

The original documents are located in Box 18, folder “Housing (7)” of the James M. Cannon Files at the Gerald R. Ford Presidential Library.

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cc: Quern
McConahey
May
Fletcher

THE WHITE HOUSE
WASHINGTON

October 2, 1976

1976 OCT 2 PM 3 34

*file
Housing /
neighborhoods*

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

JIM CANNON

FROM:

JIM CONNOR *JEC*

SUBJECT:

Governor Milliken

The President reviewed your memorandum of September 30 on suggestions made by Governor Milliken and made the following notation:

"I think, if possible, we should visit an Inner City neighborhood in Detroit or Chicago."

Please follow-up with appropriate action.



cc: Dick Cheney
Jerry Jones

100209

Housing

L. J. King

ACTION REQUESTED

October 2, 1976

MEMORANDUM FOR:

✓ JIM CAVANAUGH
PAUL O'NEILL
BILL BAROODY

FROM:

FRED SLIGHT *FS*

SUBJECT:

Article Request

The President has been requested to comment upon several position papers issued by the American Institute of Architects for publication in their newsletter as well as distribution to their upcoming convention's attendees.

Attached at Tab A are the AIA position papers for which responses have been drafted. The draft comments, prepared by the Department of HUD's public information office, are attached at Tab B for your review.

Inasmuch as the extended submission date for publication is Tuesday, October 5, I would appreciate your comments and/or suggestions by 12:00 noon, Tuesday, October 5. Again, I regret this extremely quick turnaround requested.

Thank you for your cooperation and assistance.

Attachments



THE WHITE HOUSE
WASHINGTON

DATE: 10/5

TO: FRED SLIGHT

FROM: ALLEN MOORE

SUBJECT: Article Request
sent to Jim Cavanaugh

ACTION:

FYI:

Attached is an edited version
of the AIA material.




THE WHITE HOUSE

WASHINGTON


October 5, 1976

TO: LYNN MAY

FROM: 
GLENN SCHLEEDE

SUBJECT: Article Request

The HUD statement is a bit too bureaucratic and promotional of pet Federal agency efforts -- rather than promotional and supportive of private efforts. I recommend changing it as marked up on the attached.



THE WHITE HOUSE

WASHINGTON

October 5, 1976

MEMORANDUM FOR: ALLEN MOORE
FROM: LYNN MAY 
SUBJECT: Article Request

Per your request, I am returning the edited comments to the position papers of the American Institute of Architects. Please note that Sarah Massengale suggests the substitution of a statement prepared for the Historical Trust Newsletter to the response on Historical Trust prepared by HUD.

Glenn Schleede has not returned his comments on the section on Saving Energy in the Built Environment.

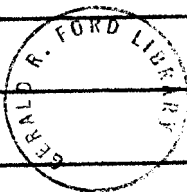
Attachment

THE WHITE HOUSE
WASHINGTON

10/6/76

TO: JIM CANNON

1976 OCT 7 PM 5 14




Robert D. Linder

1976 OCT 6 AM 10 04
HAND DELIVERED
RECEIVED AND SECURITY UNIT
THE WHITE HOUSE
WASHINGTON

Handy

*14
Sign
Public Buildings
Cooperative Use Act*

Advisory Council on
Historic Preservation
1522 K Street N.W.
Washington, D.C. 20005

October 4, 1976

The President
The White House
Washington, D.C.

Dear Mr. President:

I am writing to advise you of the recommendations of the Advisory Council on Historic Preservation concerning the "Public Buildings Cooperative Use Act of 1976" which passed the Senate on October 1, 1976, and was sent to you for approval.

RV

The Council strongly supports the Public Buildings Cooperative Use Act and recommends that you sign this bill into law.

