30 percent (which Congress defines as the threshold of affordability) or more of their income on housing costs in 1980, 28 percent of families were doing so by 1991.
- Between 1991 and 1993, the number of households with acute housing needs -- very low-income households that pay more than 50 percent of income for rent or live in substandard housing -- increased from 5.2 to 5.6 million. For more than four out of five of these households, affordability was the only issue. And as Figure 1 illustrates, affordability is a serious problem for very-low income rental households with children.
- And homeownership has slipped increasingly out of reach for many Americans, especially for low-income and minority households. While 37 percent of very low-income families with children owned their home in 1979, by 1989, only 29 percent of families in this income group were homeowners. And data from 1993 indicate that only 43 percent of all black households and 40 percent of all Hispanic households were homeowners, compared with 70 percent of all white non-Hispanic households.

Figure 1

Acute Needs Have Consistently Grown Much Faster for Very Low-Income Families With Children Than for Other Very Low-Income Households

Percent Growth



Source: HUD-PD&R tabulations from the American Housing Survey

Discrimination in housing and credit markets further aggravates the problem of families trying to obtain decent, affordable shelter in America. Discrimination denies minority families full and free choice about where to live while starving many minority neighborhoods of the services and resources that they need to thrive and grow. It limits access to affordable housing for families with children. And it prevents disabled people from living independently and productively in our communities. Despite some progress in recent years, we still have far to go with regard to ensuring fair housing and fair lending in America:

- Recent research conducted by the Urban Institute found that African-American and Hispanic homebuyers were treated less favorably than non-Hispanic whites of comparable occupation and income one out of every two times they visited a real estate agent to inquire about houses advertised for sale in local newspapers.
- And according to a 1992 Boston Federal Reserve study, blacks are 60 percent more likely to be rejected for home mortgage loans than whites of similar financial qualifications.

And homelessness remains as one of the most serious housing problems in America. While estimates vary depending on definition and method of measurement, some studies indicate that the number of homeless persons is greater now than at any time since the great depression. The demographics of the homeless are also changing: while fewer elderly homeless exist, women and children represent a higher proportion of the new homeless.

There are two broad, sometimes overlapping categories of problems that cause homelessness: 1) crisis poverty, including devastating changes in the job and housing markets, or family situations, that push people in the streets; and 2) chronic and often untreated disabilities, such as mental illness, substance abuse, AIDS, and tuberculosis. A recent study by the Urban Institute found that over half of the homeless population suffers from a drug or alcohol problem, and at least one-third suffers from mental illness. In addition, tuberculosis, HIV/AIDS, and crack cocaine addiction have complicated the effort to reduce homelessness.

The Urban Environment

Thriving cities are those that not only enjoy economic prosperity and social opportunity, but also clean air, safe drinking water, and green public spaces. Our nation is blessed with an abundance of natural resources that provide both the foundation for its powerful and vibrant economy and serve as the source of aesthetic inspiration and spiritual sustenance for many. Continued prosperity depends on our ability to protect this natural heritage and learn to use it in ways that do not diminish it.

America has seen significant improvements in air and water quality in recent years. Understanding of the challenges posed by contaminated land and solid waste has been increased. Exposure to lead, as well as access to environmental amenities have been recognized as major environmental issues, especially in the context of the environmental justice movement. And policy-makers are integrating these issues, moving beyond single media/issue approaches to

environmental protection, towards a more holistic approach that considers issues in the context of the community's economic and social conditions.

While these changes represent real progress, challenges remain. In their roles as engines of economic growth, urban areas are both consumers and producers. Not surprisingly, these areas are the sites of the most fuel usage, resource consumption, and air pollution; the primary causes of agricultural and wetlands loss; the main sources of water polluting toxic ground surface runoff; and in general, the main causes of ecological contamination and decline.

Past and current development patterns are a primary factor in the current state of the urban environment. Metropolitan regions now extend across large areas of land; acreage in new development has been increasing 86 to 100 times faster than the population in Chicago, New York, the D.C.-Baltimore region, Dallas-Fort Worth, Atlanta, San Francisco, and other regions. Some of this uncontrolled growth resulted from well-intentioned Federal policies, including the interstate highway system, the large scale abandonment of mass transit systems, and even underwriting guidelines set by the Federal Housing Administration. The expansion of metropolitan areas, conversion of farmland and natural areas to residential use, and heavy use of the automobile that accompanied traditional development patterns have imposed increased stress on the environment and natural resources. For example:

- Automobile traffic and high energy consumption continue to threaten air quality in urban areas. In 1993, for example, the city of Los Angeles had a dangerously high level of carbon monoxide, while Philadelphia suffered from excessive amounts of lead and particulates in the air (Table 3). Across the nation, more than 59 million people -- almost 25 percent of the U.S. population -- still live in areas where pollution levels exceed EPA standards. Although emissions per mile have decreased over the last 10 years, vehicle miles travelled is increasing.
- Untreated combined sewer and stormwater runoff pollute local waters and pose health risks for 43 million people in 1,100 communities served by combined sewers. There are roughly 50 to 80 overflow events per year resulting in an estimated 1,200 billion gallons of untreated sewage, industrial wastes and urban runoff annually.
- Brownfields -- contaminated, underused, or abandoned formerly industrial or commercial sites -- pose serious problems for cities because they can further degrade the environment and represent precious lost opportunities to bring back jobs and a tax base to the inner-city. While the exact scale of the brownfields problem is unknown, EPA estimates that the number of contaminated sites ranges from 100,000 to 500,000, of which 27 percent are located in urban areas.

The problems of the urban environment have a disproportionately large impact on residents of distressed urban communities. As poor people are becoming increasingly concentrated in inner cities and other isolated communities, these places have literally become dumping grounds for the waste of other, wealthier communities. For example, all of the hazardous waste in eight

southern states is disposed of in two landfills located in mostly African American communities. All three of California's commercial hazardous waste sites are located in mostly Latino communities. And more than 100 proposals have been disseminated for locating garbage dumps, landfills, and low-level nuclear waste storage facilities on the reservations of native Americans.

One of the most fundamental questions for today's communities is whether they can continue to support this type of growth without threatening the environment that sustains them. Air, water and land -- natural resources essential to future health and productivity -- must be protected.

TABLE 3
1993 Air Quality Statistics for the 10 Largest Cities

Metro Area	Carbon Monoxide	Lead	Nitrogen Dioxide	Ozone	Particulate (daily)	Sulphur Dioxide (daily)
NAAQS	9	1.5	0.053	0.12	150	0.14
New York	7	0.16	0.043	0.12	86	0.052
Los Angeles	14	0.11	0.05	0.25	102	0.014
Chicago	6	0.65	0.031	0.11	147	0.065
Philadelphia	7	11.2	0.035	0.14	531	0.044
Detroit	6	0.05	0.022	0.12	113	0.045
Washington	8	0.03	0.029	0.13	66	0.029
Houston	7	0.02	0.024	0.2	89	0.036
Boston	5	0.03	0.034	0.13	86	0.044
Atlanta	5	0.02	0.025	0.16	77	0.044
Dallas	5	0.99	0.017	0.14	74	0.011

NAAQS is the National Ambient Air Quality Standard, used as a threshold for the hazardous level.

Figures for carbon monoxide, nitrogen dioxide, and sulphur dioxide reflect parts per million. Figures for lead, ozone, and particulates reflect micrograms per cubic meter.

Source: Environmental Protection Agency

The Future of Our Nation Depends on the Future of Our Cities

America cannot afford to ignore the challenges facing our cities. The vicious cycle of poverty concentration, social despair, and fiscal distress that challenges much of urban America today weakens our nation's economic health and undermines the ability of metropolitan regions to compete in the global economy. Moreover, isolation of the poor, largely minority households in distressed, high-poverty neighborhoods saps America's spirit, weakening the bonds of trust and common purpose. If these problems continue to go unaddressed, our nation's future could be severely compromised, both economically and socially, in ways that we are only beginning to understand.

Metropolitan economies need strong central cities to prosper. Considerable research now documents strong statistical relationships between metropolitan economic performance and city-suburban disparities. For example, data on 56 large metropolitan regions shows a strong correlation between metropolitan-wide employment growth and the ratio of central city to suburban income. More specifically, employment grew most where income disparities were lowest. Although the evidence of a causal connection is not yet conclusive, there are strong reasons to believe that the social and fiscal distress of high-poverty central cities impedes the growth of the specialized producer service activities that are the drivers of metropolitan economies. ?

The distress and decline in high poverty areas does not confine itself to the central city but gradually spreads out to affect suburban areas as well. In Lakewood, Ohio -- one of Cleveland's oldest suburbs -- population declined dramatically from 70,000 in 1980 to 60,000 in 1990. Today, nearly 10 percent of its residents receive welfare assistance of some kind, and the community is experiencing an increase in teen pregnancies and juvenile crime. Lakewood and other "inner-suburbs" illustrate how older suburbs and even some edge cities increasingly find themselves in competition with newer areas of development that attract more affluent families, retail centers, and jobs.

