

The original documents are located in Box 24, folder “White House Small Towns Task Force, 1974-1975 (1)” of the Stanley Scott Papers at the Gerald R. Ford Presidential Library.

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THE WHITE HOUSE

WASHINGTON

June 11, 1974

MEMORANDUM FOR:

KEN COLE
DANA MEAD

FROM:

STAN SCOTT *JS*

SUBJECT:

SMALL TOWNS TASK FORCE

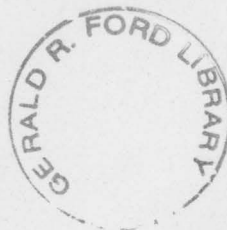
Reactivation of the White House Small Towns Task Force, in my view, is needed at this time to carry out the Administration's philosophy of New Federalism and to refute those critics who charge that government is not being responsive.

Working with minority elected officials during the past six months, I have found that they would be definitely interested in a White House Small Towns Task Force visit to their towns and would look forward to support from the Federal Government under the Intergovernmental Personnel Act of 1970. Approval of this proposal, I believe, would further help us deliver services to municipalities of 50,000 population and below and at the same time defuse our Administration critics.

Would appreciate your comment as soon as possible.

Attachment

cc: Jim Falk
Jim Cavanaugh
Alexander Haig



INFORMATION SHEET

WHITE HOUSE SMALL TOWNS TASK FORCE

The purpose of the White House Small Towns Task Force visits is to meet with local officials and other representatives of the people to determine what their most important needs are and what immediate and long-range assistance can be given by the various Federal and State agencies to help meet these needs. This is in line with the President's commitment to fight poverty with action not words.

These visits are under the leadership and direction of Stanley S. Scott, Special Assistant to the President. The inter-agency team is comprised of representatives of the following agencies: Agriculture (Farmers Home Administration, Soil Conservation Service, and Food-Nutrition Services); Commerce; Defense (Office of Civil Defense); Health, Education, and Welfare; Housing and Urban Development; Office of Economic Opportunity; and Small Business Administration. Since many programs are Federally funded but administered at the State or local level, appropriate State and regional officials will participate.

A walking and bussing tour will be made of each community in order to gain first-hand information about the environment and economic conditions of the community. Selected stops and on-the-spot discussions with local leaders will permit further insight regarding the communities' most urgent problems. A community wide meeting will also be conducted to permit local citizens to discuss specific problems with appropriate Federal and State officials.

These visits will permit the identification and dimension of disadvantaged rural communities' problems as an urgent prerequisite to the development of a nation-wide program. Visits to other rural communities to include Indian, Mexican American, and Spanish Speaking will help bring into perspective the widespread and unknown dimensions of the problems which are not quantifiable from available census and other economic and demographic data. The racial characteristics of each community is closely observed and noted because it may have some bearing on some aspects of community problems and solutions to them.



We have noted from previous visits to other communities that all-white disadvantaged communities do have some problems in common with non-white communities which relate to problems of all disadvantaged communities. Immediately after the inventory is completed, the problem areas which tend to be common to all or most rural areas will be given priority under existing authorizations and new authorizations which may be necessary.

These visits are also an earnest demonstration of President Nixon's "Bring the Government to the people."



SUGGESTED SUPPORT FOR SMALL TOWNS

The successful bid by blacks to become mayors of small rural towns in the South has brought about a new set of problems never faced in this century. Often without a tax base or any other source of meaningful revenue, these newly elected officials are faced with unique problems. Their lack of experience as administrators often compounds the problems.

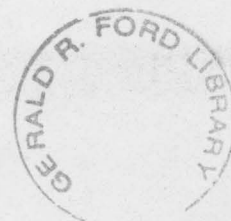
Housing, water, sewage, jobs, health care, and training in municipal administration are badly needed by most southern black mayors.

It is therefore imperative that assistance be given these mayors through Public Law 91-648, Intergovernmental Personnel Act of 1970.

Title IV -- MOBILITY OF FEDERAL, STATE, AND LOCAL EMPLOYEES: provides the legal basis to staff the headquarters operation of the Southern Conference of Black Mayors.

The Act provides for assignment of employees of executive agencies to State or local governments on detail for a period of two years. The agency head may extend the period of assignment for not more than two additional years.

Federal personnel could be detailed to the municipalities of the officers of the Conference with duty station being further designated as the Conference headquarters.



Suggested Staffing Pattern for Black Mayors

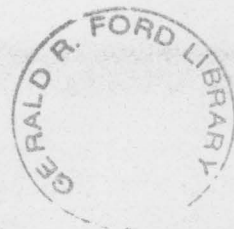
1. Executive Director or Executive Assistant. Person selected would have experience in management, with a good background in community and grass roots (GS-15)
2. Four Staff Specialists (GS-11 - 13)
rural
 - A. Planner -- familiar with/and urban problems and intimate knowledge of programs offered through HEW, Agriculture, HUD, EPA, (GS 11-13).
 - B. Business -- knowledge of Commerce, SBA, OMBE and business development.
 - C. Fiscal Expert and General Counsel -- knowledge of tax laws, bookkeeping, revenue sharing (New Federalism).
 - D. Generalist -- background in communications, public relations, promotional advertising.
3. Clerical Support. Three clerk typists for the staff with one administrative assistant.

Physical Accommodations

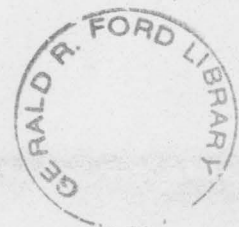
1. Equipment would be solicited by the Conference from industry and from surplus Government items.
2. Office space provided by the Conference.

The Bureau of Intergovernmental Persons Programs at the Civil Service Commission, headed by Joseph M. Robertson, could expedite this plan if approved.

In addition, grant funds under the IPA Grant Program could be obtained for training these mayors and local personnel in the mayor's employ.



Implementation of this proposal would be a real plus for this Administration since it would be highly visible, touch the heart of America at the grass roots level, and bring about the delivery of much needed services to people in rural and small urban areas.



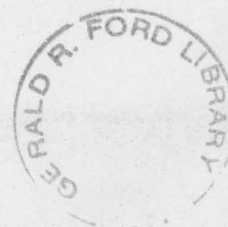
BRIEFING
White House Small Towns Task Force

This is a concise abridgment on the history of the White House Small Towns Task Force implemented during the past four years with emphasis on the need for continuation of this activity.

It was decided in late 1969 that the White House Task Force On Aid To Small Deprived Communities would conduct a series of visits to disadvantaged small towns and communities in which the majority of the population were in urgent need of outside assistance. The purpose of the visits was to meet with local officials and other representatives to determine their priority needs and to provide immediate and long range assistance. Fifteen communities in five States were visited and assisted.

In 1971 that title was changed to the White House Small Towns Task Force designed primarily to provide technical assistance to 14 minority communities in nine States. The main purpose for the visits was to:

1. Educate elected officials of socially and economically deprived communities on available Federal programs and to demonstrate the concern of this administration in making these programs functional.
2. Enable the Federal Representatives on the Task Force to present applicable programs to socially and economically deprived communities in a comprehensive manner.



3. Inform responsible officials, who administer Federal programs, of the impasses faced by disadvantaged communities around the country so that elected officials may better understand the relationship of their specific problem to Federally funded programs.
4. Enable the Task Force to achieve visible tangible results that could be used to demonstrate the thrust of this Administration in socially and economically deprived areas.
5. Improve relations with members of the press by exposing them, under favorable circumstances, to active key members of the Administration. The more we can open communications the more we can reduce the suspicion which many members of the press feel toward various activities of this Administration.
6. Implement with vigor, the President's mandate of bringing the government to the people.

We are now prepared to present the New Federalism to the nation in a decade of development and growth for socially and economically deprived communities never known before, hopefully to surpass the period in history when our country helped develop other nations during the last three decades. One of my aims, in the largest sense, will be to create a new partnership between the Federal/State governments and local elected officials encouraging them to:



1. Accept new paths of community development.
2. Assume a greater responsibility toward improving their community in proportion to their means and aspirations.
3. Develop a partnership with which this administration can relate.
4. Present President Nixon's new programs designed to vitalize the American system of direct finance under "Revenue Sharing."
5. Encourage local officials to focus their time, their resources and their talents on meeting local needs and producing results through the proposed Better Communities Act, designed to provide revenue sharing for community development.
6. Determine how local leaders are utilizing Revenue Sharing and Special Revenue Sharing funds, and develop reliable information on their problems and opportunities.
7. Provide assistance to disadvantaged communities suffering the ravages of a natural disaster pursuant to the President's new proposed Disaster Assistance Act.
8. Provide technical assistance that will eliminate some of the barriers that have impeded community development.
9. Assist elected officials in their planning, management, budgeting and evaluation of socially and economically deprived communities.



10. Assist local officials to mobilize their own energies and those of their constituents.
11. Note State Government's part in meeting community needs.
12. Determine action taken by elected officials to provide aid to genuinely needy families and eliminate waste.
13. Note progress made, if any, on the adequacy of local surface transportation.
14. Validate objective standards governing the flow of money to cities and smaller communities based on a formula reflecting community need.
15. Evaluate the results of local planning and management capabilities, so that appropriate adjustments can be made.
16. Evaluate the effectiveness of the Rural Development Act of 1972 which provided insured loans and guaranteed loans which allows maximum participation of the private sector.

One approach open to the Task Force in achieving the above goals is to bring the government, White House Task Force, to the people in order to observe, brief, assist and note the effectiveness of on-going programs relative to Revenue Sharing. This approach will encourage elected officials to support this administration's new and proposed long range objectives to include



the advantages, at the local level, of the proposed reorganization of government, under a broad formula of grants for six major functions: urban development, rural development, education, manpower training, law enforcement, and transportation. These functions will be administered, when approved, by four easily identified departments: Natural Resources, Human Resources, Economic Development, and Community Development.