At its meeting on May 7th and 8th, 1975, the Council reviewed the provisions of this legislation, as then proposed, and voted unanimously to endorse early enactment of the legislation. The Council finds that the bill as passed by the Congress is consistent with the Congressional declaration of national historic preservation policy, articulated in the National Historic Preservation Act of 1966, that "the historical and cultural foundations of the Nation should be preserved as a living part of our community life and development in order to give a sense of orientation to the American people."

Further, the Council's experience with regard to the reuse of historically and architecturally significant buildings confirms the validity of the approach of this bill to the revitalization of urban areas, to energy and resource conservation, and to labor intensive employment. The concept of reusing historically, culturally or architecturally significant buildings for new purposes has gained considerable currency. While there are examples of Federal government reuse of existing structures, most notably here in Washington, the Federal government has not aggressively pursued adaptive use of historic buildings to meet its current space needs. Favorable action on this bill would direct the Federal government, through the General Services Administration, to take a positive approach to incorporating the useful elements of our past into our lives today. Such action would fulfill the government's duty to provide leadership in the conservation and preservation of our cultural heritage. It would also affirm the government's commitment to an economy based on conservation rather than consumption.



The Council is an independent unit of the Executive Branch of the Federal Government charged by the Act of October 15, 1966 to advise the President and Congress in the field of Historic Preservation.

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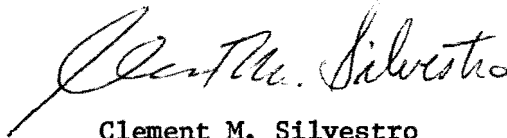
Activities undertaken in response to this bill can and will be an example for communities across the Nation. The plans currently proposed by the National Endowment for the Arts to adaptively use the Old Post Office on Pennsylvania Avenue here in Washington are aimed at providing the Endowment with needed office space, providing a showcase for their activities, and indeed at contributing new vitality to the surrounding downtown area. The Federal government's creative reuse of an existing structure could have an important effect on revitalizing and enhancing not only individual structures but whole neighborhoods and communities.

A recent special report prepared by the Advisory Council surveyed construction costs involved in adaptive use projects. In part, the report concluded that based on construction cost data "adaptive use stands as an equally feasible alternative to meet the space needs of a tenant.... Adaptive use projects not only reward the investors and the occupants, but also the community by being the primary ingredients of an urban conservation theme. This fresh new look at the urban fabric has the potential of redefining and reestablishing the promise of America's cities."

The Public Buildings Cooperative Use Act has received the endorsement of the American Institute of Architects, the National Endowment for the Arts, and virtually every major historic preservation organization throughout the United States, including the National Trust for Historic Preservation. The legislation has also been supported by the General Services Administration, the agency that would be most affected by the bill.

The Advisory Council on Historic Preservation is pleased to join with these agencies and organizations in recommending that you sign the Public Buildings Cooperative Use Act.

Sincerely yours,



Clement M. Silvestro
Chairman



Advisory Council on
Historic Preservation
1522 K Street N.W.
Washington, D.C. 20005

The President
The White House
Washington, D.C.

POSTAGE AND FEES PAID
U.S. DEPARTMENT OF THE INTERIOR
INT-417



INFORMATION
Housing

THE WHITE HOUSE
WASHINGTON

1976 OCT 11 PM 12 11
October 8, 1976

MEMORANDUM FOR: JIM CANNON
FROM: LYNN MAY *Lynn M*
SUBJECT: Chad Minifee

FYI. The HUD Regional Office in Boston at my request cleared up the impediments to the commencement of the restoration of the area around Trinity Church in Newport, Rhode Island. Mr. Minifee is grateful and sends his regards.

Agree
Excellent!



DOMESTIC COUNCIL

FROM:

GOVERNOR Mills Godwin

*file
Housing*-----
SUBJECT:Telegram to the President re:
Section 8 housing authorizationsDate: 10/18/76

COMMENTS:

Godwin has been informed that HUD has made no 1977 authorizations to finance mortgage loans from state housing financing agencies under Section 8.