Inner city blight undermines the fiscal and operational health of our nation's cities. Distressed neighborhoods contribute little to a city's tax base yet impose heavy demands on public services. All of the nation's taxpayers pay for the problems of distressed inner cities through increased government expenditures for welfare, law enforcement, social services, and remedial education. And additional costs accrue to all consumers in forms such as insurance and security costs, tuition for private education, and prices for goods and services that reflect increased costs of doing business. One estimate of the damage to large urban economies from crime alone is \$50 billion annually, and special Federal expenditures for inner cities add another \$75 billion.

Inner city abandonment also weakens the nation's human resources. According to the 1992 National Assessment of Educational Progress, three quarters of first graders in disadvantaged areas were reading below basic skill levels, and less than 6 percent were rated as proficient or advanced. Many of these future adults emerge from inner-city schools with inadequate educational preparation, as reflected in staggering rates of functional illiteracy and school dropout

rates of 80 percent. Considering that the 50 largest inner-city school systems are now responsible for educating nearly 40 percent of the nation's African-American children, 32 percent of its Latino children, and 36 percent of its students with limited English proficiency, the implications for a productive workforce are alarming.

And finally, the isolation of distressed urban neighborhoods and de facto segregation conflict with our national ideals. Equal opportunity is a fundamental principle of American society and a right of all people. Extreme disparity in economic and social opportunity between persons in one segment of American society and another, or between one part of a metropolitan area and another, conflict harshly with this principle.

The challenges of urban America today are severe, and their potential consequences are frightening, but these problems are by no means insurmountable. America is not a developing nation where the poor are many and the middle class are few. In America the middle class are many and the poor are few. This country has the capacity to end the isolation of the poor and to address the decline of central cities.

CITIES IN THE 21ST CENTURY

The Clinton Administration is committed to the goal of achieving economically, socially, and environmentally thriving urban communities in the 21st century. All people should have access to decent, affordable housing in safe neighborhoods. All people should have access to the educational opportunities necessary to compete in rapidly changing job markets. All people should have an opportunity to take part in decisions that affect their lives. And all people should live in communities where businesses, households, and government make efficient use of land, energy, and other resources, allowing the area to achieve a high quality of life with minimal waste and environmental damage.

Because the problems of our cities affect us all, no matter where we live, building sustainable urban communities is a shared responsibility. The information that follows reflects strategies that government at all levels, the private sector, and the growing network of community-based organizations can adopt to strengthen America's cities.

Promoting Locally-Crafted Solutions

"For a long time, the government really thought that if we just had a solution designed here in Washington that was properly funded, we could solve the problems of every community in the country...We learned that wasn't true. There needs to be a new partnership between Washington and the communities and individuals of this country...There needs to be a way of doing business in which we try to create conditions in which people can seize opportunities for themselves."

President Bill Clinton

For years, a proliferation of Federal programs, complex regulations, and cumbersome bureaucratic procedures has limited the ability of communities to solve their own problems. Federal efforts to renovate housing, control crime and drugs, and increase employment have viewed residents as passive recipients of treatment and virtually have ignored the individuals whose problems they are trying to solve. Failure to enlist local institutions and citizens, especially the women who play a unique leadership role in these communities, as partners in the decision-making process has left essential resources untapped, ignored local priorities, and missed opportunities to strengthen communities' own problem-solving capacities.

But the days of national solutions from top-heavy bureaucracies are over. Better solutions will come when those who live the problem plan with others who have a common stake in its solution, not because it is an abstract mission, but because it is a personal concern. Because the Federal government cannot possibly know what is best for each of America's diverse regions and communities, it best serves as a catalyst and enabler of change, not as its planner and implementor. The role of the Federal government is to support local actors in their efforts to design and implement locally-crafted solutions that reflect local circumstances and needs, but that are consistent with Federal priorities such as fairness and equity.

The Federal Commitment

Because local organizations have a first-hand understanding of the issues facing their communities, the U.S. government aims to provide local decisionmakers with maximum flexibility to use scarce Federal resources in a manner consistent with national priorities. The Federal government is promoting comprehensive planning and collaboration at the local level in a number of ways.

The National Community Development Initiative (NCDI), a consortium of nine foundations, three corporations, and HUD designed to boost the capacity, productivity, and impact of community development corporations (CDCs), illustrates how local partnerships can enhance community development. With an initial investment pool of \$150 million, NCDI will leverage more than four times that amount to enhance CDC capacity to handle larger projects, build local support networks that allow CDCs to raise money, and boost CDC production. NCDI capacity building efforts have resulted in increased production and strengthened organizations among 80 percent of participating CDCs.

And in 1995, HUD consolidated planning, application, and reporting requirements for 12 separate community development programs and applications into a single application and plan. This move gives local officials more creativity and flexibility to forge comprehensive, community-wide action plans that involve community-based groups and individual residents, and to integrate economic and housing development strategies with strategies for making neighborhoods safer, reducing homelessness, increasing housing mobility, expanding job opportunities through training and education, and strengthening families.

And in 1996, the Clinton Administration signed a memorandum of understanding with the State of Connecticut that establishes a partnership for community empowerment through the creation of Neighborhood Revitalization Zones (NRZs). Under the agreement, the Federal government has established a single point of contact to help communities by fielding and expediting requests for waivers through the Federal system. This partnership is designed to empower local communities to make decisions; provide local communities with relief from burdensome state and local regulations and systems barriers; and facilitate collaboration and coordination of governmental functions and personnel to develop and implement locally-driven strategic plans for neighborhood revitalization. The Federal government expects to forge similar agreements with other states across the nation.

What Can Other Organizations Do?

In recent years, local capacity to solve problems has grown as state and local government, businesses, community-based groups, and individual citizens have formed creative partnerships to revitalize inner-city neighborhoods. This process must continue. Public, private, and non-profit organizations all have an important role in the community-building process -- a process that empowers community residents and places them at the center of neighborhood revitalization efforts. There are a number of steps that these organizations can take to promote local

community-building efforts:

Building Local Capacity

Enablement is about helping individuals and communities help themselves. Because sustained community-building efforts rely on-going institutions such as community development corporations, schools, and churches, and other local groups, both public and private organizations can invest in strengthening the capacity of community-based organizations. These local organizations need help in the areas of staff development, implementation of efficient management systems, and enhancement of organizational stability through multi-year funding not tied to specific projects.

Building capacity within state and local government also is important. As the federal government provides states and localities with more autonomy in developing community revitalization strategies, employees in all government areas will need unprecedented motivation, perspective, and support to do business in a new manner. Successful private sector businesses know all too well that employee training and retraining are among the key investments a company makes in its future. Government agencies should likewise examine ways to increase their employees abilities, effectiveness, and pride in their work.

Collaboration and Consultation

Given the importance of local input, state and local governments can make the partnership approach standard in addressing urban challenges. For example, they can consult community-based organizations on decisions affecting their neighborhoods; join ad hoc coalitions of community groups to implement and evaluate specific projects; participate in ongoing partnerships that bring together the public, business, and community sectors; and require collaborative planning and non-government matching funds for publicly-financed initiatives.

In addition, state and local governments can expand their use of community-based organizations to implement programs and deliver services to inner-city communities. Community-based organizations are particularly effective at delivering services because of their relationships and reputation within the community, understanding of community needs, ability to coordinate multiple programs into comprehensive packages, and employment of local residents. The revenues and experience community organizations gain can strengthen them as resources for addressing other community problems.

Corporate Leadership

As members of the boards of civic, educational, and human service organizations and as political opinion leaders, corporate executives can use their influence to enhance local community-building efforts. Historically, business leaders have played prominent roles in civic partnerships to boost downtown development, attract sports franchises, and support cultural institutions. Corporate executives can exercise the same leadership in inner-city programs and institutions, both locally

and nationally. For example, businesses can join local and national networks to support urban revitalization, metropolitan-wide housing partnerships, and community development banks. Moreover, business leaders can encourage public and non-profit institutions to allocate increased resources to distressed urban neighborhoods, to enhance the involvement of both local residents and community institutions in service delivery, to identify and train community leaders, and to encourage policy changes to remove impediments to community building.

sidebar 1
Beyond Shelter: Helping Homeless Families Help Themselves

The Los Angeles based Beyond Shelter initiative is a dramatic new response to the problem of family homelessness that stresses immediate return of families to independent living. The project was founded in 1988 as a response to the growing number of homeless families in Los Angeles county and as an alternative to traditional practices that emphasize shelters and transitional housing. Estimates suggest that 35 percent of the general homeless population consists of families with children. Declining wages, welfare cuts, and the loss of affordable housing threaten to push even more families out of housing and make them an increasingly larger proportion of the homeless.

Beyond Shelter deals with the interrelated problems that homeless families face: poverty and unemployment, access to credit and job training, and housing. The services are provided in an integrative manner to place families, especially female-headed families, not only back into housing, but back into communities. Beyond Shelter provides women with economic and social services, such as job training, credit and banking seminars, parenting classes, and nutrition classes, after they are stabilized in permanent housing and are no longer traumatized by the experience of homelessness.

Beyond Shelter packages existing systems in new ways, rather than creating and duplicating existing systems. They work with over 25 referring agencies across the county with funding from a variety of different government and non-government sources. Government support includes local and national entities -- Housing Authority of Los Angeles, the City's Community Development Department, the U.S. Department of Health and Human Services, and the U.S. Emergency Food and Shelter Program. Foundation and Corporate grants come from a variety of sources, including the California Community Foundation, The James Irvine Foundation, the Times Mirror Foundation, The Roth Family Foundation, and the Better Homes Fund.