The short-view patterns appear to have been established during the past four years, and with this updating and modification of the present assistance and coordination effort of the White House Small Towns Task Force, under new leadership, will emphasize the right things for the right reasons. Accordingly, consideration is being given to update the title of the Task Force to conform with the Domestic Council Presidential Counsellor on Community Development and the Regional Council's aims and objectives, pursuant to the President's mandate, as follows:

White House Task Force For Domestic Affairs, or

White House Task Force For Minority Affairs, or

White House Task Force on Aid To Socially and Economic

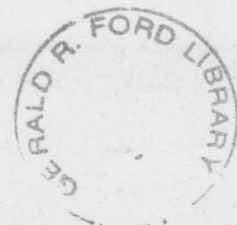
Deprived Communities, or

White House Task Force On Planning, Management & Evaluation, or

White House Task Force For Economic and Community Development, or

White House Task Force For Human, Economic and Community Development, or

White House Task Force For Human and Natural Resources, or



White House Task Force For Social and Economic Development, or
White House Task Force on the Effectiveness of Revenue Sharing, or
White House Task Force On Management and Community Planning

It is most important that the action be taken to accelerate articulation between elected officials of socially and economic deprived communities and its constituency by demonstrating that this administration means business and by showing them that we are now spending more money on domestic problems than previous administrations. Present facts showing that too many programs have been tried and found wanting to change the widespread concept of previous acceptance of poverty, mentality, and instill confidence to local elected officials to pull themselves up by their own bootstraps. This relationship will close the gap that exists between the national government and a segment of the people.

Our effort will be in conjunction with the regional council that is charged with the responsibility of strengthening and improving field activities of the Federal government. The coordination activity, at the national level, will be accomplished by my office and assisted by carefully selected individuals, on the Task Force, from the ensuing Departments and Agencies. Agriculture (Food Nutrition Service, Home Administration, and Soil Conservation Services), Commerce (EDA), Defense (Office of Civil Defense), HEW (Social Security, Community Health Service, Education, and Welfare), DHUD (Community Planning and Management), Labor (Manpower Programs), Small Business Administration, Law Enforcement Assistance Administration, ACTION,



Environmental Development Administration, Transportation, Treasury or IRS (Revenue Sharing) . This organization will also make available a knowledgeable resource person on planning, management, budgeting and evaluation.

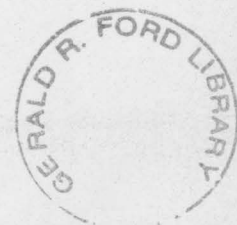
Findings of the interagency team will provide documentation as a basis for policy modification and for an efficient allocation of financial and human resources designed to solve social, economic and political problems. There are many unknown complex technical problems connected with expressed community needs which must be carefully evaluated to provide great satisfaction for total results of the effort to be expended. The rational findings of the Task Force can serve as a barometer about whether funds, programs, services, and policies should be modified or discontinued on the basis of evidence received and evaluated by the Task Force.

I plan to undertake the demanding process of the following functions which should provide valid answers to a variety of questions about related effectiveness of available programs and services. In general terms my office will:

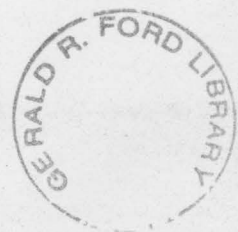
1. Make recommendations relative to proposed policy statements or actions relating to socially and economically deprived communities.
2. Prepare statements and letters for the President's signature in response to applicable public inquiries forwarded to my office for action.



3. Prepare status reports for the President relative to civil rights and entrepreneurship in socially and economically deprived communities.
4. Make recommendations for, and assist in the scheduling of conferences between the President and representatives from socially and economically deprived communities.
5. Make recommendations relative to the appointment or employment of minorities to Federal positions.
6. Make recommendations as to the effectiveness of programs and services as they relate to socially and economically deprived communities.
7. Make speeches and submit statements to social or business gatherings relative to programs this Administration has approved for socially and economically deprived communities.
8. Make recommendations regarding the most effective use of information and data pertaining to minority affairs.
9. Prepare briefing memoranda for Presidential conferences with minority representatives.



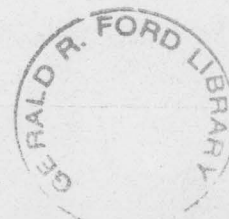
10. Confer periodically with minority group members to obtain their views regarding, and reaction to, administrative policy.
11. Submit recommendations and proposals to the Office of Minority Business Enterprise designed to increase the effectiveness of Federal and private efforts to develop and support minority business enterprise.
12. Respond to all public inquiries relating to minority affairs.
13. Prepare proposal and recommendation relative to the development and testing of different public-private arrangements for programs and services applicable to elected officials of socially and economically deprived communities.
14. Pursuant to Presidential mandate, undertake investigatory tours of disaster areas of the country to evaluate local relief efforts and ascertain the extent to which Federal assistance may be needed.
15. Visit socially and economically deprived communities to meet with local officials and other representatives of the people to determine what urgent needs are not being satisfied and what immediate technical assistance can be provided.
16. Serve as Director of the White House Task Force.



I will also serve as a focal point for the coordination of all matters relating to minority affairs and direct the activities of the inter-agency task force.

Visits to rural communities to include Black, Indian, Mexican American and Spanish Speaking will help bring into perspective the widespread dimensions of the problems which are not quantifiable from available census and other economic and demographic data.

In closing, may I add that the dimension of the challenge today is not often the soft, comfortable, estoric honor that it used to be and is still viewed as suspect by many. I hope to foster a resurgence of zeal in the total effort which will lead to the upgrading of socially and economically deprived communities throughout this Nation. My task force will seize every opportunity to confer with local officials with emphasis on new understanding regarding economical and political hopefulness by replacing ignorance with understanding. The time has come for local officials to recognize the errors of past Federal efforts to support community development and to move swiftly to correct them through the New Federalism Concept. The current Federal policy expeditiously helps people and their elected officials to meet community needs in the way they think best. We will stress President Nixon's new and proposed programs which are designed to bind together the many aspects of community development programs and services.



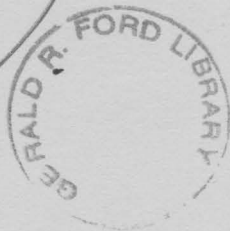


10/7/74

Stan

I'll have the document
that accompanies this in
your hands by the end
of this week!

Trusky



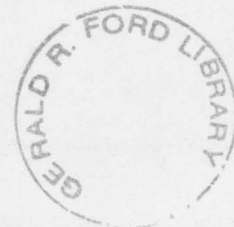
BACKGROUND PAPER:
COMMENTS ON STAN SCOTT'S PROPOSAL FOR A
SMALL TOWNS TASK FORCE

Introduction

Stan Scott's paper proposes the establishment of a White House Task Force on Small Towns to accomplish two purposes: (1) to provide a visible symbol of the Administration's concern for small communities in America; and (2) to undertake certain analytical and advocacy roles to improve the delivery of Federal services to the elected officials of small towns. As Scott notes, this would be a reactivation of a similar task force which was operative in 1969-70. However, while that task force was more concerned with exploring problems, the current one would be more concerned with presenting solutions and dealing with specific issues.

Scott's paper also proposes a related effort to attack the particular problems faced by minority elected officials, and specifically proposes to provide direct Federal support to the Conference of Southern Black Mayors, a newly organized coalition of chief elected officials mainly from small towns in the South and Southwest. The two approaches are related, but can be dealt with as separate matters.

I was periphally involved with the 1969 White House Small Towns Task Force, while at HUD. One result of the Task Force's work was HUD's establishment of an Office of Small Towns Services, which subsequently evolved into an Office of State and Local Management Assistance, whose primary purpose was to provide a point of contact and clearinghouse for technical assistance to the smaller communities. Minority-governed communities were given special emphasis.

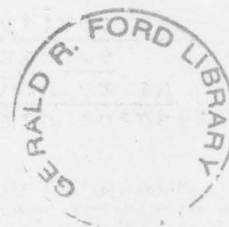


Another result of the task force's work was the basic philosophy behind the Rural Community Development Revenue Sharing Program, introduced by the President in 1971.

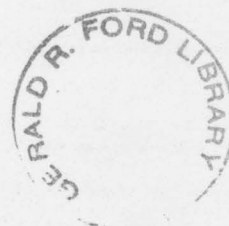
The interest and problems of the small community have not been given much recent attention by the Administration or by the Congress. Outside of the Senate Agriculture Committee, with the particular interests of Senators Humphrey and Talmadge, very little in the way of substantive programs have been developed, nor have programs been analyzed with the interest of the small town in mind. The few proposals that have been made have also ignored the local elected official. At the present time, there are very few forms of Federal assistance available to the small town elected official. Most Federal aid to small towns comes directly to individuals or through State governments.

I favor reviving the Administration's interest in this issue. Reviewing Scott's paper and my own experience with the issue of small towns over the last few years, four concerns come to mind:

1. Whatever is done, there must not be too large a gap between promises on the one hand, and the actual delivery of improved services to the small community on the other. More than any thing else, the prospect of a very large gap looms high in Scott's paper. The well-publicized visitations, the idea of the White House Task Force in the absence of any concrete program of grants, services, or information, runs the risk of back-firing. At present, this Administration has very little to offer the small town elected official, a point that has been brought out frequently in meetings with these officials around the country. The most promising prospect of assistance was the President's Rural Community Development Revenue Sharing Program, which got nowhere in the Congress. The 1972 Rural Development Act provides very little help.