He seeks reconsideration of this apparent decision.

Lynn May is preparing a response.

ork-----
ACTION:Date:

FYI

JMC-

This is from Governor Godwin. A copy was sent to Lynn May.

k

THE WHITE HOUSE
WASHINGTON

10-18-76

TO: Jim Cannon

For Your Information: _____

For Appropriate Handling: _____

RDL
Robert D. Linder

101902



The White House
Washington

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ICS IPMNAWB WSH

1976 OCT 18 PM 8 05

09154 NAC003(1603)(2-024508C292) 10-18

PMS RELAY 01151 RICHMOND VIR 242 10-18 0421P EDT

THE HONORABLE GERALD R FORD, PRESIDENT

WHITEHOUSE DC

I HAVE BEEN INFORMED THAT THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT HAS MADE NO 1977 AUTHORIZATION TO FINANCE MORTGAGE LOANS FROM STATE HOUSING FINANCE AGENCIES UNDER SECTION 8 OF THE HOUSING ASSISTANCE PAYMENTS PROGRAM. AS THE VIRGINIA HOUSING DEVELOPMENT AUTHORITY (VHDA) IS THE PRINCIPAL AGENCY FOR PROVIDING LOW AND MODERATE INCOME HOUSING IN VIRGINIA I MUST ADVISE THAT THIS DECISION IS OF MAJOR CONCERN TO US.

I FULLY UNDERSTAND THAT THERE MAY BE SOME FUNDING FOR STATE HOUSING FINANCE AGENCIES DURING FISCAL YEAR 1977- FROM FUNDS CARRIED OVER FROM PRIOR FISCAL YEARS. HOWEVER, THIS IS NO

SUBSTITUTE FOR THE UTILIZATION OF FISCAL 77 AUTHORIZATION FOR STATE AGENCIES.

AS A MATTER OF BACKGROUND, SINCE THE INCEPTION OF THE SECTION 8 PROGRAM, HOUSING DEVELOPMENTS FINANCED BY VHDA ACCOUNT FOR 84-9/0 OF ALL RESERVATIONS OF SECTION 8 CONTRACT AUTHORITY, AND 100-0/0 OF ALL CONSTRUCTION STARTS IN VIRGINIA. I CITE THESE FIGURES TO DEMONSTRATE HOW IMPORTANT IT IS FOR THE SUCCESS OF THE SECTION 8 PROGRAM THAT STATE AGENCIES, SUCH AS VHDA CONTINUE TO RECEIVE SET-ASIDES OF SECTION 8 FUNDS FROM HUD.

I STRONGLY URGE YOU AND SECRETARY HILLS TO RECONSIDER THE DECISION OF NOT ALLOCATING SECTION 8 CONTRACT AUTHORITY TO STATE HOUSING FINANCE AGENCIES. INSTEAD, I URGE YOU TO SPECIFICALLY SET ASIDE ON A NATIONAL BASIS SUFFICIENT FUNDS FOR SUCH AGENCIES TO CONTINUE TO MAKE SECTION 8 A MEANINGFUL PROGRAM

TO PROVIDE LOW AND MODERATE INCOME HOUSING.

THANK YOU FOR YOUR ATTENTION TO THIS MOST IMPORTANT ISSUE.

CC: THE HONORABLE CARLA A HILLS

MILLS E GODWIN JR

GOVERNOR

COMMONWEALTH OF VIRGINIA

NNNN



THE WHITE HOUSE

WASHINGTON

October 28, 1976

Dear Chad:

That was a nice letter you sent to
Lynn May.

I am glad that things worked out
so well and that we could be of
some help to you.

Best regards.