Since 1989, Beyond Shelter has helped over 750 high-risk homeless families secure permanent housing, with no recurrence of homelessness. 100 percent of graduates demonstrate increased self-determination and increased money management. Approximately 40 percent of program graduates enrolled in school and/or vocational training, 28 percent obtained training and 32 percent of graduates increased their income. It is through this collaborative and comprehensive approach to shelter delivery and community building that Beyond Shelter has made such impressive achievements.

sidebar 2
Take Back the Park

In New York City, youth have taken a lead role in motivating peers and adults alike to reclaim community recreational space from drug dealers. By creating a meaningful participatory process that benefits everyone involved, Take Back the Park chips away at the feeling of dependence on external forces and builds on self-empowerment and participation to solve community problems.

With support from the Citizen's Committee for New York City, a non-profit organization established to support and strengthen local volunteer efforts, Take Back the Park mobilizes and trains community coalitions, including youth representatives, the police department, parks department personnel, tenants associations and community boards, to take an active role in a collaborative planning process. Relying on youth leadership, each summer the program recruits 25 youth organizers from at-risk families. After weeks of youth leadership and community organizing training, participants conduct a neighborhood needs assessment survey in the targeted community. In coordination with other community agencies, youth leaders create a six-week calendar of events detailing daily activities, including sports, movies, concerts and educational forums.

Since 1987, 15 of some of New York City's most distressed neighborhoods, have reclaimed parks and playgrounds from the violence of crime and drugs. Take Back The Park has reached more than 22,000 people through its programs and provided 160 disadvantaged, primarily minority, youth with advanced leadership training. Because many of the youth leaders are considered at-risk within their communities, Take Back The Park also helps to "take back" young people by acknowledging the unique skills, perspective, and voices that young people can bring to community problem solving. Young participants come away with a heightened sense of their own potential as well as organizational skills and a knowledge of community resources.

sidebar 3

Transforming Neighborhoods Together

Transforming Neighborhoods Together (TNT) is a comprehensive, resident-led neighborhood planning program that helps low-income neighborhoods establish visions for the future and develop the skills, networks, and strategies that enable residents to work together to make that vision a reality.

Traditionally, urban planning has been the domain of professional planners working for government agencies, where the level of citizen participation varies with the political climate. But without active citizen input, top-down, professional plans are less likely to include strategic plans for implementation and rarely contain enough detail to reflect neighborhood concerns. Moreover, such plans generally fail to address factors such as business creation, neighborhood blight, or poverty and crime.

TNT shifts the traditional urban planning process from a largely technical endeavor led by city agencies to a vision- and values-driven process led by neighborhood residents. Through public participation, neighborhood committees, and non-professional neighborhood-resident planners, TNT has helped Knoxville neighborhoods organize themselves, decide what changes they want, and negotiate for improvements and resources. While TNT guides the neighborhoods through a set program with a timeline and general parameters concerning subjects to explore, neighborhoods are free to reject or add issues to fit their individual circumstances. By working closely with a Knoxville city planner, the process maintains the technical integrity that is critical to the planning process.

To date, this relatively new program has benefited more than 15,000 individuals living in six low-income, inner-city neighborhoods. Through direct working relationships with key staff members of the Department of Community Development, Police Department, and Metropolitan Planning Commission, the program has given neighborhood leaders valuable experience as paraprofessional planners. The process has also enhanced civic engagement: communication among neighborhoods is more frequent, direct, and constructive, and more residents are willing to take part in crime reporting and prevention activities. The housing picture also is improved, through demolition of dilapidated and unsafe structures, rehabilitation, and new construction of affordable homes.

Tapping into a New Economic Frontier

"There are places in our country where the free enterprise system simply doesn't reach. It simply isn't working to provide jobs and opportunity...It has always amazed me that we have given incentives to our business people to help to develop poor economies in other parts of the world...but we ignore the biggest source of economic growth available to the American economy, the poor economies isolated within the United States of America."

*President Bill Clinton
July 19, 1995*

The private sector is the key to the economic success of our cities. A sustainable economic base in inner-cities will only come about through private, for-profit initiatives and investments based on economic value and true competitive advantage -- not through artificial inducements, charity, or government mandates. No level of government subsidies can match the strength of a thriving local economy.

It is unrealistic to expect cities to regain the manufacturing presence that they enjoyed decades ago. The reality is that many of these jobs will never return to the central cities, and one challenge is to link inner-city residents with job opportunities in outlying areas. Nevertheless, inner-cities enjoy many economic advantages that must not go to waste. For example:

Physical Location: Inner-city areas are generally located near downtown areas and their attendant businesses, transportation, and communication nodes. Inner-city locations offer potential advantages for business that can benefit from proximity to downtown business districts, infrastructure, entertainment and tourist destinations, and concentrations of other companies. Moreover, proximity to highly competitive nearby industries can be a major competitive advantage in providing supplies, components, and supporting services to multiple, nearby customers.

Human Resources: Contrary to the persistent myth that inner-city residents are not employable, even the most distressed urban communities enjoy human resource potential. Supply is one advantage; in central Harlem, for example, fourteen people apply for every minimum wage job opening. Loyalty is another advantage; when a company's work force comes from the surrounding community, there's stability in its workforce, and investments in training are offset by employee loyalty and a low turnover rate. ✓

Demand Conditions: Inner cities represent an immense, growing, yet underserved market. Despite low incomes, inner cities enjoy higher income per square mile than do suburbs because of higher population density. Furthermore, they present opportunities for developing specialized products and services for urban markets.

The challenge of sustainable urban economic development is not just to bring jobs to the city, but to attract and promote businesses that complement and build upon the competitive

advantage of metropolitan regions. For many jurisdictions, the term "economic development" has meant little more than fragmented efforts by communities to entice new industries to locate in their area. The objective has been to attract business -- any kind of business -- with little regard for the economic strengths inherent to the region. As a result, America's cities have been embroiled in a game of stealing seemingly attractive industries from each other with questionable subsidies and other techniques -- a zero-sum game that has yielded no net gain in national economic well-being.

An emerging new model of economic development emphasizes the need to harness the essential attributes that underpin the ability of firms to compete in a particular field. No nation, state, or region is competitive in everything, nor can it succeed by emulating other areas. Competitiveness emerges out of unique local conditions, and occurs in businesses where a region can create areas of distinctive specialization. Economic activity will ultimately fail unless it enjoys a competitive edge and occupies a niche that is hard to replicate elsewhere.

According to Harvard professor Michael Porter, the competitive success of a location does not normally arise in isolated companies, but in clusters of firms in the same industry or linked together through customer, supplier, or other relationships. Clusters represent critical masses of skill, information, relationships, and infrastructure relating to a particular field in a location that becomes self-reinforcing. In successful clusters, there are often several competitors in each business that push one another to improve products and processes.

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In the United States, examples of regional industrial clusters abound. In Massachusetts, for example, there is a highly competitive cluster of industries in the area of information technology. New York City and its environs are regarded as the world's financial capital. And in Los Angeles, the strength of the entertainment industry is unparalleled. The concentration of these industries within these geographic areas is more than mere coincidence.

The Federal Commitment

The Clinton Administration regards central cities as rich reservoirs of human and economic potential. Far from being obsolete, they offer a concentration of expertise and economic activity that is critical to the knowledge-intensive industries of the future, and to our increasing competitiveness in the global economy. Many of these distressed communities represent an untapped economic opportunity for the whole country. While we work together to open foreign markets to American made goods and services, we also need to work together to open the economic frontiers of poor communities here at home.

The effort to create economically viable cities starts with creating national conditions for steady economic growth and expanding employment and entrepreneurial opportunity. At the national level, President Clinton's economic policies have had a dramatic impact on the economy. Since January 1993, the economy expanded by over eight million jobs. In 1994 alone, the U.S. economy saw an increase of 3.5 million jobs -- the strongest job growth in a

decade. This type of sustained national economic growth will help U.S. cities complete the restructuring needed to compete in the new global economy.

But place-based initiatives also are important. For example, President Clinton's Empowerment Zone and Enterprise Community Initiative works with the market and private businesses to build upon the natural assets and competitive advantage of the nation's most severely distressed urban communities. The EZ/EC program is providing these areas communities with approximately \$2.5 billion in tax incentives and another \$1.3 billion in flexible grants to help bring capital back to the central city, create jobs within distressed neighborhoods, invest in education and training, and link residents to economic opportunity throughout the metropolitan region. The 105 urban EZs and ECs selected in 1994 have developed community-based strategies for revitalization, are forming unprecedented public-private partnerships, and have begun to generate significant investment in inner-city communities.

Because one of the most critical impediments to business creation and job growth in central city areas is the lack of private investment capital, the Federal government has placed high priority on initiatives that attract private capital back to our central cities. The Community Development Banks and Financial Institutions Act of 1994 will create a network of community development banks whose primary mission is to lend, invest, and provide basic banking services in low- and moderate-income communities. By catalyzing matching investments from local community development agencies and the private financial sector, this new funding can leverage several billion dollars in capital per year to build a nationwide network of self-sustaining local community development financial institutions. In turn, these intermediaries will issue more than ten times this amount in loans to entrepreneurs, growing businesses, homebuyers, and community redevelopment projects.

