

UNITED STATES GOVERNMENT

# Memorandum

DEPARTMENT OF  
HOUSING AND URBAN DEVELOPMENT

TO : Samuel C. Jackson

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FROM : Arthur A. Davis  
Frederick A. McLaughlin, Jr.

In reply refer to: ME

SUBJECT: The Goals of the New Communities Program

This responds to your request for guidelines in determining what goals you should seek in the Title IV programs.

First, the general goal of the program--"to contribute to the general betterment of living conditions"--is founded on a conviction and some evidence that the process and results of new community building offer a major, more rational, and more efficient alternative to the usual process of urban development--a tract by tract, scattered, and disorganized method which results in what is commonly called "urban sprawl." This conviction is the basis for the many governmentally sponsored new towns in other nations; it has led to private investments in new communities in this country, and it was the root of the many supporting statements by the Administration and expert witnesses during the Congressional hearings on Title IV.

How much of this goal can be achieved is a function, of course, of the scale of Congressional authorization, the availability of private financing, and the interest and capabilities of private entrepreneurs. Assuming that we arrive at a level of approving about 10 new communities annually, beginning in 1972, eventually we would be absorbing perhaps 16 percent of the nation's annual increment of growth.

Not that the program should or could capture all of the growth (some people prefer well-designed sprawl), but this arithmetic supports two points: (1) the limited size of the program, especially during the initial years, suggests that it should purposefully be experimental, and be aimed at creating a variety of prototypes; and (2) the number of new communities possible to support with the program means a careful evaluation of sub-goals, or objectives, and priorities. This is not intended to imply that we will be overwhelmed with eligible (economically feasible, etc.) applications in the near future and will be faced with a tough selection process.

Identified below are several sub-goals or objectives of the program that are either clearly spelled out in the statute or can be matters of administrative policy. For this purpose we have slighted legislative objectives that are either hortatory or were established mostly to satisfy legislative strategies.

The following objectives could be used as a basis for an application rating system if one proved necessary in the long run; at this point we have not attempted to give them weights of relative importance.

Thus, Title IV assisted new communities should:

1. Be balanced, or self-sufficient communities.

The statute clearly identifies the objective of fostering projects that are, indeed, new "communities," in the sense that the communities contain a "balance" of housing, shopping facilities, employment centers, open space, etc. The implication is that a proposed, self-sufficient community containing all of these things, especially employment for its residents, would rate higher than one that emphasized housing and relied upon commuting for a large share of the supporting employment.

The justification for a "balanced" community is often illustrated by the savings in transportation facilities and travel times because of the proximity of homes and work, shopping, schools, etc., in a new community. In the metropolitan context this should be seen in terms of an opportunity to live and work in the same community; options to work elsewhere must be maintained. For non-metropolitan new communities the balance becomes seen more in terms of self-sufficiency which, in turn, has implications for any internal migration objectives.

2. Utilize the best in urban design.

In a sense, this is the qualitative aspect of balance. Proper quantities of housing, shopping, industries, and public facilities must be put together under a well-designed plan: to reduce vehicular and pedestrian conflicts; foster social contacts; make the best use of open spaces; etc.

3. Provide needed additions to the general housing supply.

Obviously, any new community will do this. But some more than others. Thus, it should be possible to evaluate applications on the basis of such factors as the number of dwelling units produced per dollar of total community costs and the basic need in the area (quantity and quality).

One of the benefits predicted from Title IV was based on a conviction that the process of new community building offered opportunities for mass production of housing. The Title IV program should be used, in so far as possible, to develop a new industry of community building--applying modern management techniques to more efficient production of building sites and supporting facilities. This objective is not necessarily inconsistent with the required encouragement of small builders since their role in the construction of housing can still be accommodated.



4. Enlarge housing opportunities by increasing the range of housing choices.

Presumably the factors to be promoted here would include the variety of housing to be built, in terms of price range and type of units (single family, apartments, etc.).

Part of this objective is a matter of good design, but a part of it could be a matter of "social marketing." The latter would be illustrated by the developer who adopted an aggressive program for integrated housing or who related his planning to a neighboring relocation program. To passively offer choices is one thing; to take positive steps to market them is another.

5. Provide a balance of housing for families of low- and moderate-income.

This objective could have been included in items 3. and/or 4. above, but its status as a separate requirement in the statute warrants special emphasis. No one has yet defined the specifics of "balance," but we might begin with a policy for every new community to include housing within the means of everyone that will be employed there, or close by. Bonus points would be given as a function of the ratio of low- and moderate-income housing to total housing in the project.

6. Enlarge employment opportunities by providing new investment opportunities for industry and commerce.

This objective may be a bit horatory; any development, even urban sprawl, provides new investment opportunities. We would prefer to consider this as an element of the first objective--balanced communities. If given separate status it leads to a confrontation with the housing objectives--we cannot maximize both at the same time.

7. Include innovations and new technologies in housing facilities and community development.

This is a self-explanatory statutory objective. Both this and the housing production objective have implications for the Sec. 108 mandate.

8. Be consistent with comprehensive planning.

This is a relatively weak requirement in the law when compared to other programs. It, therefore, provides an opportunity, as administrative policy, to select projects that really carry out comprehensive planning and orderly growth--that are more than merely consistent. We should convert the consistency "requirement" to a more positive objective of using new communities to achieve the goals of comprehensive planning, such as "sound and economic growth of the areas" being planned, a balanced growth of metropolitan regions, etc.

9. Be supported by local governments.

Implicit in the supplementary grant program of Title IV is an objective of encouraging States, counties, and municipalities to participate in building new communities. On this basis, we should favor those applications where the local governments give evidence of fully supporting the private developers and do more than merely accommodating them.

10. Help achieve other related national objectives and policies.

Items #1 through #9 are rooted in the statute or legislative history of Title IV. But there is no reason for not developing administrative priorities aimed at achieving other objectives, as long as there is a clear relationship. Two areas of national concern come to mind:

a) Social policies. The innovative and socially concerned new community developer has an opportunity to foster a number of national social policies. To illustrate:

- A high degree of economic and racial integration in housing.
- Employment and training of indigenous underemployed labor, both in the construction of the community and later industries.
- Comprehensive health programs.
- Educational parks and other institutional innovations having social benefits.

b) A more balanced national or regional distribution of urbanization.

Although the statute is silent on this point, some of the testimony stressed the usefulness of Title IV in revitalizing smaller, rural communities. In effect, this means that Title IV should be used to foster urban development and employment in the less developed regions of the country, to reduce rural-urban migration, etc.

We should point out that the above objectives are not without severe constraints, especially since Title IV is dependent upon private sponsors and the economic realities of the market place. Thus, certain tests must be made that may overrule some of the desired objectives, i.e., tests of economic feasibility, management capabilities of the sponsors, willingness of the private financial institutions, etc. For example, a proposed new community in an underdeveloped region may be desirable in terms of national urbanization policies, but a realistic appraisal may prove the proposed employment base to be entirely too risky.

The constraints, of course, underlie a feeling that it may be too early to be worried about a rating system to select applications. The number of applica-



tions that fully qualify under the statute will not soon exhaust our authorization. The above objectives as evaluation tools, therefore, will be helpful now to identify the priority of approvals--which proposed new community do we want to really push as the second or third Title IV supported community--or which applications we should back with additional resources. The latter type may again be illustrated by the independent new community in an undeveloped region where we might decide to package a number of other Federal aids to support it.

*Arthur A. Davis*

Director, Community Resources Development  
Administration

*F. M. Langford*

Director, Office of Plans, Programs and  
Evaluation