Love to Liz and the children.
Sincerely,

James M. Cannon
Assistant to the President
for Domestic Affairs

The Reverend Charles J. Minifie
Trinity Church
P.O. Box 359
Newport, Rhode Island 02840



- nice letter you sent to Lynn May
- Good we could be of some help

Handwritten notes:
Check -
Bill W. Smith
Housing
Housing

TRINITY CHURCH
POST OFFICE BOX 359
NEWPORT, RHODE ISLAND 02840

THE REVEREND CHARLES J. MINIFIE
Rector

THE REVEREND D. LORNE COYLE
Assistant

Parish Office
27 CHURCH STREET
TEL. 401-846-0660

Mr. Lynn May
Associate Director Domestic Council
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Lynn:

On behalf of Trinity Church, Miss Doris Duke and the people of Newport, I write to express our deepest gratitude to you for all that you did in expediting HUD's approval of Queen Anne Square.

As I explained to you on the telephone when I first told you of the problem, a long delay because of the HUD mixup very probably would have caused the project's demise. Quite frankly, those of us who knew about the problem were afraid that the latest delay would have been the straw that broke the camel's back. So, as you can see, we owe you our hearty thanks for all that you did!

This letter comes to you with my deep appreciation, warm best wishes and greetings,

Sincerely yours,
Signature
Charles J. Minifie

24 October 1976



Jim Many many thanks!
Signature

Housing

THE WHITE HOUSE
WASHINGTON

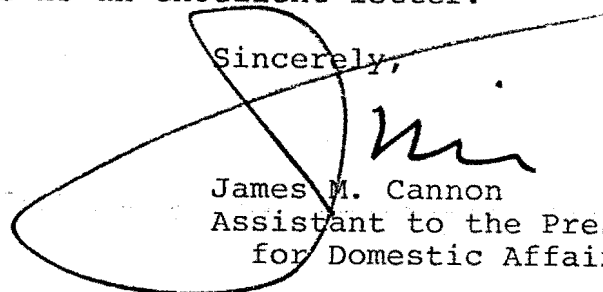
October 28, 1976

Dear Carla:

I like your vigor and I like your style.

This is an excellent letter.

Sincerely,



James M. Cannon
Assistant to the President
for Domestic Affairs

Honorable Carla A. Hills
Secretary of the Department
of Housing and Urban
Development
Washington, D.C.





THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D. C.. 20410

1976 OCT 25 PM 3 05
October 22, 1976



Mr. John B. Oakes
Editorial Page Editor
The New York Times
New York, New York

Dear Mr. Oakes:

For the second time in four weeks, a New York Times editorial on housing contains glaring errors and mistaken assumptions that distort the issue.

I replied to the September 19 editorial. The editorial of October 21 contains such an extraordinary collection of mis-statements that I am compelled to respond again.

First, the errors.

You state flatly that "only 15 percent of American families...can afford a new median priced home." That figure, widely discredited by economists of both political parties, has been contradicted by actual home purchases.

The truth is that 65 percent of Americans own their homes and the trend is up. Homeownership expanded during the 1970's four times as fast as it did in the 1960's. The rate rose between 1960-1970 from 62 to 63 percent, and in the four years between 1970-1974 from 63 to 65 percent.

Your statement on increased home prices is a half truth. The other half is that family incomes have increased at the same rate as home prices. Since 1968, the median new home price and median family income have both risen by 59 percent. In the same period, the size of homes has expanded and home quality has substantially improved. Increases in purchasing power, in short, have kept up with increased home costs, a fact totally ignored in your editorial.

You insist we have a "depressed housing market". The facts are the opposite. More new single family homes were started in the first nine months of 1976 than in all of last year or in all of 1974, 1970, 1969, 1968, 1967 or 1966. If we don't build another new house this year, the total for 1976 will still be the fourth best year in a decade, quite contrary to your statement that "the number of new housing starts has slumped in the last three years to the lowest levels since World War II."

102604



The major false assumption of the editorial is that "a high volume of production" will solve the housing problems of the nation's lower and middle income families.