2. The project should have a clear objective: are we trying to make one big splash or are we trying to achieve some fundamental changes in the role of the Federal Government with respect to small communities? The visitations, the assistance to the Conference of Southern Black Mayors, even if backed up by planning grants or technical assistance programs, will not necessarily lead to any long-term changes in Federal responsiveness to small community concerns, although there will be some immediate benefits. Whatever short-term interest there is in a project like this, I feel that a primary objective should be the achievement of fundamental improvements in the delivery system to small towns, and any project should be looked at with this primary objective in mind.
3. A distinction should also be made between political and administrative improvements. One way to achieve long-term changes in Federal responsiveness to small towns is to increase the political strength of small town officials. Scott's proposal seems to have this tactic in mind by providing support to the Conference of Southern Black Mayors, a distinctly political organization, and by creating a highly visible White House Task Force on Small Towns. The Administration will be much more open to the articulation of needs by small town officials. On the other hand, none of these things will necessarily lead to improved capacity by local elected officials to manage their affairs, nor will they necessarily result in any administrative changes in the Federal Government to recognize the unique problems of small towns. While I think both political and administrative changes are necessary, the strategy should recognize that the two are quite different.
4. There is a difference between the problems of the minority elected official and those of the small town elected official. The 1969-70 White House Task Force, and my own experience in dealing with minority elected officials and

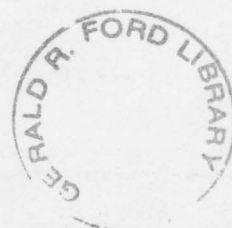


elected officials generally, lead me to believe that the problems of the small town elected official are basically the same whether he is minority or not; the same can be said for the elected official of large cities. It is true that, in general, the minority elected official has less managerial and political experience, and is more personally visible and vulnerable than his majority counterpart; it is also true that the minority official may suffer certain political handicaps compared to his white counterpart. Nevertheless, the small town elected official has problems of limited resources, limited authority, limited management capacity, and general lack of interest by State Administrations in the Federal Government, that have nothing to do with race. Minority officials are the first to point this out.

Nevertheless, there is a definite need for an improved Federal response to the problems of the minority elected official. In general, the public interest groups which claim to speak for the cities have paid limited attention to the growing number of minority elected officials in their constituency. Those institutions that do represent this constituency have not in general been widely recognized in Washington, D. C., and certainly not in the states. I agree with Stan that this project should include a ✓ component directed at these concerns, but many other projects should do this also.

Components of a Strategy

Any program to address these issues should have four primary elements: an understanding of the problem, a response to the problem, an execution of that response, and an evaluation of the results. Stan's paper focuses mainly on the first two. I suggest we modify and broaden that approach. This will not be a short-term or one-shot effort, but it can achieve much of the immediate impact Stan wants.

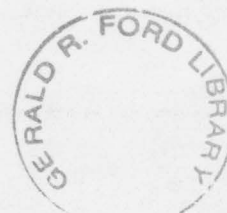


The approach would have eight elements. Some of these are external or outreach efforts to the small communities; others are internal to the way the Federal Government operates. The outreach elements include visitations, conferences, grants-in-aid, special demonstration projects, and technical assistance programs. The internal components include legislative and policy initiatives and analyses, organizational/institutional improvements to gain better responsiveness, and special analyses of small community needs.

Each of these techniques has certain characteristics worth noting. For example, visitations result in good visibility (at least in the places visited), affords the opportunity for high-level Federal personnel to see first-hand the problems confronting the small community, and also affords the opportunity to present directly ideas by Federal officials to the small community visited. However, it gives at best an impressionistic view to the visitor and exposes the visitor potentially to the risk of promising more than can be delivered, or being caught without adequate preparation to deal with problems he confronts there.

Conferences provide an opportunity for idea exchange in a more structured environment and reduce pressure for immediate Federal responses to problems identified. Conferences can be held as frequently as is deemed appropriate and the responsibility for conference involvement can be spread over a larger number of people than the visitation approach.

Grants to small communities do enable the recipient to purchase needed services. To the more sophisticated community which has identified its needs and can shop in the marketplace for services, the grant clearly provides the elected official with the type of support implied by the New Federalism approach. On the other hand, the history of Federal programs of grants to small communities for capacity-building is not a happy one. These communities have tended to be sitting ducks for private consultants and, unless more than one-shot grants are available, tend to have limited long-term impact on community



welfare. Recognition of this has resulted in changes in many programs to encourage state assistance to small communities and to fund intermediary institutions on a non-profit basis to provide services.

Special demonstration projects provide the greatest flexibility, if not the greatest dispersal of assistance, and also place great responsibility on the Federal Government to work in close partnership with the community affected. It has the advantage of being a clear sign of support and assistance, at least to those communities assisted and, if well-designed and monitored, can produce results that may be transferrable to other communities.

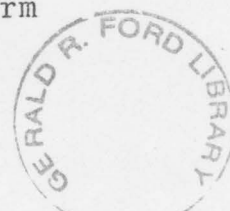
Technical assistance, direct or indirect, enables the Federal Government to respond flexibly to the differing needs of individual communities, whether one-on-one, in training programs, or by other means. Technical assistance makes possible the matching of service to need directly, and thereby can be an economical way to provide services to a large constituency. On the other hand, it does demand the harnessing of resources in such a way as to provide the service.

The internal components all require management decisions within the Federal Government to make a commitment to improving its own machinery to respond to the needs of small towns. In the short run, very little credit reflects back on the Federal Government for its efforts; on the other hand, long-term improvements in Federal responsiveness can only result from a concerted effort to achieve these internal changes.

Outline of a Package

With these thoughts in mind, following is a possible package of activities for the project.

1. Visitations. I suggest a few visits (less than ten) to small towns by the Task Force Director and, possibly, one other person. This would enable the Director to talk about the Administration's program and to see first-hand a variety of situations with which his Task Force might have to deal.

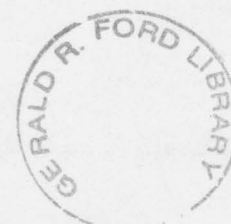


In addition, I suggest that several staff-level visits be made to other communities as part of the Task Force's efforts. These visits should be on an interagency basis and include at least representatives from USDA, HUD, HEW, EDA, and OEO. The visitors should be mid-level professionals rather than policy officials, and their objectives should be a combination of fact-finding and short-term technical assistance.

2. Conferences. Concern for the problems of small communities could be worked into speeches and presentations by Administration representatives in many conferences in which they participate in the course of a year. In addition, a Task Force of such agencies as EDA, USDA, and HUD could organize regional conferences to look at specific aspects of the small community problem. Groups like the Conference of Southern Black Mayors could work into this.

In addition, consideration should be given to a White House Conference on Small Towns, to be held in the late spring or early fall of 1975. This type of conference requires extensive planning and research, and should not be considered until the Task Force and the Administration have come to some tentative conclusions as to how to respond to small community needs. A late spring conference could presumably affect the fall budget policy questions and also produce results for that session of the Congress. However, a fall date would permit a better organized effort.

3. Grants. Generally, the grants approach for planning and management assistance is of limited value to an exercise like this, except insofar as existing grant programs, such as "701" and EDA, could be shifted or at least include an emphasis on small community problems. The grants approach should be reserved for the larger, more sophisticated community.

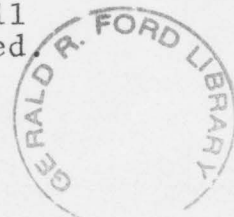


However, consideration should be given to expanding the CERC (Chief Executive Review and Comment) approach to grant review by the small community so as to clearly recognize the role of the elected policymakers in considering the Federal assistance coming into their communities. Grants could be made ("701"?) to help them do the job.

4. Special Projects. Using existing research and demonstration authority in the agencies, it should be possible to package a series of demonstration projects in selected small communities. These would vary from community to community, and include a Model Cities approach to a multi-year sustained effort. Consideration could also be given to special demonstrations in appropriate places, such as housing corporations, multi-purpose service centers, and so forth.
5. Technical Assistance. Major new commitments with regard to technical assistance to small towns should await further development of the TA strategy project. I expect that that strategy will pay special attention to small community needs. In the meantime, I would suggest that institutions with constituencies including small town elected officials be brought into the consultative process with regard to technical assistance.

One organization that comes to mind is the Joint Center for Political Studies, a non-partisan, non-profit organization, which is the primary technical resource to minority elected officials. This organization has a good track record of responsiveness to the needs of these officials before and after election, and their expertise transcends the particular problems of the minority official.

Also, several Federal Regional Councils have indicated an interest in responding to small community needs -- this should be encouraged.

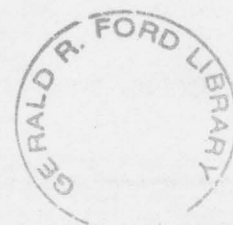


6. Legislative and Policy Analysis. A major review should be undertaken of Federal aid to small towns: how much there is, how it gets there, and the role of the elected official in its delivery. A review of the 1972 Rural Development Act and the pending economic development legislation should be undertaken to determine potential impact on the small towns. Also, consideration should be given to reviving, perhaps in modified form, the President's Rural Community Development Special Revenue Sharing proposal from 1971. The last draft that I saw of the President's Biennial Report on National Growth Policy had sections dealing with small town problems.

Finally, there is considerable interest in the Congress in the New Communities Program, authorized under Title VII of the 1970 Housing Act. Despite some disenchantment with the role of new communities in controlling metropolitan growth, there has been very little emphasis given to the potential role of new community development to revitalize small towns.

7. Organizational/Institutional Changes. Three items come to mind immediately. First, there should be a clearer definition of roles among agencies for dealing with the problems of small communities. Various legislation and administrative directives spread this responsibility among USDA, HUD, EDA, and OEO.

Second, the Department of Agriculture is given considerable responsibility for coordination of rural development activity by the 1972 Rural Development Act. To my knowledge, USDA has done almost nothing in this area other than to establish the Rural Development Service, which has very little direct authority and apparently almost no impact within the Agriculture Department. Nevertheless, the Department has a well-established field structure which is searching for things to do. One concrete proposal which would be implemented early on would be a heightened responsiveness by USDA in this area.