In conjunction with its efforts to return private financial capital to distressed inner city communities, the Clinton Administration is targeting Federal resources to place-based initiatives that will catalyze private investment. The Economic Development Administration (EDA), which works in partnership with states, local governments, and private and non-profit organizations to promote long-term recovery in economically distressed communities, helps fund community initiatives and infrastructure investments that generate jobs and support commercial and industrial growth. EDA's Competitive Communities Initiative will support local strategies for bringing high-growth, globally competitive businesses to distressed inner-city communities.

And because public education in America traditionally has not been effective in assisting most young people with the critical transition from school to work, the School-to-Work Opportunities Act addresses this often precipitous leap. Jointly administered by the Departments of Education and Labor, this initiative brings together local partnerships of employers, educators, and others to develop new programs and of work-based learning, apprenticeships, and internships. These linkages between learning and work experience are particularly beneficial for students isolated in inner-city schools, and will help prepare young

people for high-skill, high-wage jobs and a lifetime of learning.

What Can Other Organizations Do?

Although private entrepreneurs, not government, are the primary agents in creating economic growth, local governments and other public institutions play a large role in creating the context in which development occurs and in shaping the conditions that are regarded as either attractions or detractions by potential investors. One step is to review and revamp the local regulatory environment -- labyrinthine and uncertain approval processes are among the most certain turnoffs to potential investors. In addition, local governments can examine local tax structures to be sure that, in comparison to other areas, local tax burdens are no higher than they need to be. And local governments can initiate proactive efforts to rehabilitate and market underutilized land in the central city.

The private sector also can play an important role in linking inner-city areas to the economic mainstream of the metropolitan region. Private firms can employ more inner city residents and take a leadership role in creating the necessary training programs. Moreover, outside firms can enter into joint ventures or customer-supplier relationships that will not only benefit the inner city companies but, in the long run, the companies themselves.

And private firms can move beyond philanthropic support of social service organizations to strategic, business-to-business support of inner-city companies. Countless firms give many millions of dollars each year to worthy inner-city social service agencies. Yet very little effort and resources are devoted to assisting inner-city entrepreneurs or established businesses, which could actually contribute far more in the long run by reducing the need for social services. Philanthropic efforts by corporations will be more effective if they are focused on business-to-business efforts.

Public-private partnerships to promote local economic development hold perhaps the greatest potential for positive change. In recent years, business leaders and other long-term stakeholders in many metropolitan regions -- people who are totally opposed to "government planning" -- have recognized that sensible forms of public-private collaboration in regional economic development can pay off. Public-private coalitions such as Cleveland Tomorrow and the Greater Baltimore Committee are studying shifting market forces and identify their own comparative advantages within those forces.

Not too long ago, there was considerable debate about whether America should have an industrial policy. Such a policy never developed in an official way, possibly because the prospect of the Federal government picking "winners" from our industrial mix and trying to develop policies to support them runs against the grain of our national traditions. But this debate was framed in terms of the Federal government's relationship to industrial sectors, not to regional sectors. We may well be uneasy about the ability of Federal officials to understand enough about the realities of individual industries to offer them sensitive guidance and support. However, the local public-private coalitions that are forming to spur regional

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development are much closer to the action and they are carefully studying shifting market forces and their own comparative advantages within those forces. They are not taking public intervention to extremes.

sidebar 4
New Community Pathmark Supermarket

In Newark, New Jersey, a local community development corporation and large supermarket chain have teamed up to transform a poverty stricken neighborhood into a 55,000 square foot neighborhood shopping center. This joint venture between the New Community Corporation and Supermarkets General is based on a simple, common sense idea: the best way to stimulate economic activity is to capture and capitalize the basic economic transactions of the day.

After the urban riots of 1967, middle-class families fled Newark's Central Ward. When the major supermarkets followed suit, local residents struggled to find fresh, affordable groceries. A 1987 study found that local residents spent 50 percent of their income on food and that prices at small, local stores were 38 percent higher than the prices at large supermarkets. The study also showed that the Central Ward offered enormous opportunity for a supermarket -- 90 percent of the 93,000 people living within a half-mile radius already shopped in the lower-priced supermarkets in other parts of Newark.

Against this backdrop, the New Community Corporation formed a partnership with Supermarket General to open a supermarket-anchored shopping center in the Central Ward. Their objective was not just to capture those dollars leaving the community, but to create new jobs and new job training opportunities. In July, 1990, the shopping center was completed at a total cost of \$12 million. New Community Corporation invested \$2.3 million of its own funds, and Supermarkets General invested \$400,000, mostly in inventory, with banks and block grants providing the remaining funding.

This project has been an unqualified success. Weekly sales volume has exceeded the original projections, and sales per square foot are above the industry average. The shopping center generated 343 jobs and more than 50 percent of the store's employees come from the surrounding community. For Supermarkets General, it turned out to be more than a socially responsible thing to do, but a solid business investment.

sidebar 5
Pfizer in Brooklyn

In the 1980s, Pfizer confronted the question of whether to move its Brooklyn pharmaceutical manufacturing plant out of the city to a suburban location. In a move that it regards as good business sense, the company made the commitment to stay in the community that had been its home for 150 years.

In 1984, the company spearheaded the Broadway Triangle Project to create an industrial park and develop affordable housing adjacent to the Pfizer plant in Brooklyn. The centerpiece of the Broadway Triangle project is a recently refurbished, high-tech manufacturing plant, which employs 800 people. Pfizer hires most of its workforce from the community and provides training for entry-level positions and career advancement.

According to Thomas J. Kline, Pfizer Vice President for Manufacturing Strategies, "What some businesses don't know is that hiring from the surrounding community provides a very good work force. When a company provides good jobs, invests in employee training and provides potential for growth, the people hired from the community will be overwhelmingly successful. And because the work force comes from the community, there is stability in the company's work force, so the investment in training is offset by employee loyalty and low turn over rate."

Because Pfizer employees are members of the community, the plant is a valuable neighborhood resource. The facility provides a meeting place for local crime watchers, classes, and the parent-teachers association. And since placing video cameras in the local subway stop that feeds directly to its security office, Pfizer has become a leader in local crime prevention.

William C. Steere, Jr, Pfizer's Chairman and Chief Executive Officer, recognizes the importance of public-private partnerships in dealing with the urgent social issues facing our cities. "The crisis of America's cities is not only a problem for government. It is everybody's concern. We cannot simply wish it away."

sidebar 6
Neighborhood Development Center

In St. Paul, Minnesota, the Neighborhood Development Center (NDC) combines the micro-enterprise and village banking methods that are common in developing countries with the strengths of community development corporations (CDCs) that are prevalent in the United States to help emerging inner-city entrepreneurs develop successful business that serve the community.

Many low-income urban areas see a tremendous drain of dollars in spite of a very high volume of activity that takes place in the area. While many local residents operate legal, tiny "beneath the surface" businesses from their homes, they rarely emerge into full-time operation because of inadequate capital and business training. The challenge for St. Paul and other communities is to retain more of these dollars in the community by strengthening community-based businesses. But very few groups with strong neighborhood ties and high levels of visibility and trust are involved in micro-enterprise. And many of those that do focus on business training and lending efforts, even ones that focus on low-income, minority, or women-owned businesses, do not reach people at the neighborhood level.

By partnering with grass roots CDCs in lower-income neighborhoods throughout the Minneapolis-St. Paul region, NDC has designed a unique approach to micro-enterprise that combines the networks and the long-term commitment that CDCs enjoy in their neighborhoods with the peer identification and support that are common to the village banking of micro-enterprise development in Asia and Africa. NDC has contracts with eleven CDCs to inform residents of the training program via newsletters, door-to-door flyers, and word-of-mouth. With the assistance of a professional trainer, NDC provides instruction on developing a business plan in groups of seven to ten neighbors. After completing the 16 week training course, participants are eligible to apply to their CDC for a start-up loan. And to ensure the long-term viability of these neighborhood-based businesses, participants receive on-going technical assistance and form support groups after start-up.

The program is clearly a success. By September, 1995, NDC had trained over 330 persons in 11 neighborhoods throughout the Twin Cities, and over 90 participants are in currently in business for themselves. Of the 50 loans that NDC has made to program participants, only 2 are in default. Most importantly, these entrepreneurs are emerging as new community leaders, inspiring their neighbors to undertake similar activities that benefit themselves as well as the community.

Developing a Regional Approach

"While the great battles of the decades ahead are likely to be economic, the greatest challenge to our economic strength is certainly not competition from the Pacific Rim or Europe. No; the greatest challenge to our economic strength is here at home -- where the decaying cores of too many inner-cities and the poverty stricken heartlands of rural America threaten to erode our dynamic regional economies. That is what we intend to change. I believe that we can do it.

*Vice President Al Gore
December 6, 1993*

The founders of every major U.S. city drew its initial boundaries to encompass what they thought would be enough land for expansion. But urban settlements last a long time, and many have grown well beyond their initial boundaries. In some metropolitan regions, such as San Antonio, Texas, and Charlotte, North Carolina, the original city responded by annexing surrounding areas because it had the legal power to do so. But in most U.S. metropolises, residents outside the original city boundaries have remained in separate, legally independent communities.