Artificial stimulation of the market pursuant to the Housing Act of 1968 created great pockets of overproduction in this country, which we are just now working off. Overproduction fostered the notion that we could discard our existing urban assets, and that we could throw away slightly tarnished city housing for the shiny new, further out. Those notions created urban sprawl, abandonment in our cities and too often turned sound urban housing into boarded and empty deteriorating blight.

Today, we are far more effectively meeting existing and rapidly developing needs through coordinated community development, neighborhood revitalization, housing rehabilitation and rental subsidy policies of President Ford, working with the private market. Administration policies are moving us toward more homeownership, lower interest rates, fewer foreclosures and better housing quality. Our faith in the private market is balanced by an awareness of our responsibilities to subsidized markets into which the Administration has pumped \$15 billion in mortgage assistance from 1974 through 1976.

Your other errors are equally grievous.

You compare a 6 percent interest rate of the 1960's to a 10 percent rate as though 10 percent reflected credit available today. In fact, the Ford Administration has lowered the Federal mortgage rate to 8 percent in line with the current market. It was able to do so because of its successful fight to reduce double-digit inflation.

Your statistics on housing deprivation are more than double the actual numbers. The number of inadequate units is lower than ever before and is declining steadily.

Finally, the Times again notes only the vetoed, not the enacted, version of the 1975 Emergency Housing Act. That Presidential veto was supported not only by Republicans but also by knowledgeable Democrats including the Chairman of the House Urban Subcommittee who called it "a turkey that could never fly."



You ignore the new bill, introduced the day after the veto. This improved bill is now law, a fact also unmentioned by the Times editorial.

The vetoed bill was a bad one.

So is the writer of housing editorials of the Times, I reluctantly conclude.

Sincerely,



Carla A. Hills

cc: Arthur Sulzberger
Publisher

bcc: Ron Nessen
William Greener
L. William Seidman
James Cannon ✓

file

THE WHITE HOUSE
WASHINGTON

November 4, 1976

MEMO FOR: LYNN MAY
FROM: JIM CANNON
SUBJECT: Legislative Program for HUD

Please look this over and identify for me in a brief memo the key points of concern.

Attachment



HUD

REQUEST
INFORMATION

THE WHITE HOUSE
WASHINGTON

1976 NOV 10 PM 3 17
November 9, 1976

Lynn
Frank
Jim

MEMORANDUM FOR: JIM CANNON
FROM: LYNN MAY
SUBJECT: Addendum to HUD Legislative Program

Per your request, I have reviewed the additional legislative proposals submitted by HUD in an October 21, 1976 memo to Jim Lynn. The first two items are of relatively minor importance. The first would amend language of a 1965 Housing Law to correspond to the language of a 1974 Act. The second would exempt modular homes from being classified as mobile homes if they meet certain criteria, thus freeing modular homes from the zoning and financial restrictions facing mobile homes.

The third proposal-- expanding the homesteading program to include structures of more than four units -- is significant because it would expand the housing stock open to homesteading. HUD has not committed itself to this course but is holding it under consideration.





THE GENERAL COUNSEL OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D. C. 20410

Cannon

OCT 21 1976

Honorable James T. Lynn
Director
Office of Management and Budget
Washington, D. C. 20503

Dear Mr. Lynn:

Subject: HUD Legislative Program, 95th Congress

On October 4, I forwarded to you this Department's legislative program for the first session of the 95th Congress. Subsequent to this submission, the Department has adopted two other proposals, copies of which are enclosed. These should be added to Part II of our October 4 legislative program package, as items 95-40 and 95-41. I would also like to advise you of an additional proposal relating to urban homesteading which we are now considering. A brief description of this is enclosed which should be added as item 16 to the listing of proposals "under consideration" which was included in our October 4 package.