Third, a visible advocate for the small community should be established in the Executive Office; this could be in the Domestic Council, in OMB, or in another office.

8. Market Studies. Existing knowledge on small community needs, with particular regard to the role of the elected official, should be pulled together and analyzed. Much data now exists and several studies have been done by various Federal agencies on components of this. However, more information is needed and should be gathered and analyzed fairly quickly. When roles of various agencies are defined, it should be possible to coordinate the work of these agencies in carrying out such an effort.

At the same time, an evaluation system should be designed to assess the impact of current programs and changes in these programs in small communities. This also should be undertaken early.

Recommendations

The following action steps could be taken to implement this package.

1. Initiate a series of discussions between the White House, Domestic Council, and OMB staffs, on a set of parameters to the small town effort: what we are willing to consider and what things are out of bounds. From this the allocation of responsibilities among those three offices should be determined.
2. A series of policy level discussions should be undertaken with the principal agencies concerned with small communities. This should be done with a minimum of publicity, mainly to explore options and approaches. From this, a clear definition of roles and responsibilities and a general program for achievement can be developed.



3. The next step would be the establishment of a White House Task Force on the Small Community charged with three specific responsibilities: (a) to assess small community needs and to develop alternative approaches to meeting those needs; (b) to act as an advocate within the Administration for improved responsiveness by Federal institutions to small community needs; and (c) to plan a White House Conference on Small Communities to be held in 1975. The Task Force should consist of representatives of the Federal agencies, and perhaps the Congress, but also should include non-Federal persons with an interest in small town problems from the communities themselves, universities, and state governments. The Director of the Task Force should be in a position to report directly to the President. The establishment of the Task Force could be announced in a Presidential message.

Within the Task Force, clear and explicit recognition of the problems of the minority elected official in the small community should be made.

4. An assessment and evaluation of the impact of Federal programs on the small community should be undertaken.

This should be led by one of the Federal agencies (EDA, USDA, or HUD), but with the clear backing and involvement of OMB and Domestic Council staff.



the **match**
institution

October 15, 1974

Honorable Stanley Scott
Special Assistant to the President
The White House
Washington, D.C. 20500

Dear Stanley:

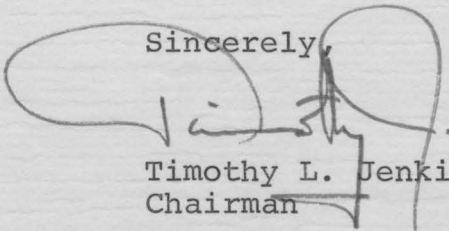
At long last I am able to send to you herewith the two documents promised on the matter of (1) An internal justification for White House interest in small towns led by minority chief executives, and (2) A proposal for how I can see myself and my firm, the MATCH Institution, being of service in carrying the White House Task Force idea.

In the first document we have attempted to arrange in a dehydrated fashion each of the best arguments for a strong White House program. For want of any clear familiarity with the current in-House political cross-currents however, we avoided any explicit mention of the possible implications of such a program for '76 or the President personally.

In the second document we have set forth a model of how we would like to structure our relations with your office over the long haul in both this and other projects of mutual interest. This last point cannot be emphasized too strongly, if we are going to continue our role as a research and back-up resource to your office.

Once you have had a chance to thoroughly examine what we are sending here, then we should sit down with Cliff Graves and talk very seriously about what is at stake here and the best strategy for joint implementation. And given my own current survival demands, this meeting cannot take place too soon.

Sincerely,


Timothy L. Jenkins
Chairman

TLJ:ph
Enclosures

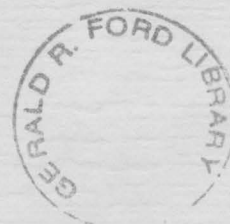


2101 S Street, Northwest
Washington, D. C. 20008
232-1414

#2

PROPOSAL FOR
THE IMPLEMENTATION OF THE
NEW WHITE HOUSE TASK FORCE
ON
SMALL TOWNS

The following is an unsolicited proposal
on the way in which the White House Task Force on
Small Towns can be implemented in detail with
minimal start up time through the use of MATCH
Institution consultant services.



OCTOBER 15, 1974

SUBMITTED BY

the **match**
institution

I. BACKGROUND AND ORIENTATION

Mainly due to the serious problems of large cities across the country and especially because of their high visibility, the problems and needs of small towns have been systematically overlooked. As a result, very little in the way of substantive programs has been developed or analyzed by the Federal government with the interests of small towns in mind. On the other hand, those forms of Federal assistance that are available in small towns have historically come directly to individuals or through State governments in a way that diffuses the Federal responsibility to see who gets them compared to who needs them most.

It is proposed here that in response to the Administration's concern for the plight of small towns through a White House Task Force on Small Towns, the MATCH Institution be retained to work with the Task Force Director in the detailed design and implementation of his program. The principal elements of that program shall be established to improve the delivery of Federal resources to small towns and the reinforcement of the ability of small town elected officials to manage these resources.

To understand the special need for such services to expedite efficient operations of a White House Task Force on Small Towns, one should examine the Federal government's past attempts to assist local governments with money and technical assistance. Then the need will be clear for a



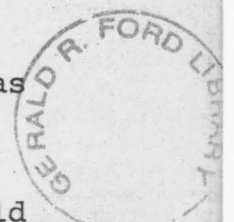
means by which the perceptions of Federal operatives can be promptly focused on the problems in local governments properly requiring outside assistance. Here it is crucial to have the dual experience of local and Federal program mechanisms that MATCH offers.

NEW FEDERALISM AND LOCAL GOVERNMENT REFORM

Most knowledgeable persons agree that local governmental management is probably one of the more retarded areas of bureaucracy in the institutional life of the nation. Congruently, it has long since been a standard assumption that the ineffectuality current at the local levels of government was strictly home grown there. However, a more careful insight into the nature and origins of the local management difficulties would attribute a substantial portion of the responsibility for generating them to the Federal government through its heretofore preferred methods of relating to cities, counties and states.

At best, such an analysis establishes that the blame for the management weakness of local governments should be shared between them and the Federal government for different but related reasons. History records that there were always as many different styles of local governmental structures as there were states. Therefore, almost no generalities would apply to all local governments, except to say that they were exceedingly complex.

As a distinct element within local government, the small towns with a population of 50,000 or less stand out as



heightened examples of all that is wanting in local government. While they tend to be more dependent on locally raised revenues, their populations are decreasing, their governmental structures are more archaic, and their social service and physical needs are usually more acute. And, given the relative weaknesses in the economies of most of these small towns, the factor of poverty pervades all aspects of their governmental capacities.

Therefore, "New Federalism" in the context of small town America must be viewed as a very separate and distinct phenomena from that in its larger counterpart. This distinction is underscored further with reference to those which have a predominantly minority population. However, some general observations about the origins of New Federalism as an innovation in Federal-local relations apply regardless of size or racial mix.

For an intensified period starting in the decade of the late fifties and sixties, the prevailing Federal assumption was that because of these complexities and incongruities, changes in the life quality in cities could only move forward through innovated social service and community development schemes that bypassed the undesirable institutional mechanisms of state and local governments to serve the needs of the people directly. The choice as exercised then was that of putting Federal resources in support of change from without institutional structures as opposed to building from within the institutions of local government.

Of course, this decision was exercised against a background of scholarly and political opinion which routinely



characterized local governments as hopeless "bastions of patronage-oriented political machines" and state capitals as "venal doldrums of rural oriented self-interests", with counties treated as anachronisms or virtually nonexistent. Whatever the relative distortions of these characterizations they contributed strongly to the willingness of Federal resource allocators to by-pass local government in favor of a more direct application on the affected interests identified by national social service legislation.

Now after this more than two decades of such experimentation, it has come to be appreciated Federally that while states and general purpose local government have been allowed to continue their atrophy, most of the problems in cities still cannot adequately be addressed based on mere money alone, without also giving attention to the indispensable institutional role to be played by general purpose local government. As the adage goes, while the Federal government has all the money and the cities have all the problems, the states have all the power. Accordingly, more creative ways are being inspired through the mechanisms of "New Federalism" whereby these three principal factors reflecting the three principal levels of government can be brought into a more productive consortium. Having failed with infusing money at the local level in spite of its many guidelines and regulations before, the Federal government came dangerously close



to adopting a new laissez faire attitude, only this time serving as lady bountiful to large and small local governments as a whole, instead of their selected problem components.

Belatedly, in spite of its impulse to cut many of the strings tied to the way in which local governments make use of Federal resources, there has been a braking force in the Administration which appreciates the need for local management grooming, lest such a turnabout from poverty to plenty overload local government capacities. The plan to improve all local competencies, as had been abundantly demonstrated in the limited experience with General Revenue Sharing, can not be brought by a stroke of a pen. Since the question of management needs has not disappeared, it can probably best be addressed through a specially coordinated set of tactical options aimed at hurrying toward greater local government reliance as it can reasonably be digested. Some of these options can be foreseen based on analysis, and others of them will remain to be discovered in actual operation. Of those which can be foreseen, the easiest to cite is the need for more money with less constraints. Yet loose money alone will not promise major results without a new set of managerial capacities to apply such money with greater efficiency and accountability. Indeed, it has been fully demonstrated in the public sector that the basic rules of private management still apply -- money without rigorous management tends to have little measurable affect on the things to which it is



applied. In this respect, the developing experience of such block grant experiments as the Law Enforcement Assistance program strongly underscores the need for establishing an infra-structure for decision making which is capable of serving rational and institutional priorities.