Metropolitan regions are highly interconnected in terms of labor, housing, capital, and consumer markets, but many are fragmented politically. After decades of suburbanization, such political fragmentation has produced marked economic and social disparities among the jurisdictions within metropolitan areas. While many suburban areas are home to a thriving middle class, our inner-cities have become home to the poorest households in America. As indicated earlier in this report, the current system of separate but equal does not work.

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Cities cannot go it alone. Cities with high poverty rates face high per capita expenditures for welfare, hospitals, police, fire, and education services. Rising public sector costs have clashed with declining tax bases, as middle-class families, stores and shops, factories and offices have relocated outside city limits. Trapped within existing boundaries by incorporated suburbs and bad annexation laws, cities like Detroit, Cleveland, Hartford, and Washington D.C. no longer have the resources to support themselves.

Because the destinies of our cities and our suburbs are inextricably linked, solutions must draw upon not only the strengths of the inner city, but also those of the entire metropolitan area. Traditional forms of regional cooperation among local governments have focused on the delivery of public services, but have avoided the more difficult issue of sharing the social burdens of urban residents. Although areawide compacts on transportation planning, solid waste management, sewage treatment, and air quality management may be "good government," they do not address the racial and economic segregation that plagues our cities.

The Federal Commitment

The Federal government is committed to creating a level metropolitan playing field by breaking up deep concentrations of poverty and despair in our inner-cities and reconnecting residents to the economic and social mainstream of our metropolitan regions. No longer should the well-being and service capabilities of metropolitan localities, central city or suburban, be hostage to their economic, social, or demographic profiles.

Because free and fair housing choice is the first step in providing greater opportunity for all metropolitan residents, HUD is leading Federal efforts to reverse the legacy of housing discrimination. For example, HUD is working in partnership with the Department of Justice to enforce Federal fair housing laws and ensure that individuals and families who want to own a buy or rent a home are able to do so. And through the Fair Housing Initiatives Program and the Fair Housing Assistance Program, the Department supports state and local efforts to identify discriminatory practices.

The Federal government also has a special responsibility to ensure free and fair housing choice for families who benefit from subsidized housing. To prevent undue concentration of lower-income households that benefit from the Section 8 program, which provides assistance through the private housing market, HUD will propose a series of program reforms to attract a greater number of responsible landlords into the program and to increase community receptivity to program recipients. Moreover, HUD is working to ensure that these families make informed choices about where to live by funding regional providers of housing counseling, landlord outreach, and tenant screening.

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In addition, the Federally-sponsored Bridges to Work initiative, which began as a demonstration in early 1996, is testing the feasibility and impact of helping unemployed inner-city residents find jobs in suburban areas where employment opportunities are expanding. One component of Bridges to Work focuses on the job placement link, while another focuses on access to transportation. The Bridges to Work initiative will address each of these barriers explicitly, tailoring a program for each participant to forge an effective and lasting linkage to suburban employment.

Likewise, the Federal government is promoting a regional approach to employment training. Currently, Federal job training programs are implemented by individual jurisdictions, with strong incentives for placing participants in jobs within the jurisdiction where they applied for assistance. The Federal government is working to transfer this fragmented array of employment and training programs into an integrated service delivery system for job-seekers and employers. The Department of Labor, in partnership with State and local organizations, is creating a network of One-Stop Career Centers to serve the entire labor market within each local region. By strengthening connections between employers, schools, and colleges, and workers and students throughout the metropolitan area, these One-Stop Career Centers will offer the essential connection to link inner-city residents to available jobs and learning opportunities throughout the entire region.

What Can Other Organizations Do?

Governments at all levels can pursue common policies to dismantle the barriers that separate poor and minority people from the rest of society. For example:

Fair-Share Affordable Housing

Municipalities have a legitimate objective in promulgating regulations to protect the health and welfare of their residents, but many suburban communities go much further. When suburban communities reserve most of their residential districts for large houses on two acre lots, ban multifamily housing or commercial activity, set impossible environmental standards, or prevent any new development, they go too far. State and local governments should support planning and zoning policies that encourage higher residential densities and other ways of promoting low and moderate income housing in all jurisdictions. } too idyllic

Portability of Assistance

Today, governments at all levels must do more to break the nexus between services to disadvantaged households and residence in a particular jurisdiction by increasing portability of public assistance and social service benefits. With regard to housing assistance, for example, local public housing authorities can provide counseling and supportive services, establish rent guidelines that allow for a full range of housing choice, and provide regulatory and administrative relief to make mobility programs more attractive to landlords. By promoting greater residential mobility, portability of assistance helps link families to social and economic opportunity while easing the onerous service and fiscal burdens facing many urban cores. ?

Intracommunity and Intra-regional Mobility

In addition to the environmental damage brought about by urban sprawl, existing land use and transportation policies also impede intracommunity and intra-regional mobility. Current practices 1) separate a region's residents from metropolitan employment opportunities; 2) isolate those who, by reason of age, ability, or income, are unable to drive; and 3) impede the use of public transportation to ensure urban mobility. State and local governments should systematically re-examine current zoning and subdivision regulations, traffic codes, and transportation policies and adopt revisions that encourage compact, mixed-use development and enable the use of public transportation to promote greater mobility throughout urban communities and metropolitan regions.

Revenue-Sharing Arrangements

The specialization of business and household locations driven by metropolitan-wide economic and other factors creates enormous disparities in local tax bases. Although these disparities have been recognized, and partially compensated for, by programs of formula-based functionally specific state and Federal aid, more must be done. While moving money is much less important than moving people, areawide revenue sharing arrangements can help build strong cities by promoting equity in local revenues. States should adopt incentives to encourage regional cooperation and fiscal integration.

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Regional Solutions to Affordable Housing

For many low-income families, Connecticut has not been an easy place to find decent, affordable housing. In the decades preceding the State's economic slump in the early 1990s, Connecticut had the highest average housing costs of any state east of California. In 199x, it ranked first in the nation in terms of city/suburb income differential. And with regard to housing segregation, Connecticut ranked ninth.

In an effort to increase the supply of affordable housing, the Connecticut General Assembly took a series of actions in the late 1980s. Most notable is the Affordable Housing Appeals Act of 1989, which requires any of the 169 municipalities in the State with less than 10 percent assisted housing to change their zoning practices to permit a more diverse housing supply. Under the law, a developer whose plans to build affordable housing are rejected by a town council can appeal to a special State court in Hartford. The burden of proof is on the town council, which must prove that the town's reasons for rejecting the proposal should be deemed a higher priority than the State's affordable housing requirement.

But the effort to promote affordable housing in Connecticut went beyond State mandates. Previous legislative action in 1988 had spurred the creation of the Capitol Region Fair Housing Compact on Affordable Housing and the Greater Bridgeport Affordable Housing Compact. Through a framework of joint problem-solving and mediation, municipalities in Hartford and Bridgeport came together to pledge their commitment to expand the supply of affordable housing throughout these urban regions. And according to the 1994 Connecticut Regional Council of Governments Report, more than 4,000 affordable housing units were constructed or approved over the life of these agreements.

The voluntary compact approach to meeting regional housing needs marks the beginning of a change in Connecticut's local housing policy. For many of these communities, entering into the compact was their first step in reconsidering regulatory barriers to affordable housing. Local needs and goals, not State mandates, served as the basis for their participation and implementation strategies. The State did not mandate results, regional coordination, nor the nature of the negotiations.

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The Intermodal Surface Transportation Efficiency Act of 1991

In 1991, large bipartisan majorities on both houses of Congress enacted the Intermodal Surface Transportation Efficiency Act (ISTEA) and it was quickly signed into law. ISTEA marked a turning point in public policy for transportation in urban areas throughout the nation. Above all, ISTEA launched the entire transportation sector into an era of new partnerships and new ways of solving such urban transportation challenges as traffic congestion, crumbling roads and bridges, and insufficient growth in public transit services.

Since World War II, America's transportation infrastructure has been transformed by the creation of the Interstate Highway System and much improvement in airports, pipelines, and regional transit systems. These improvements were administered and financed in a "modal" framework, where highway organizations built highways, transit organizations built transit, and each mode tended to have its "own" categorical funds. This approach was well suited to building new infrastructure and establishing new "modal" networks. But over the last 25 years, however, the "modal" approach has shown signs of wear, especially in the increased cost and delay associated with new transportation investments in urban areas.

ISTEA represents a new framework devised to put the needed resources in the hands of the right people for specific transportation problems. By fostering "multimodalism" in all phases of transportation, ISTEA is about moving people and goods rather than vehicles per se. . . Most of the billions of dollars in Federal transportation funds authorized by ISTEA can, in principle, be "flexed" across the travel modes at State and local discretion. The local transportation planning process now welcomes input from environmental, neighborhood, and other interests. Highway planners can integrate their work with transit planners, and both can integrate their work with that of local land use planners.

ISTEA has fostered a "maintain, protect, and manage" approach to increase the utility of high quality transportation facilities already in place. For example, the Act directs the Department of Transportation to encourage the application of market principles, such as highway congestion pricing and transit subsidies, to reduce traffic and ensure the most efficient use of capacity. Other urban institutions are ripe for the kind of sea change taking place in the transportation sector.