Sincerely,

/s/ Robert R. Elliott

Robert R. Elliott

Enclosures



110250

95-40. Technical Amendment of Income Limits Under Rent Supplement Program. This proposal would amend section 101(c)(1) of the Housing and Urban Development Act of 1965 to provide that income limits for qualified tenants be established pursuant to section 3(2) of the United States Housing Act of 1937, rather than pursuant to section 2(2) and 15(7)(b)(ii) of the 1937 Act as under existing law. The proposal would take into account amendments to the 1937 Act made by the Housing and Community Development Act of 1974, eliminating the requirement under section 15(7)(b)(ii) that there be a 20 percent gap between the upper rental limits for admission to low-rent housing and the lowest rentals provided by private housing, and substituting the section 3(2) definition of low-income families for that contained under former section 2(2). Application of the former sections 2 and 15 eligibility standards to the rent supplement program would result in income limits substantially below those now approvable for low income housing. The proposal would correct the current failure of section 101 to include the 1974 amendments and reflect the original intent of section 101 of establishing the same income limits for rent supplement and low income housing projects.



95-41. Authority to Exempt Modular Homes From National Mobile Home Construction Standards. This proposal would amend the National Mobile Home Construction and Safety Standards Act of 1974 to authorize the Secretary to exempt modular homes in whole or in part from the provision of the Act if manufactured in accordance with acceptable modular housing standards. The definition of mobile homes under section 603(6) of the Act may now technically be applicable to such structures if constructed on a permanent chassis, although there is no indication that Congress actually contemplated that the Act so apply. Generally, modular housing is manufactured to nationally recognized building codes or to State or local codes that are substantially similar to codes covering stick-built housing, and are treated as stick-built housing for zoning and financing purposes. Industry comments indicate that modular homes cannot economically meet both mobile home and modular home standards, and that if modulars are required to have mobile home labels, they will be subject to the same zoning and financing restrictions as mobile homes.



16. Amendment of section 810 of the Housing and Community Development Act of 1974 to authorize transfer of multi-family properties for use in urban homestead programs. The program is now restricted by statute to 1 to 4 family dwellings. The proposal is designed to permit transfer to local governments of larger structures, typically walk-ups which could be conveyed to cooperative associations.



THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D. C. 20410

Housing

DEC 6 1976

1976 DEC 7 AM 10 42



MEMORANDUM FOR: The President
FROM: Carla A. Hills

As you requested, I have looked into Belding, Michigan's participation in our Community Development Block Grant program. Under either OMB's or HUD's proposal, Belding's hold-harmless allocation will phase down to zero in 1980; and, because it is a community of less than 50,000, it has no formula participation under anyone's proposal.

We are very concerned that the current formula favored by OMB is heavily biased against older large cities. These cities will receive dramatically less funding with the expiration of hold-harmless. Yet, these are the very cities identified as having the greatest relative needs in HUD's study of the formula, and by the President's Committee, Brookings Institution, the Urban Institute and the Conference of Mayors.

A few examples will indicate the magnitude of this problem.

<u>City</u>	<u>FY-77 Funding</u>	<u>1980 Funding Under OMB Plan</u>	<u>Formula Entitlement Under HUD Plan 1/</u>
Lansing, Michigan	6,169	2,029	5,696
Newark, New Jersey	19,508	11,122	26,153
Flint, Michigan	7,608	3,543	13,448
Baltimore, Maryland	29,042	20,651	38,740
Boston, Massachusetts	28,993	13,032	34,769
Akron, Ohio	9,819	4,453	9,033
San Francisco, California	28,430	14,031	31,851

(\$ in thousands)

1/ Estimates are based on current unemployment. Funding would decrease as unemployment decreases.

I believe it is of the greatest importance that you, your Administration and our party not appear insensitive to the well-documented needs of our major metropolitan areas.

However, recognizing the need to balance the budget and the problems of our older cities, we suggest a compromise. By limiting funding for smaller communities outside the formula allocation, we could reduce our budget request from \$4.6 billion to \$4.2 billion and still implement our basic proposal.

cc: James T. Lynn
James M. Cannon ✓