Here emphasis must be laid on distinguishing special purpose management procedures which are essentially engrafted on local government as the afterthought of some form of Federal bounty, on the one hand, and those on the other which are locally inspired, locally believed in and locally understood to be locally important. The former tend to live only as long as the program; never expand beyond those functionally involved in that program and frequently lend themselves to paper manipulations to avoid defunding only, rather than ever becoming tools of management by those who must do the real managing of the public's interest. In contrast, locally originated management improvements tend to get the support of the political decision-makers, become contagious from one department to another and tend to be pragmatically open to constant self improvement based on improved insights into the understanding which brought them into being.

And, inasmuch as the principal device by which this weakening of local management process has been nationally inspired has been through Federal grants-in-aid, efforts have been newly made toward reform in these programs as a



fundamental pre-condition for an informed method of change throughout the whole of state and local relations and management.

Accordingly, the reform of the Federal grant management system now promises to offer the most effective wedge by which varied county and city management processes can be influenced toward reform through a Federal means.

These reforms can be summarized generally as follows:

- (1) an emphasis on planning and review
- (2) an orientation toward chief executive control
- (3) the decentralization in administration
- (4) the coordination for mutually related functions
- (5) the elimination of dysfunctional program and categorical constraints

Toward this end, there have been a number of management innovations starting with the Office of Management and Budget circulars A-85, A-95 through A-98. These procedures allowed for the review of grant proposals by the local chief executive, the Governor's office or both to reinforce a broad spectrum review by local purpose government. In addition, regional review requirements have been stipulated in the various grants-in-aid programs associated with law enforcement, community action, manpower, comprehensive health, economic development, air quality and resource development. Hence, a series of new mechanisms have been created at the local level such as the Central Information Reception Agency (SCIRA), the



State/Federal Information Exchange System (S/FIXS), the Federal Air Control System (FACS), etc. In addition, the President's Federal Assistance Review System (FAR) has foreshadowed the success capability nationally of bringing managers of programs closer than ever before to the local decision-making process. Now if the Executive Order 11541 and the pronouncements of the Circular of Office of Management and Budget A-102 are to be believed, soon the Federal Regional Councils (FRC) and the Integrated Grants Administration (IGA) shall be added to this long list of "alphabet" mechanisms by which the Federal government has sought to reform itself in the administration of local funding aids. This reform is indirectly calculated to strengthen the role of general purpose government rather than weaken it. And these reforms have been aimed at emphasizing local chief executive control as the best path toward integrative public management.

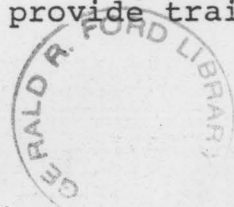
Correspondingly, there have been many direct Federal assistance attempts to foster local management capability. These programs include early HUD Integrated Municipal Information System (IMIS) to stimulate prototype comprehensive information systems; the Intergovernmental Personnel Act (IPA) to improve the quality of local personnel; and the new program emphasis in 701 comprehensive planning to play down physical and land use planning to emphasize management and decision related planning.



To these forms of capacity building were added the Federal Technical Assistance Teams known as "the flying feds" for short term diagnostics, and various forms of particularized agency based technical assistance on rather narrowly drawn functional specialties such as labor-management relations, correctional services, economic development, community relations, etc.

More particularly, HUD and OEO have supported a considerable line of technical assistance programs by consultant contract each tied into some aspect of Model Cities or Community Action Agency management systems. These programs have included information systems (CDAIS) for general on site management, or emergency assistance (MAP), special demonstration (TSDI), and many others of related character. Most of this Technical Assistance however was offered as temporary or more often one shot phenomena which pre-supposed follow-up inputs of time, talent and monetary resources that were seldom available at most state and local levels. MATCH is intimately familiar with the strengths and weaknesses of all of these programs, and can offer guidance on how this new White House Task Force can best build on them.

Indeed, MATCH has previously been used by the Federal government to design new Technical Assistance approaches. The most exceptional one was during the first three years of the Model Cities program through the creation of an Institute on Evaluation. This was later broadened to provide training



in comprehensive planning and evaluative techniques for Model Cities and later still broadened and renamed in its third action year the Community Planning and Development Institute (CPDI) relating to general city management needs.

In the instance of these latter Institute Technical Assistance models, it was assumed that there needed to be a sustained system of follow-up support provided by the Federal government through private consultants, if the management, planning, and evaluation improvements initially identified in short term technical assistance were ever to be fully installed. In some instances this called for a rather lavish expenditure for individual city assistance. Certain cities by reason of this program were not only able to have staff and agency heads exposed to the training, but their city managers, councilmen and mayors as well. This coordinated approach clearly had a qualitatively different effect than the limited staff exposure to new management techniques standing alone. Similarly, the CPDI approach meant a longer pattern of interface than its predecessors since it had something of an institutional base from year to year and offered specific follow-up assistance on site after off site general seminars.

The net result of MATCH's familiarity with each of the above efforts has been its appreciation that successful inter-agency efforts in this direction require inter-agency clout. And in this instance such clout can only be supplied by the Executive Offices acting directly on behalf of the President without regard for departmental limitations.



II. FACILITATING A WHITE HOUSE COORDINATED SMALL TOWN PROGRAM

The Administration's current interest in small towns is in line with the President's commitment to address problems in the nation's cities with action while maintaining the local public officials as the responsible source for priorities. While it is hazardous to generalize, it is unavoidably clear that most cities are currently without a carefully developed mechanism by which they arrive at major policy decisions and funding priorities. This is especially true in small towns. A White House Task Force on Small Towns would satisfy this desire on the part of the present Administration to provide a visible symbol of its concern for this heretofore neglected area of local government in the U.S.

Historically, cities and counties with populations less than 25,000 have been overlooked by their states as well as the Federal government in terms of funding. The legislative history for the Farmer's Home Administration and the Economic Development Administration established this. Still there has been a trend as well on the part of some conduit State and county governments to reject such Federal assistance because they are wary of government intervention into their internal affairs. General Revenue Sharing, the new Housing and Community Development Act of 1974, and other Federal block grant programs can help circumvent some of these problems. Yet, these programs do not provide the local small town elected official with the planning expertise or the



management capacity to obtain and use these funds to his city's best advantage.

The successful bid for minorities to become mayors of small rural and urban towns in the South has brought about a new set of problems never faced in this century. Often without a tax base or any other source of meaningful revenue, these newly elected officials are faced with unique problems in serving their especially deprived constituents. Existing Federal aid programs have generally failed to reach the southern counties and towns governed by minority chief executives, partly because these small communities are beyond the Federal government's field of greatest emphasis.

It has become apparent that the problems of disadvantaged, whether they are in urban or rural areas, can only be attacked in a comprehensive manner. While a number of Federal agencies may be administering programs in a particular area, there appears to be little or no contact between them. Local public jurisdictions often have difficulty in coordinating the programs of several Federal agencies. Community organizations which address themselves to the problems of minority elected officials, and particularly minority residents themselves, are usually not in a position to do an effective job of coordination because of the complexity of the laws governing various areas involving the problems addressed, the lack of experience or the unavailability of Technical Assistance and a lack of funds to purchase these services.



These officials have little or no knowledge of the range of Federal programs which are available to them, either directly or indirectly. They are not in a position, for example, to form a non-profit organization to construct subsidized housing or to push for the construction of health and recreational facilities or for the establishment of vocational training programs. In addition to the dissemination of information about Federal programs to local governmental jurisdictions, it is necessary to provide a means for local officials to learn how to use them.

Beyond learning about the programs, there is a necessity for providing assistance to develop meaningful strategies and plans to solve the problems with which minority officials are faced. In its initial form, this requirement centers on the need to provide technical assistance to the disadvantaged to assist in the determination of local needs and the development of those institutions which are necessary to comply with the requirements of the various Federal programs.

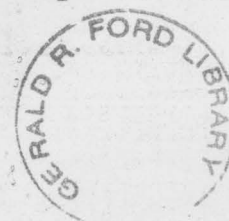
The administration of equal opportunity requirements in planning legislation, MATCH found in a recent study, has been less than adequate. The equal opportunity offices at the regional level have for the most part been severely understaffed. They are not able to do a thorough review of program applications let alone provide adequate services in the field to resolve disputes and complaints emanating from charges of discrimination. While the administration of equal opportunity require-



ments in other Federal agencies has not been studied, there is considerable evidence to indicate that the situation is not much different.

Federal agencies should provide an open line of communication at both the national and regional levels to allow the opportunity for minority group representatives to discuss and help resolve local program impediments when there is reason to believe that local, county and state or Federal officials are willfully attempting to deny equal opportunity and/or access to available Federal programs.

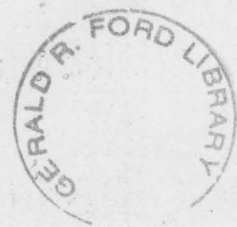
In analyzing the Federal programs designed to meet the needs and problems of the disadvantaged, the essential problem is not in the coverage of the programs, but in their delivery. The needs and problems of minority groups in small communities cannot be attacked in a piecemeal manner any more effectively in rural areas than in urban areas. Undoubtedly the most innovative idea in the delivery of Federal programs has been the model cities approach which for the first time provided for a comprehensive analysis and solution of social and economic as well as physical problems. In terms of small town America, the most important aspect of the model cities approach is not the supplemental grants, but the process of analyzing the impediments to progress and developing a plan to attack the problems which beset the disadvantaged. In other words, proper analysis and planning are critical to the resolution of problems of minority citizens



in small towns. The use of Federal funds to establish and operate model development programs for minority and other disadvantaged groups in small towns will go far in effectively focusing Federal assistance on the disadvantaged in small communities.