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Sharing a Regional Tax Base

The Minnesota Fiscal Disparities Law of 1971 enables all cities in the seven-county Minneapolis-Saint Paul metropolitan area to receive a share of the growth in tax base in the area, irrespective of the physical location of the tax base. Under the law, all shared tax base bears a common tax rate, which is an average of all rates in the metropolitan area. The law provides that every city must make a contribution to the regional pool of valuations equal to 40 percent of its net growth commercial-industrial valuations since 1971. In calendar year 1994, this regional pool amounted to \$277 million. Local jurisdictions receive a share of the pool through a population- based formula.

With the law in effect, a jurisdiction within the region need not worry about having a tax-free regional park within its borders or a large number of lower-priced, lower-taxed residences. When the law was originally proposed, some communities in the metropolitan area with only half the tax rate of their neighbors were spending twice as much on providing local services. Even though a jurisdiction will gain tax base whether it uses fiscal zoning or not, the law has not dampened separate efforts to expand tax bases.

By alleviating the effects of such disparities through a multi-jurisdictional cooperative effort to share a regional tax base, the law is functioning as intended. It is gradually reducing -- albeit not eliminating -- the differences in commercial-industrial tax base among cities in the metropolitan area. If the law were not in effect, the ratio between the highest and lowest in per-capita commercial-industrial tax base among 48 cities over 9,000 population would be almost fifteen to one. With the law, the difference has narrowed to four to one.

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Recapturing The Promise

In its Third Regional Plan for the New York-New Jersey-Connecticut Metropolitan Region, the Regional Plan Association (RPA), a private urban planning research group, has developed a dynamic and feasible plan for revitalizing one of our nation's largest metropolitan regions. Recognizing that the economic, social, and environmental prosperity of the New York metropolitan area transcends political boundaries, the plan, entitled Recapturing the Promise, suggests a clear program of action for the future that requires the active participation of government, private business and community-based organizations.

Like other metropolises around the world, the New York metropolitan region faces daunting challenges as it heads into the next century. For New York, the challenge has shifted from managing growth to finding growth to manage: between 1982 and 1992, the tri-state region grew by the smallest percentage of any of the nation's 15 metropolitan areas. Without investments in training, education, and infrastructure, the region can expect a bleak landscape of crumbling urban cores, increasingly isolated wealthy enclaves, transportation paralysis, deteriorating air and water quality, and feeble economic growth.

RPA sets forth an alternative vision, where residents zip about in high-speed trains on a fully interconnected regional rail system patterned after the Paris Metro, the aging urban centers have been recaptured as places to live, work, and play, and lifelong adult education and job banks connect the population to new opportunities in the global economy. Five major initiatives anchor the plan:

- *Greensward encourages locally controlled, sub-regional commissions to manage the growth and conservation of open green spaces.*
- *Centers focuses on a comprehensive strategy to "re-center" spread out growth trends, including state growth management plans, focused investment in downtowns, neighborhood revitalization programs, and school finance reform.*
- *Mobility deals with the necessity of restructuring regional mass transit systems, and proposes a reconfigured regional rail system only 25 miles longer than the present system to connect the currently disparate systems in the tri-state area.*
- *The Workforce campaign outlines a strategy for "reconnecting work and education with a system of lifelong learning" which would enable the region's workforce to manipulate a changing labor market.*
- *Governance suggests a new tri-state Infrastructure Bank to finance this vision and a restructured tax policy and system of governance to encourage more coordinated planning and better management of the region's schools and transportation network.*

In an era when some are determined to eliminate public institutions instead of adapting them, to cut budgets rather than focus spending creatively, and to divide people rather than unite them around broad visions that could benefit everyone, RPA has established a comprehensive, long-term strategy for strengthening the entire New York metropolitan region.

Sustaining the Urban Environment

"For all our differences, I think there is an overwhelming determination to change our course... to achieve things that are larger than ourselves and more lasting than the present moment. We seek to set our course by the star of age-old values, not short-term expediences; to waste less in the present and to provide more for the future; to leave a legacy which keeps the faith with those who left the Earth to us."

President Bill Clinton, Earth Day 1993

Economic and social prosperity alone will not constitute healthy, viable urban communities over the long-term. The urban environment also is important. Thriving cities are those that not only enjoy economic prosperity and social opportunity, but also clean air, safe drinking water, and green public spaces. We must preserve, and where possible, restore the integrity of natural systems -- soils, water, air, and biological diversity -- that sustain both economic prosperity and life itself.

Inner city communities, which were once the anchors of America's industrial, manufacturing base, are now paying the price for years of environmental abuse. This legacy of pollution perpetuates poverty in these communities because it works against their revitalization. When a community is no longer a desirable place for business, it can no longer sustain itself.

But since the birth of the environmental movement in the late 1960s and the early 1970s, environment and development have been viewed as mutually exclusive concepts. Protecting the environment has meant halting the encroachment of development in pristine areas. And environmental protection has been viewed or defined as an ex-urban issue -- something outside or foreign to the concerns and interests of cities. Because economic, social, and environmental issues are interconnected in daily life, approaching them one at a time does not work. Systemic thought is required so that these issues are recognized as integrated and actions to address them are coordinated.

The Federal Commitment

The Federal government recognizes the importance of the urban environment to long-term economic development and social justice. As a result, the Clinton Administration is working to combine activities that have long been considered incompatible in an effort to build strong cities. And it is doing this in a way that creates sustainable urban communities that will stand the test of time and will remain inviting places to live for generations to come.

The Clinton Administration is taking a new approach to environmental regulation -- one that helps communities tackle environmental challenges constructively. EPA and HUD already have begun to make common sense policy changes that speed the clean-up of brownfields and provide grants to cities to clean-up and redevelop contaminated sites. This year, the President's FY1997 budget proposes to go further with a \$2 billion brownfields cleanup

initiative. Under the plan, new purchasers and other businesses that redevelop brownfields would receive a targeted tax incentive to recover the cost of clean-up in a shorter time period. The plan also includes legislation that protects lenders who finance the clean-up and redevelopment of these sites.

The Clinton Administration is committed to environmental justice for all. Too frequently, those who have been powerless, those who have been disenfranchised, and those who are economically disadvantaged are victims of those who dump waste materials in their neighborhood. In 1994, President Clinton moved to protect the environmental rights of all Americans by signing an executive order barring Federal agencies and other Federally funded institutions from engaging in practices that impose unfair environmental burdens on disadvantaged people and communities.

The Federal government also believes that military installations should be good neighbors and communities with such facilities should enjoy the same quality of life that the rest of America enjoys. Over the past year, the Department of Defense has pledged closer cooperation with local communities on environmental matters. The Department has established Restoration Advisory Boards to work with local communities to find common sense solutions in cleanup efforts at active and closure bases.

In addition, the Administration has committed \$100 million to desperately needed infrastructure projects in the colonias along the U.S.-Mexico border. Poor Hispanics -- American citizens -- drawn by the promise of work in nearby industrial plants, have clustered in these communities, where they are now living without water, electricity, or sewerage -- where children literally bathe in irrigation run-offs full of pesticides. The infrastructure improvements will improve quality of life by ameliorating environmental damage and also set the stage for future economic development.

Looking beyond the immediate problems, the President has established a Council on Sustainable Development, which has brought together representatives of government, industry, environmental, labor, and civil rights organizations to develop new ways to integrate and balance environmental concerns with issues of economic and social equity. The Council will examine the complex interplay of these issues in the context of communities, and explore how these concerns can be balanced to ensure that communities remain decent, healthy places to live as they evolve and grow.

What Can Others Do?

Government at all levels, private firms, and non-profit organizations can undertake a number of activities to help maintain and regenerate the urban environment:

Community Design

State and local governments, in cooperation with private firms and community-based organizations, can promote community design that uses land efficiently, encourages mixed-use

and mixed income development, retains public open space, and provides diverse transportation options. For example, local jurisdictions can structure or revise local zoning regulations and permit approval processes to encourage development located along transit corridors and near a range of transit alternatives. And to ensure that no segment of society bears a disproportionate share of environmental risks in a community, the public sector can work with community groups and the private sector by conducting period evaluations to ensure that transportation and infrastructure investments do not inadvertently deliver greater benefits to wealthier communities at the expense of their poorer counterparts.

Community Growth Management

By managing the geographical growth of existing communities and siting of new ones, local organizations can help decrease sprawl, conserve open space, preserve watersheds, respect nature's carrying capacity, and protect against natural hazards. For example, states and communities can evaluate the costs of infrastructure in greenfield or relatively undeveloped areas to examine subsidies and correct market incentives in the financing and capital costs of infrastructure, such as sewers and utilities, for development of land bordering metropolitan areas. In addition, local governments can create community partnerships to develop regional open space networks and urban growth boundaries as part of a regional framework to discourage sprawl development that threatens a region's environmental carrying capacity.

Building and Landscape Design and Rehabilitation

To enhance public health and the environment, local organizations can promote building design and rehabilitation that use energy and natural resources efficiently. Improved design tools can help conserve energy and minimize the emission of pollutants. These include models for building codes, zoning ordinances, and permit approval processes for residential and commercial buildings, public infrastructure, and landscapes. Model building codes can consider energy efficiency, durability, non-toxic materials, indoor air quality, recycled and recyclable materials, use of native plants that reduce the need for fertilizers, pesticides, and water for landscaping, urban forestry, and use of designs that promote human interaction.

Environmental Economic Development

Local organizations, with the advice and consent of community members, can help capitalize upon economic development opportunities from businesses and industries that target environmental technologies, recycling, and pollution prevention to create jobs. For example, state and local governments can assist communities that want to create eco-industrial parks that cluster business in the same area to create new models of industrial efficiency, cooperation, and environmental efficiency. In addition, local governments can adopt programs to re-use materials and collect and recycle secondary materials diverted from the municipal solid waste stream.

Brownfield Sites

Local organizations can help revitalize brownfields by making them more attractive for redevelopment by providing regulatory flexibility, reducing process barriers. All levels of government can work in partnership with community residents, environmental organizations,

community development corporations, industry, and businesses to redevelop or stabilize brownfield sites by eliminating barriers to and creating incentives for environmental clean-up and reorienting existing state and Federal economic development funding and programs to include these sites.

sidebar 11
Yard Waste Recycling in Lindsborg, Kansas

In this town of 3,300 that lies along the Smoky Hill River on the prairies of central Kansas, yard waste that a few years ago was burned or buried is now shredded and composted. The result is a large supply of finished compost and mulch that helps beautify public spaces and private homes while protecting the environment.

Because land fill space is expensive and increasingly scarce, solid waste disposal is a serious problem in many communities. In Lindsborg, yard waste was the single largest component of solid waste, accounting for nearly 25 percent of the total. Tough environmental regulations have forced Kansas to close two-thirds of its landfills and to ban yard wastes from those remaining. The challenge has been for Lindsborg and other cities to save dwindling landfill space while disposing of yard waste in a cost-effective, environmentally sound manner.

Under the plan, each household pays \$1 per month to defray the cost of a large \$180,000 commercial wood chipper/shredder that is shared by all communities in the county. But everyone benefits. The city uses finished compost and wood chip mulch for city flowerbeds and landscape plants, and citizens receive compost and mulch at no cost. The project is strictly voluntary; it is based on cooperation, teamwork and goodwill.

The Lindsborg project has been extremely successful. The program now recycles more than 60 percent of the town's yard waste, and prevents 1,200 tons per year of solid waste from reaching the landfill. Moreover, the project has spurred a community-wide volunteer effort and involvement, including elementary, secondary and college-age youth. Most importantly, the Yard Waste Recycling Program has educated the public about the tangible, everyday benefits that result from environmentally conscious behavior. It has shifted old ways of thinking, and made a good end use out of previous trash, and fostered a sense of environmental stewardship and shared responsibility among community residents.

sidebar 12
Re-Using Building Materials for Affordable Housing

As the nation's first self-sufficient, successful non-profit recycler of reusable building material, The Loading Dock (TLD) in Baltimore is expanding the supply of decent, affordable housing while protecting the environment.

Like many older cities in the United States, Baltimore faces an aging supply of housing units. Much of the city's housing stock is more than 100 years old and in need of repair. And about 10 percent of Baltimore's housing is considered substandard. Housing quality is of particular concern to lower-income households, who are more likely to live in older housing but are unable to finance repairs and maintenance.

In 1984, a group of housing professionals with an interest in environmental issues recognized the potential of matching the need for low-cost building materials with the large amount of excess building materials that go to waste. With a \$25,000 grant from the Morris Goldseker Foundation, they opened for business. Since then, the program has helped low-income households acquire affordable building supplies while educating the public and private businesses on how to donate and reuse building material rather than dumping it into rapidly filling landfills.

Today, TLD serves more than 6,000 low-income households in the greater Baltimore area. For a five dollar annual membership fee, members can purchase building supplies at prices at up to 75 percent below retail price. The supplies that TLD redistributes are often unused materials, ranging from unpainted doors and windows, ceramic tiles from discontinued lines, or slightly damaged goods. Because these items cannot be sold for a profit, they would, in the past, be sent to landfills. "It's the old story of one person's trash is another's treasure," said Leslie Kirkland, co-director.

After eleven years in operation, TLD has saved nonprofit organizations and low-income individuals more than \$5 million in repair and rehabilitation supplies. And it has rescued some 33,000 tons of building materials from landfills, while providing materials for the rehabilitation of more than 27,000 homes. As word of its success has spread, TLD is now working to adapt this promising strategy in 40 communities across the globe.

sidebar 13
Revitalizing Brownfield Sites

To make Cleveland, Ohio the comeback city envisioned by civic boosters, urban revitalization has to overcome the barriers set up by brownfields--the contaminated and/or abandoned industrial sites found in many central cities. Cleaning up brownfields entails investments and risks that make the uncontaminated greenfields in outlying areas much more attractive sites for industry and other businesses. But unless brownfields are successfully redeveloped, there is little hope for a renewed and vibrant metropolitan core.

In the Cleveland metropolitan region, a coalition comprised of businesses, community development corporations, Cuyahoga County officials, neighborhood groups, and other citizens is attacking the brownfield problem. The number of vacant parcels of land in Cleveland increased from 9 percent in 1977 to 12.5 percent in 1987, according to the Center for Urban Poverty and Social Change. Filling up some of these parcels and redeveloping others in the face of such problems as increased and uncertain costs, liability, clean-up standards, and regulatory burdens has presented Cleveland with a strategic challenge.

The Cuyahoga County Planning Commission convened a symposium in October 1992 to discuss brownfield redevelopment strategies as part of an effort to counteract sprawl in the metropolitan region. Following up on the symposium, a multi-stakeholder Brownfields Working Group analyzed the problem of brownfields and made recommendations to the planning commission in July 1993. Since then, a voluntary cleanup law has been enacted in Ohio, and Cleveland has received funding from the U.S. Environmental Protection Agency for two demonstration projects. The planning commission is using a \$198,000 EPA grant to streamline the remediation and redevelopment of at least three brownfield sites. As part of the project, the commission is to identify financial and regulatory barriers and recommend ways to remedy them. The project is expected to help cities across the nation resolve their own brownfield problems.

CONCLUSION

The solutions and initiatives described throughout this report remind us that there is hope for American cities. The results are clear: more affordable housing for families in need, more jobs for economically distressed urban communities, and a healthier and safer living environment for more Americans.

Collaboration and partnerships produce better results than what individual organizations, public or private, can do alone. When each partner, whether the Federal government, private company or community group, brings a unique strength or resource to a community effort, the results can be very impressive. By working in collaboration with private enterprise, community-based organizations, private voluntary groups, and state and local government, the Federal government can be a more effective partner in community building.

Habitat II provides the Federal government and its partners a unique opportunity to promote solutions that work. Although the Conference will mark the completion of our preparatory activities, it is the beginning of our plan of action. Many approaches to the challenges of cities have already been applied and tested. But we must go further. All of us -- government, private and non-profit sectors, and individual citizens -- must act to help build healthy and sustainable communities of opportunity in the 21st century.

APPENDIX

THE VOICE OF URBAN AMERICA:

Local Input from Habitat Town Meetings

Overview

Citizen participation is a critical element in promoting sustainable urban communities. The capacity of democratic institutions to solve problems and to create a better future depends on the knowledge and involvement of citizens in a decisionmaking process that encourages systemic thought and broad-based action. Lasting solutions are best identified when people from throughout a community -- as individuals, elected officials, or members of the business community, environmental groups, or civic organizations -- come together in a spirit of cooperation to identify solutions to community problems.

As part of the national preparatory process for Habitat II, the Department of Housing and Urban Development and the U.S. Agency for International Development jointly sponsored a series of 12 town meetings throughout the nation. These sessions brought together neighbors, community groups, business leaders, advocacy organizations, and local government officials to examine the challenges facing America's urban communities. Each town meeting was planned and implemented by a local organizing committee with planning support provided by the U.S. Network for Habitat II, a network of non-governmental organizations dedicated to providing citizens with a voice in the decisions that affect their lives and communities.

A primary function of the town meetings was to get local input on key documents being prepared for Habitat II -- the U.S. National Report for Habitat II and the Habitat Global Plan of Action. The focus of Habitat II is on enablement, whereby national governments work in partnership with state and local governments, private firms, and the growing network of community-based organizations to build strong cities. It is critical that these documents reflect partnership every step of the way.

But more importantly, the meetings brought together local leaders and stakeholders to begin developing a vision for economically, socially, and environmentally sustainable communities. Although town meetings addressed affordable housing, economic development, and other major issues that are frequently the focus of national policy debate, the discussion also emphasized the challenges that exist in these individual communities. For example, the people of Los Angeles focused on disaster preparedness, while residents of Brownsville were concerned about access to water as a limiting force in housing development, while the Iowa residents were interested in rural development issues. This type of local discourse provides people with greater power over and responsibility for the decisions that shape their communities.

Decent and Affordable Housing is Critical

Because of its central role in the socio-economic well being of all families and neighborhoods, housing was an important focus at all town meetings.