What is needed then is a manageable way in which the Federal Administration and its agencies can develop experience in ways in which Federal programs and requirements can be made more responsive to small town local government. In the business of grantsmanship with federal and local entities, one knows that Federal agencies tend to have their own independent program criteria, their own timing for reports, and different requirements for the way in which data and statistics must be presented. Further, they tend to have different data collecting objectives or different evaluation standards for measuring the output of their several programs, in spite of the experimental initiatives of New Federalism.

The establishment of a White House Task Force on Small Towns is to accomplish three purposes: (1) to provide a visible symbol of the Administration's concern for small communities in America; (2) to undertake certain analytical and advocacy roles to improve the delivery of Federal services to disadvantaged elected officials of small towns, and; (3) to develop an improved operational model for the field coordination of Federal resources at the local level, free of bias.



Such a program keeps a number of factors in mind to be successful. First, the factor of timing: Whatever is done must not allow too large a lag between promises on the one hand, and the actual delivery of improved services to the small towns on the other.

Second, the factor of clear objectives: The program should have a clear delineation of what can and cannot be done. These objectives should be set for the achievement of fundamental improvements in the delivery system of small towns and not just single shot assistance. Federal, regional, state, county and city actors should benefit from it.

Third, the factor of distinguishing between political and administrative improvements: The program should not assume that increasing the political influence of local officials over resources will result in their improved capability to manage these resources. In addition, it should not be assumed that mere changes in the amount of money available from individual agencies will lead to administrative improvements at either the local or the Federal levels of government.

Therefore, this program to address the needs of small towns shall have as its essential elements:

- (1) a quantifiable understanding of the problems
- (2) a quantifiable response to the problems
- (3) an execution of that response with goals and timetables



- (4) an evaluation of the results in measured impact and implications for structure

Why Focus on Minorities?

It is justified that the small counties, cities, and towns with minority chief executives serve as the target group for the initial/development phase of the Task Force program. In April 1974, there were 47 cities in the South and Southwest with black mayors having populations less than 25,000. The highest concentrations of minorities holding key positions on county governing bodies are also in these regions -- 200 blacks. It shall be from their numbers that a specific (smaller) universe must be defined for the initial "tests" of the Task Force program so that the results may be evaluated in terms of effectiveness and transferability for the development of a nationwide program of regional assistance to all disadvantaged officials in small towns which takes into account the shifting definition of the "disadvantaged elected official", be he Indian, Chicano, Appalachian, Eskimo, etc.

MATCH is by its experience particularly able to identify differences between the problems of the minority elected officials and those of other small town elected officials. In the South most minority elected officials are the result of the 1964 Voting Rights Act. Basically these minority officials, being for the most part newly elected, face more demands upon their time to learn what goes on inside city government as well as from the political arena to which they



are fairly new. Beyond this level, their problems are quite similar: lack of sufficient revenue, lack of authority, lack of staff, along with the social, economic and physical needs of their minority constituents which tend to be more acute. Hence, towns with minority elected officials should be the subject of this program of "intensive care" .

The reason for starting with minority led communities is further supported if one appreciates that addressing the needs of all small towns simultaneously would be an impossible task. Census data show that in 1970 there were 19,852 urban and rural places/towns with populations below 25,000. Rural places/towns with populations under 2,500 accounted for 13,706 of this total. ("Urban towns are defined as those within a standard metropolitan statistical area (SMSA) as set in 1970. Rural towns are those outside SMSA's with populations under 2,500. In addition, of a total of 3,049 counties in the U.S., 2,645 are outside SMSA's meaning their populations are also less than 25,000. Clearly then a smaller universe is required for the focus of the Task Force's initial program.

Therefore as a logical way of focusing where the need is greatest for the demonstration of the techniques required to reach the whole of small town U.S.A., it makes particular sense to use minority led towns as discrete test laboratory capable of observation, experimentation and long term follow up evaluation for measurable impact.



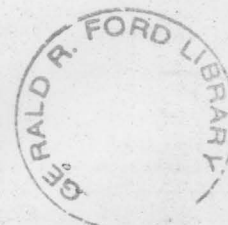
III. TECHNICAL STRATEGY FOR IMPLEMENTATION

The overall objective of the White House Task Force on Small Towns relation with the Contractor shall be to identify the problems of disadvantaged small communities in a minimum time; provide assistance for the solution of these problems and develop experience in ways in which Federal programs and requirements can be made more responsive to local government with private sector experience and public sector implementation. It is proposed that this be a two-year effort in the development phase so that enough time will be allowed to transfer the program to a regional conduit for small town assistance, perhaps ultimately administered by the various Federal Regional Councils.

SUMMARY OF PROPOSAL ELEMENTS

Fostering the mission of improving Federal responsiveness in the delivery of services to small towns directly and through States and counties can be accomplished through the following strategies:

1. Employment of a private contractor specially sensitive to both local and Federal interests to perform the initial phases of work on the Task Force program and to assist in the match-making of needs to resources which will be required.
2. Federal visits to those cities and counties selected to receive the Task Force services which would also afford good visibility for the program.
3. Regional or State conferences to provide an idea exchange among Federal, State and local program elements in a more structured environment and to reduce pressure for immediate Federal responses to problems identified without comprehensive follow through.

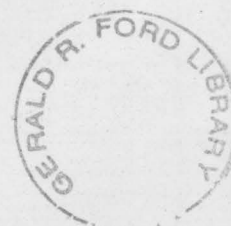


4. Needs assessments of each of the cities and counties selected in order to define their needs, the types of assistance required and to define the resources available to meet the needs.
5. Technical assistance which addresses the needs of small towns which would best be served by improving the local government's management capacity.
6. Review of Federal aid to small towns to ascertain: how much there is, how it gets there, and the role of the elected official in its delivery.
7. Organizational and/or institutional changes within the Federal government in order to define clear roles among agencies dealing with small towns and which would create a visible advocate for the small community in the Executive Office.
8. Involvement of non-profit organizations whose constituents include small town elected officials or which offer a technical resource to minority elected officials in the Task Force program.
9. Periodic evaluations of the progress of the Task Force and of the assistance provided the small towns.
10. Final Report with recommendations for transferring and institutionalizing small town attention centers in HUD, USDA, EDA, etc., at both the individual Regional Council levels as well as national headquarters offices.

The Task Force contractor's work would have the following detail features:

A. Research and Orientation Component

To identify and measure disadvantaged communities' problems as the prerequisite to the development of a nation-wide Task Force Program would be accomplished through:



1. Federal visits to those cities selected to participate in the initial (test) phase of the program's development. The Task Force will meet with local officials and other representatives of the people to determine what their most important needs are and what immediate and long range assistance can be given by Federal and State agencies to meet these needs. The teams to visit the towns would be composed of representatives of the Executive Office, selected Federal agencies, especially the Federal Regional Councils, the State and county governments. These visitations afford high visibility and the opportunity for high level Federal personnel to see first-hand the problems confronting the small community. They also afford the opportunity to present directly the ideas of the Administration on small town assistance to the community visited.

2. Formal, pre-visit reports to the Task Force would be prepared so that the members will have a feeling for the conditions in a particular town and therefore be more able to identify preliminary forms of assistance available to the town. The reports also allow the Task Force Member agencies to do some investigative research to determine if these towns are already eligible



for their particular types of assistance,
or what is required to make the town eligible.

3. Needs assessments would be prepared for each town to define their needs, types of assistance required, and suggest priorities for addressing those needs. Although the political and administrative needs of small towns may be similar, each has its unique problem areas which demand attention. They also define their greatest needs differently or they may be prioritized differently from town to town therefore these assessments are an important part of the Task Force program.

4. Regional or State conferences would be held to provide an opportunity for idea exchange between agencies and local officials in a more structured environment. Such conferences also reach more small towns over a shorter length of time as well as provide the collective input from local elected officials of a particular State or region on how the Federal and state government can be made more responsive to their needs.

5. A review of Federal aid to small towns would be conducted in order to provide an historical and data base for the program development phase which would be indispensable in determining the changes required to make Federal assistance more responsive to small towns.



B. Program Development Component

This component will serve to define the agency mix required for assistance to small towns; develop assistance packages for each town; and to structure future program guidelines. Required in this component would be the designation of mechanisms by which Federal and State agencies may make their services more readily available. Defining organizational and institutional changes which may be necessary within Federal agencies is also a part of this component. Program Development will be carried out in two phases as it will be required for (1) setting up the initial/test program and (2) the final development of a nationwide, on-going program.

C. Assistance Component

This component is designed to assist the small town officials in defining their funding priorities and offers other technical and financial assistance related to application procedures, improving local officials' capability to manage funds, etc. Although the exact nature of assistance would be determined by needs assessments, visits and conferences, assistance can be accomplished through use of some or all of the following mechanisms as described in "Proposal Elements": (1) grants, (2) technical assistance, and (3) involvement of non- or for-profit organizations with experience in these areas.



D. Evaluation Component

This component would be required in any program to assist small towns if it is to be successful. Here the component is designed to evaluate the progress of the program at specified intervals through its two year development phase. After the nation-wide program is set up, monitoring and evaluation will be required to insure the success of the program and to reflect changes in program emphasis, if such arise.

MATCH INSTITUTION INVOLVEMENT

The proposal being made here is that the Task Force on Small Towns acquire the services of a reputable contractor specially sensitive to both local and Federal interests to perform the initial phases of work for the Task Force program.

The MATCH Institution is a contractor specially sensitive to both local and Federal interests and will be able to fulfill this matchmaking assignment more effectively than either operating such a program exclusively from their own perspective. The MATCH Institution, a combined planning, training and research organization, has been involved in several efforts from both perspectives. Descriptions of each of these efforts are found in a later section, MATCH Capability.