Participants identified a number of successful aspects of housing delivery systems. For example, the leadership of non-governmental organizations, including community development corporations, faith-based groups, and civic organizations, has been instrumental in the effort to increase the supply of decent, affordable housing. And participants cited various Federal initiatives, including the Community Reinvestment Act and Enterprise Zone/Empowerment Communities initiative, as important in supporting local housing strategies.

But many participants indicated that much more could be done to expand the supply of decent and affordable housing in their communities. Some of the discussions focused the impact of Federal budget cuts, and the inability of the private market to supply housing at rents affordable to families most in need without some form of government assistance. Other areas of concern included the availability and condition of different types of housing, and open and fair access to the general housing market by different ethnic and racial groups.

Citizens offered a number of constructive actions, which ranged from forging stronger working relationships between community-residents and local government authorities to improving methods of disseminating information about housing issues and programs. Specific recommended actions included:

- expanding access to mortgage credit for lower income families and especially families headed by women;
- increasing funding for property improvement activities;
- improving enforcement of fair housing laws;
- reforming building codes and zoning regulations to better accommodate innovation;
- increasing purchase counseling for residents;
- improving relations between the business community and the local residents to improve neighborhoods and attract more private investment into both commercial and residential development;
- speeding up response from the local government to complaints about property-related violations;
- encouraging local housing authorities, public-private housing partnerships, and local governments to support and listen to the local women leaders; and
- improving the design of apartment housing for families, especially in public housing.

Town meeting participants in some cities also offered recommendations on housing for residents with special needs. These recommendations included:

- recognizing special needs housing as relevant to the needs of community and economic sustainability;

- increasing public funding of rent subsidies and other forms of assistance, such as property rehabilitation and counseling, for residents with special needs;
- expanding the effort to integrate housing for people with special needs into the community; and
- eliminating policies that promote the segregation of housing for people with special needs.

Promoting Economic Development

Like most Americans, town meeting participants were concerned about ways to safeguard existing jobs and to increase the number of new ones paying "livable" wages, and almost all of the town meetings indicated economic development as a top priority for their community.

Town meetings identified successful examples of initiatives to spur economic development. Several participants cited public-private business partnerships and supports for small businesses as beneficial to increasing economic development in urban communities. Tax incentives and access to capital through community banking were also cited as proven strategies that support economic development at the community level. And one session emphasized the value of small business incubators and merchant associations.

Many participants agreed that more could be done to promote decent wage jobs in urban communities. For example, participants cited as problematic the lack of support from banks for economic development in urban areas, and the perception that investments in urban areas are not safe investments. All town meetings agreed on the need to forge more innovative working relationships among the public, private, and the nonprofit sectors if sustained economic development is to take place in urban areas. Specific recommendations to attract private sector investment in urban areas included:

- maintaining and expanding tax incentive programs such as Empowerment Zones/Enterprise Communities;
- creating new jobs in the burgeoning field of "green technologies," such as those that are directed toward forming environmentally sustainable communities;
- reducing impediments to business expansion;
- targeting local growth area industries;
- providing pension fund incentives for socially-responsible investing; and
- improving job training programs by matching skills development to the current range of available job offerings.

In addition, a number of town meetings emphasized the need to establish and nurture small businesses as an important mechanism for increasing economic development in urban areas. Specific recommendations included:

- facilitating employee ownership of companies that might leave their districts;
- increasing economic diversity through greater minority ownership of businesses;
- making credit available to women for small businesses and for home purchases;
- developing more effective reinvestment strategies in the community by local financial institutions; and
- expanding access to financial and management counseling for inexperienced owners of small businesses.

Protecting our Environment

A general theme of the town meetings was the need for society to assume greater responsibility for protecting the integrity of natural resources and their underlying ecosystems, and in so doing, safeguarding the interests of future generations.

The town meetings all emphasized the importance of involving the entire community in addressing local environmental issues. One town meeting set a goal of citizen integration into decision-making at all levels. Another highlighted the effectiveness of accessing and using all community resources, even its trash. While recognizing individual rights to clean air, water, and soil, participants sought to encourage individual responsibility and action in realizing this right.

In terms of further action, many town meeting participants emphasized the critical importance of education in reaching environmental goals, including encouraging holistic thinking or a comprehensive approach to the problems. Moreover, participants in one meeting called for the President and Congress to reaffirm and implement national commitments made at previous United Nations conferences. Specific recommendations included:

- developing and promoting new ways to reduce car usage;
- promoting urban agriculture;
- encouraging more widespread practice of recycling;
- re-designing urban areas in the direction of sustainability by increasing and protecting open space and urban wilderness within and around all cities;
- identifying and publicizing the real costs of air pollution;
- moving toward national energy self-sufficiency through the use of renewable and non-polluting forms of energy;
- increasing awareness of urban residents' connection to nature;
- promoting citizen involvement in the preservation of endangered species; and
- factoring in the "true-costs" of environmental pollution before in all cost-benefit analyses of new development.

Education for the Year 2000

The quality and accessibility of educational opportunities over a person's entire lifespan was an important issue for many town meeting participants.

Reaction to the current state of education was mixed. Many participants clearly felt that programs such as Head Start, as well as local literacy and mentoring programs, were effective in providing disadvantaged students an extra boost to move onto greater challenges and opportunities. But meetings cited limited funding, violent crime, and racial tensions as serious obstacles in the effort to prepare students for employment in the global marketplace.

While most of the discussions focused on young people, town meeting participants stressed the need for educational programs that reach to people of all ages. Specific recommendations included:

- educating all segments of the population to gain the skills to participate fully in the economic, social and civic life of the community in a way that promotes sustainability;
- providing opportunities for life-long learning and earning;
- making education a national priority and securing the funding to do so;
- increasing the number of child development centers;
- promoting girls and women in science, mathematics and technology;
- collaborating with social agencies and police to end violence and sexual abuse, especially against girls and women;
- requiring mandatory literacy accountability before graduation;
- building partnerships for funding, collaboration and communication;
- utilizing voluntary services from members of the community;
- using the educational system as a catalyst for positive social change by emphasizing human relations, conflict resolution and reduction of prejudice and providing a multi-cultural curriculum; and
- teaching the importance of gender equality in the schools.

Health Care Availability

The quality, accessibility, and affordability of health care emerged as an important issue for communities at many of the town meetings.

Participants discussed what was working well in their communities: programs that encourage wellness and prevention are a cost-effective approach to staying healthy; well baby programs, including early childhood immunization efforts, are beginning to show promise; and health maintenance organizations have become a viable delivery mechanism for many urban residents. But in many communities, too many lower-income households, especially female-headed households with children, lack regular access to affordable, quality health care.

Participants had very specific recommendations for improving the quality and availability of health care services in their communities. At one town meeting, participants set a goal of ensuring that 90 percent of children are appropriately immunized by their second birthday before the year 2000. At another town meeting, participants called for health education centers that would educate consumers in schools, workplace and other community access points. Some specific health recommendations included:

- establishing universal health insurance by the year 2000 as a goal for the United States;
- financing health insurance through insurance payments combined with general revenue taxes;
- addressing long delays for mothers with sick children at clinics;
- providing greater substance abuse treatment and prevention services;
- adopting strategies to stop violence against women; and
- taking inventory of existing health services to move resources where they are most needed.

Of Concern to Women

In many urban communities, women play a number of important roles -- entrepreneur and service provider, community organizer and coalition builder, caretaker and nurturer -- just to name a few. Given the importance of women in these neighborhoods, town meetings examined community-building issues from a gender perspective, not just with regard to the needs, but also the strengths of the women who live in these communities.

Given current demographic trends, the feminization of poverty was an important concern to many participants. Discussions emphasized the importance of eradicating discrimination in access to employment, essential services, credit and financing, shelter, ownership or leasing of property. Recommendations that address specific women's concerns include:

- coordinating family services for women and children so these services support one another and making these available at a time convenient for working mothers;
- enhancing protective family services in response to escalating incidence of child abuse;
- encouraging local housing authorities, public-private housing partnerships, and local governments to support and listen to the local women leaders;
- providing equal pay for equal work;
- addressing the "ghettoization" of women in back office centers that offer only clerical, low-pay jobs with opportunity for advancement;
- changing state divorce laws that discriminate against women;
- increasing the supply of battered women's shelters and rape crisis centers; and
- increasing affordable, quality health care for the disproportionately female and sick poor.

Town Meetings: A Starting Point

Although the town meetings were initiated to gather input into U.S. preparations for Habitat II, the community involvement and planning will not end with the Istanbul Conference. Many communities immediately began planning follow-up activities. For example, Baltimore's town meeting produced work groups focused on implementing the local recommendations. In Los Angeles, organizers have planned a post-conference town meeting to bring home the lessons from Istanbul. And in Seattle, the Habitat town meeting is part of a larger effort to sustain an ongoing community dialog process.

This summary does not capture the wealth of information and recommendations generated that the town meetings generated. Nor does it fully reflect the fervor and commitment of the individual citizens, elected officials, community groups, and business leaders who came together in a spirit of cooperation to identify solutions to community problems. But it should offer some insight into the concerns of the residents of America's urban communities.

Not all of the town meeting reports were available in time to be incorporated into this chapter. By July, 1996, full reports from each of the town meetings will be available on from the Habitat II Clearinghouse web site:

<http://www.huduser.org/habitat.html>