It is a popular view that small communities have tended to be "sitting ducks" for private consultants who, unless more than one-shot grants are available, have very



limited long-term impact on community welfare. MATCH, however, helps to build the local government's capacity to manage its resources and to deliver its services more efficiently on the long-term. This is accomplished through system design, training, monitoring and evaluation of the results in a closed/loop fashion with local officials participating all the way. If the system works to the city's satisfaction, then MATCH helps them make the transfer and returns for periodic technical assistance if necessary.

IV. TASKS AND METHODS

This section of the proposal describes the principal tasks and subtasks to be undertaken and presents the methodology to be used to accomplish them.

Task 1: Orientation and Program Design

The purpose of this task is to design and prepare a formal strategy and guidelines for the Task Force program of assistance to disadvantaged communities in its first two years of operation.

The proposed method of accomplishment would be through meetings with actors in the Executive Office and representatives of the Federal agencies to introduce the Program, define the roles and responsibilities of each participant and to obtain input for finalizing the program guidelines.

Subtasks involved include:



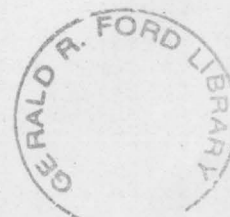
- Initiate discussions at the White House, Domestic Council and OMB as well as policy level discussions within Federal agencies
- Preparing the preliminary strategy and guidelines for use in meetings and for review with participants
- Setting up the meetings--preferably through the Executive Office
- Conducting meetings with Task Force members or participants
- Preparing a report and recommendations to the Executive Office on the results of the meetings and the final program guidelines
- Selecting target cities for Task Force services

Task 2: Scheduling

After the Task Force guidelines and strategy have been finalized and methods of accomplishment approved, it will be immediately necessary to put the Task Force in motion. All visits and work will have to be scheduled.

The subtasks are:

- Setting up schedules for visits and informing participant cities and Task Force teams
- Preparing formal, pre-visit reports on each city for the Task Force teams
- Standardizing/formalizing the needs assessment process and notifying team members prior to any visits
- Initiating research on past Federal assistance to small towns
- Structuring and coordinating conferences to be held in regions/states.



Task 3: Identifying Problems and Needs

The work to be accomplished under this task will be the actual conduct of visits, conferences and needs assessments. The purpose of accomplishing these tasks in one block is to keep the time lag between the identification of problems and needs and the response to these problems as little as possible. A great amount of coordination would be required from the contractor and cooperation from the Task Force participants--Federal and local--to see that this task is successfully completed.

A formal report would be prepared on each visit, conference, and each City Needs Assessment.

The subtasks related to this work are:

- ° Assisting towns in establishing priorities for assistance based on their needs
- ° Completion of the review initiated on past Federal assistance to small towns and preparation of a report
- ° Preparation of a report on each visit, conference, needs assessment.

Task 4: Preparation of Task Force Report #1

It will be required that all the research and problem identification conducted be analyzed and compiled into one, formal document delineating major findings and recommendations to the Task Force. Included in this formal report of all work completed would be a brief summary of each needs assessment report.

The Report would also include a statement on the organizational and institutional changes required at the Federal level to make it more responsive based on the review of past Federal assistance to small towns.



Task 5: Structuring a Response

This task should be completed with the utmost expediency but without loss of concern for the effectiveness sought by the Task Force in adhering to its objective of improving the delivery of Federal assistance to small towns.

The subtasks include:

- ° Review of the Findings and Recommendations of the First Task Force Report
- ° Designing assistance packages for each town and identifying the agency mix required
- ° Designating responsible agencies and mechanisms by which the services may be made more readily available to the local governments
- ° Scheduling the work on notifying cities and starting the process at the local level to obtain identified assistance
- ° Conferences with Federal representatives related to the availability of resources and requirements to get assistance allocated to small towns
- ° Setting up a timetable for the execution of the responses to each small town.

Task 6: Executing the Response

The work under this task is as its title indicates: executing the designated responses to the problems and needs of small towns under the timetables as established in Task 5. In terms of methods of accomplishment, this task would be the actual institution of organizational/institutional changes within the Federal government and its agencies which have been identified. It is also expected that technical assistance would also be provided the small town elected officials in order to improve their



understanding of Federal guidelines/procedures for the use of funds and to increase their capability to manage these resources.

While executing the response, it is hoped that the assistance of non-profit organizations could be employed to help make the transition smoother for the local elected official and make the response to improving the official's management capability more long-lasting.

As a subtask, it would be required that all actions and results be fully documented as they occur through monthly reports on progress in each city.

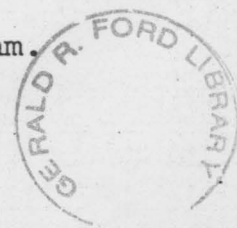
Task 7: Evaluating the Results

The purpose of this task is to evaluate 1) the progress made by the Task Force in achieving its objectives and 2) the assistance provided to each small town in terms of measured impact and implications for structuring the nation-wide program of assistance to disadvantaged small communities.

The major subtask related to this work is the preparation of a report which evaluates the results and offers recommendations for changes which may be required to make the program more effective in future years.

Task 8: Program Development, Phase 2

This task is required for the structuring of the on-going, nation-wide program of assistance proposed for the Task Force. The new program's structure and guidelines would be based on the experiences of the first two years' pilot program.

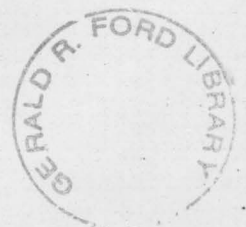


The subtasks are:

- ° Meetings and/or conferences with Federal representatives and small town elected officials to receive inputs on the structure of the new program
- ° Preparation of a package for review and approval of the Executive Office
- ° Designing the mechanism through which the program will be administered on a broader scale for more small towns by regions
- ° Identifying the funding sources for such a program
- ° Preparing the final package for presentation to the Executive Office

The essence of the above Proposal is an arrangement by which the White House Small Town Task Force Director shall be provided instantly the staff support of specially experienced professionals in the subject of arranging Federal - local technical assistance. Serving as staff support to the Task Force Director will enable all aspects of the work conducted by MATCH according to his dictates so as to conform with parallel existing and projected activities by the Executive Offices and the Office of Management and Budget.

Because of the uniqueness of the MATCH capability it is urged that their contract services will be the most cost effective manner in which this program can be soundly implemented.



EXPERIENCE AND CAPABILITY

THE FIRM - THE MATCH INSTITUTION

The MATCH Institution, comprised of planners, management specialists, lawyers, engineers and social scientists, was designed to be a compatible interdisciplinary team of highly trained and experienced professionals committed to placing their technical abilities at the disposal of people and institutions committed to changing the social, physical, and economic environment of the nation's cities. Since its founding MATCH has proved itself an effective and sensitive instrument in fulfilling this mission. Its clients have been community and commercial corporations; federal, state and local agencies; philanthropic and educational institutions, all trying to improve the quality of urban life.

In its approach to its work, The MATCH Institution employs a corporate philosophy based on its direct experience with management problems -- a belief that no such problem is unitary, clear cut, or indivisible. MATCH believes all organizational problems are framed in their socio-economic aura and have numerous facets beyond mere efficiency and management and to handle them successfully calls for a many-sided attack.

The MATCH Institution was designed to provide this kind of attack in the field of management and training. Each core team is headed by a MATCH staff member able to devote as much time as necessary, whose experience and expertise are particularly suited to the project. The other team members, either full-time MATCH staffers or consultants, are assigned according to their specialties, based on initial analysis of the target problem or task.

This work has entailed the mastery and transmission of the latest state of art information on planning and evaluation techniques for physical renewal, social service and economic development program components. This work has carried MATCH into a broad range of cities for both training and technical assistance within the last six years.



MATCH is currently engaged in performing an agreement with the State of Florida to assist its state-wide Office of Community Development in packaging responsive technical assistance programs for medium and smaller communities. This work consists of identifying realistic State measures of available technical assistance and fiscal resources in several programmatic areas of public safety, transportation, health services, education and manpower, economic development, housing, community development, and welfare. At the end of this effort, report documents shall be developed advising the State of new ways of offering T/A modules.

Within the scope of this work, MATCH is providing direct technical assistance for the cities of Gretna, Eatonville and Riviera Beach. This direct, on site technical assistance consists of a documentation of needs, basic profile of governmental structure and the formulation of a strategy by which federal, state and county resources can be coordinated to increase local service and management capacities.

The State of North Carolina has similarly engaged MATCH to review and evaluate the State's existing program in local government assistance. Operating through the Department of Economic Development as well as the Governor's Office, MATCH is proceeding to prepare a descriptive manual of the multiple ways in which the State can best define its interests in local government affairs. In cooperation with this effort, needs assessments have been slated for the cities of Bolton, Cofield, Chapel Hill, Greenevers, East Spencer, Mesic, Pembroke, and Princeville.

In each instance, the chief executive has specified two priority areas in which MATCH assistance is desired for the implementation of critical programs. This work consists both of on site technical assistance as well as Washington based resources identification and referral. Actual program application will be completed for each of the subject areas identified as priorities.

Selected competitively from some seventy-five applicants to the Department of Housing and Urban Development, MATCH has been awarded one of eight contracts to develop innovative programs to build local government capacity in keeping with the objects of "New Federalism". This work is premised on the anticipation of expanded and continuing Revenue Sharing and Bloc Grant format in the distribution and administration of federal/local resources. Substantially, this work consists of innovative development of new and more sophisticated methods for integrating the administration of federal, state and local resources; the design of a zero based budget system for local decision-makers; and the conceptualization and implementation of an information system for medium size municipalities. The results of this effort will be published in a master report by HUD on "Local Capacity Building".



Communicating the requirements of planning and management efficiency in the context of urban renewal and social program administration has been the hallmark of The MATCH Institution specialty.

The MATCH Institution, through its creature, the National Community Planning and Development Institute, has designed and implemented an extensive system for training and rendering technical assistance to citizens and locally elected officials in the areas of information systems and management techniques which will enable them to better exercise their decision-making and budgeting responsibilities. The CPDI approach entails cost-effectiveness and cost-benefit analyses as well as the concepts of performance budgeting. In this connection, MATCH has developed a series of published materials; topical seminar curricula for various kinds of local officials and a format for the delivery of on-site technical assistance. To date, that effort has reached some 190 cities, and directly trained more than 1,000 city executives, and other elected and appointed officials. The body of data developed by MATCH in fulfilling its CPDI responsibilities has been independently evaluated by public agencies and private contractors as the most intensive courses in the systems approach to public management currently available anywhere in the United States for elected officials.

Antecedent to this work, MATCH had been co-contractor in the design and implementation of a similar effort known as the Model Cities Evaluation Institute and the Model Cities Planning and Evaluation Institute created to train citizen boards, staffs and officials in the requirements, techniques and opportunities associated with the CDA legislation and administrative regulations.

In consortium with the Urban Coalition, the Joint Center for Political Studies, U.S. Conference of Mayors and League of Cities, MATCH has just concluded a series of regional sessions focused on acquainting black locally elected officials in the changing patterns of Federal Community Development legislation and regulations with a special emphasis on the block grant techniques in HUD and HEW.

In the city of Wilkes-Barre, Pennsylvania, The MATCH Institution, in consortium with Westinghouse's Public Service Management Corporation, performed a management analysis, and addressed itself to the major problems facing the Model Cities program: weak program linkage and coordination with the chief executive officer, indefinite property acquisition strategy, inadequate project reporting format, and lack of a coordinated community planning mechanism. Technical Assistance was also delivered in the area of recreation.



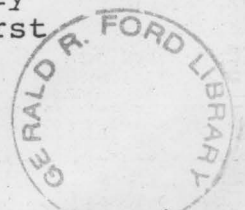
For the Prince George's County Model Cities Program, MATCH developed a Staff Development Work program, involving specialized training materials and techniques to increase the awareness of participants from each component to the goals and objectives relative to the total program; provided guidance in staff training in the processes and practices of program management operations and program implementation, intergovernmental coordination, and communication through an effective information system; and recommended the development of both a Manual covering Standard Operation Procedures and a system for Monitoring and Evaluation.

For the City of Baltimore, Maryland, The MATCH Institution identified the major problems faced by the Model Cities program and provided technical assistance in developing a proposal for the conversion of the information system from a manual to an automated basis, and the overhaul of the budgetary system to allow for standardized fiscal criteria which would be uniformly applied to all operating agency sponsors.

While providing Technical Assistance to the Model Cities agency in Lancaster, Pennsylvania, MATCH addressed itself to the chief problems of allocation of staff responsibilities, the serious gap in performance and reporting levels with the city's operating agencies, and the problems of administration, planning, and coordination ensuing from a Mayor/Council conflict. Technical Assistance was also rendered in redefining the present system of establishing Project Information sheets and gathering employment related data. Highest priority was assigned to improving the communications between residents, the Mayor, the CDA and City Council.

In Memphis, Tennessee, the Department of Housing and Urban Development and the Memphis Housing Authority contracted with MATCH to develop a comprehensive plan for the Beale Street Urban Renewal District. This work required MATCH to develop a master plan with three alternative approaches for the optimally mixed utilization of the thirty-acre Beale Street site as a commercial, entertainment and residential district. Components of this work required a detailed economic feasibility analysis as well as concept sketches and maps for each plan along with a documented set of recommendations, taking into account both the historical significance of the area as well as the plans for the contiguous downtown renewal.

As part of its efforts in Petersburg, Virginia and Prichard, Alabama, MATCH has also begun working with the Federal Regional Councils and the representatives of the Federal Domestic Council in identifying appropriate sources for supplemental federal funding to help in the community development process. Here MATCH has helped to define the needs of the cities in a fashion to allow them to qualify for Integrated Grant Administration (I.G.A.) for the first time in their history.



Currently, MATCH is under contract with HUD to write a manual on the meaning of Equal Opportunity in Planning to be used by all recipients of their comprehensive planning assistance at the metropolitan, state and regional levels. This work has included the researching of case studies throughout the United States of both successful and unsuccessful programs aimed at increasing the participation of minority and low income citizens and women in the planning process.

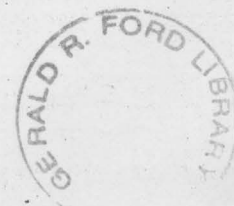
On behalf of the National League of Cities and the U.S. Conference of Mayors, MATCH has performed management training and planning for municipal services and land use for the sites of Benton Harbor, Michigan; Fairmont Heights, Maryland; Glenarden, Maryland; Lincoln Heights, Ohio; East Orange, New Jersey; Seat Pleasant, Maryland; and East St. Louis, Illinois. This work has been aimed at equalizing the level of capital expenditures and services between the disadvantaged communities and the larger city.

In New York City, MATCH has been retained by the Lionel Hampton Development Corporation in cooperation with the New York State Urban Development Corporation to conduct a land use study and survey of the twelve-block area between 135th and 123rd Streets bounded by St. Nicholas and Amsterdam Avenues. The purpose of this project is to document the feasibility of expanding the existing new 14 million dollar housing construction begun there by Lionel Hampton to include the construction of a community college, commercial and open space, as well as additional housing.

In 1972 the Department of Transportation contracted with The MATCH Institution to make an analysis of the planning process in new transportation projects at all levels of government, and prepare a manual for nation-wide publication on how citizens groups can participate.

In the design of new communities, MATCH participated in evaluating and editing the proposed HUD manual for New Community Developers in collaboration with William Nicosin, the former Director of the HUD New Communities Division. The particular chapter for which MATCH was responsible had to do with the state of the art in social planning and application in new towns.

Currently the MATCH Institution is performing in conjunction with the Decision Science Corporation a complex scope of work in designing a computer modeling technique by which the Housing and Urban Development New Communities Administration can evaluate applications for its New Communities bond guarantees. This system under design entails a more sophisticated methodology for the evaluation of financial feasibility, developmental cost and social factoring than that ever previously undertaken by the agency.



Last year MATCH planners participated in designing the HUD workshop on New Communities held in Silver Spring, Md. The particular contribution made by MATCH was in supplying background memoranda and briefings for Ed Harper, responsible for expressing the Executive Office's assessment of the New Communities program.

MATCH team members have been called upon by the cities of Cleveland, Memphis and Newark to review and develop plans for new town in town developments.

At the earliest stages of the development of the Title VII application for Soul City, MATCH was retained as lawyer-consultant in interpreting the legislative and planning requirements of a free standing rural development. Since then the management figures of Harbison, Shenandoah and Fort Lincoln have consulted with MATCH on various aspects of their project design.

For the Manpower Administration in the U.S. Department of Labor, MATCH recently completed a large-scale study to determine the impact of direct loans, guarantees, and Federal procurement upon the employment levels of minority enterprises. More specifically, the objectives of the study were (1) to conduct a survey of two major forms of SBA administered and directed minority enterprise emphasis programs, i.e., (a) loans, guarantees and grants, and (b) 8 (a) set-aside procurements to determine their employment generating impact upon recipient firms; and (2) to conduct intensive case studies of three communities to develop a more comprehensive in-depth picture of the total economic and social effects generated by the enterprises under consideration.

This effort required extensive design of computer techniques to both retrieve, organize and analyze manpower programs and economic data, covering an approximate government expenditure of \$600 million. This included intensive community census profiles of the three cities of Denver, St. Louis and Columbus.

The City of Newark has negotiated a call contract with MATCH to develop an implementation strategy for its City-wide Planning and Management Committee, comprised of the heads of all those departments with planning responsibilities.

Throughout Regions II and III, MATCH is serving as the principal firm in the Office of Minority Business Enterprise network of call contractors. This work consists of conducting feasibility studies, business evaluations, and management analyses for minority owned businesses with a volume of more than \$50,000 in financial trouble. It also involved examining the prospects for new businesses to see if they realistically promised prospects to have a volume in excess of \$150,000.



The National Urban League has contracted with MATCH to identify, statistically and otherwise, the major areas of consumer abuse to which low-income and minority people are exposed in major cities throughout the United States.

.....In Atlanta, Georgia, MATCH has been engaged by the U.S. Commerce Department to develop for local businessmen a set of plans and schematics for the renewal of two downtown commercial corridors known as the Hunter Street and Auburn Avenue sites. This work entailed a detailed assessment of the projected growth of the areas along with a careful documentation of available resources for both public and private development.

The Lionel Hampton Development Corporation has contracted with MATCH to develop feasibility studies for the commercial development of high rise apartments and shopping centers in Newark, New York, Cleveland, and Detroit.

The Economic Development Administration made a partial grant to the People's Involvement Corporation in Washington, D. C. to have MATCH personnel package the real estate and other commercial transactions for the construction of a 7 million dollar downtown hotel-motel.

MATCH team members were retained to structure, during the current year, both a commercial radio station (WHUR-FM) and a publishing company (The New University Press) for Howard University in Washington, D. C.

Under the 406 Program both for SBA directly and their other contractors that year, MATCH was called upon to service some ninety small business clients including contractors, manufacturers, retail shops and service organizations.

The Office of Minority Business Enterprise of the Department of Commerce contracted with MATCH to perform a detailed analysis of the economic needs and implications of Community Development Corporations in eight major United States cities identified as surplus labor markets.

Under an Economic Development Administration contract to the Practicing Law Institute, MATCH subcontracted to develop a detailed manual to guide boards for local development corporations in their selection of investments and lines of commerce for new business and real estate investments.

The Department of Housing and Urban Development contracted with MATCH to establish and document the need for new Federal regulations of bonding companies to enable minority contractors to participate more fully in Federal Housing Administration and Metropolitan Planning and Development-sponsored projects.

