

REGIONAL PLAN ASSOCIATION, INC.

... a research and planning agency supported by voluntary membership to promote the coordinated development of the New York-New Jersey-Connecticut Metropolitan Region.

230 West 41st Street, New York 36, N.Y.

(Area Code 212) LOngacre 5-1714

NEWS RELEASE

April 5, 1971
No. 1122

For Information Call Sheldon Pollack
LOngacre 5-1714 or PLaza 1-5748 (home)

FOR RELEASE: Friday, A.M.
April 9, 1971

AID TO CITIES, ANTI-POVERTY PROGRAMS NEED
TOP U.S. REVENUE PRIORITY

The Regional Plan Association Board today released the following statement:

"Whether welfare is nationalized or federal revenue is shared with states and localities, the number one target for financial relief should be the old cities, and the principal programs for which the federal government should take more responsibility are those directed against poverty. Poverty is a national problem. It only happens to be concentrated heavily in older cities because that's the place lower-cost housing comes together with job opportunities.

"It is perfectly clear that the best physical, economic and social development of the New York Urban Region cannot be achieved without helping the older cities become attractive, efficient and safe places for people to live and to come together for business, pleasure, education and civic functions. The main obstacle to this right now is the burden of poverty--its financial drain on the cities, the difficulties of maintaining adequate anti-poverty programs such as remedial education and health programs on very little money, and the social tensions resulting from insufficient anti-poverty programs and from a lack of adequate housing. Insufficient housing forces lower-income families to compete with lower-middle-income families for the limited supply of satisfactory shelter.

"Regional Plan Association has recommended that the rapid growth in office jobs expected to continue in the Region locate primarily in older downtowns like Jamaica (Queens), downtown Brooklyn, Newark, Paterson, Bridgeport, New Haven, White

Plains, Stamford and others. This would broaden both jobs and services for older-city residents, offer much more efficient sites for these activities than highwayside locations or large isolated campuses, and save open countryside by holding the large facilities in the cities and cutting the need for expressways. Also, it would bring racial and income groups together. Over many years, central cities have offered corporations the right conditions for the effective conduct of business: face-to-face relations, external economies, a large and varied talent pool.

"An office construction boom in the major downtowns across the country--led by New York City--therefore followed the nation's shift from manufacturing to office and service work. This provided a new tax base for the cities and kept their governments financially afloat for a time.

"Now, many of the office jobs and services, such as new college campuses, hospitals and department stores, are deliberately going outside the older cities because the cities' poverty burden appears to preclude them from providing a suitable environment.

"The cities are left with relatively declining tax bases and leaping governmental costs. The situation is now desperate in Newark, New York City, Paterson and other old cities of the Region.

"In the long run, the crumbling of the nerve centers of this nation's economy could be far more expensive to the nation than assuming more of the cities' poverty-related financial burdens.

"Public Services In Older Cities, which Regional Plan Association published in 1968 as a background volume for the Second Regional Plan, showed how poverty-related costs keep the cities from providing a high level of traditional municipal services and thus competing with the suburbs as desirable places to live and work. It reasoned that if the federal government relieved the cities of poverty-related costs, most cities could have a high level of services without seeking federal funds for any and all

programs possible, whether there was a clear federal responsibility or not. If cities did not need to beg for federal grants for all kinds of local programs, federal-local fiscal relations could be rationalized. Governor Rockefeller recently complained that federal money was being "scattered" through categorical grants: 'We file so many papers with Washington, we don't know what we are asking for.' If the federal government took responsibility for the greatest national problem, poverty, cities could concentrate on financing local services.

"In a series of meetings on these issues over a two-year period in seven suburban counties surrounding New York City and in a New York City conference attended mainly by suburbanites, Regional Plan Association found widespread agreement with the argument that all poverty-related public services--compensatory education, public health, job training and other programs against poverty--should be financed completely by the federal government.

"In total, responses on written questionnaires following all-day discussions were:

"For complete federal financing: 50%. For federal and state financing combined: 34%. For federal, state and local financing about in the proportion it is now: 7%. For only state financing: 4%. Uncertain: 1%.

"The sample of almost 2,000 was well above average in education and income for the Region.

"We have a fundamental choice in our urban areas: we can live together in one society--rich and poor, black and white--or we can turn our backs on the older cities, where most of the poor and the blacks and Puerto Ricans live, and build anew outside them. If we choose to live together, the places we come together--the cities--must become more satisfactory both for living and working.

"The prime consideration for Congress should be a formula by which the

federal government meets its own national responsibility--eliminating the grinding poverty which is rapidly sinking our cities as well as condemning yet another generation to a second class life. Such formula should assure that any shared revenue be applied in the first instance to poverty-related programs."

Regional Plan Association is a nonprofit civic organization which has been working since the 1920's for a more efficient and satisfying tri-state urban region.

* * * * *

THE REGION'S AGENDA

VOLUME 1, NUMBER 6

MARCH, 1971

AID TO CITIES, ANTI-POVERTY PROGRAMS NEED TOP U.S. REVENUE PRIORITY

A statement by Regional Plan Association's Board

Whether welfare is nationalized or federal revenue is shared with states and localities, the number one target for financial relief should be the old cities, and the principal programs for which the federal government should take more responsibility are those directed against poverty. Poverty is a national problem. It only happens to be concentrated heavily in older cities because that's the place lower-cost housing comes together with job opportunities.

It is perfectly clear that the best physical, economic and social development of the New York Urban Region cannot be achieved without helping the older cities become attractive, efficient and safe places for people to live and to come together for business, pleasure, education and civic functions. The main obstacle to this right now is the burden of poverty--its financial drain on the cities, the difficulties of maintaining adequate anti-poverty programs such as remedial education and health programs on very little money, and the social tensions resulting from insufficient anti-poverty programs and from a lack of adequate housing. Insufficient housing forces lower-income families to compete with lower-middle-income families for the limited supply of satisfactory shelter.

Regional Plan Association has recommended that the rapid growth in office jobs expected to continue in the Region locate primarily in older downtowns like Jamaica (Queens), downtown Brooklyn, Newark, Paterson, Bridgeport, New Haven, White Plains, Stamford and others. This would broaden both jobs and services for older-city residents, offer much more efficient sites for these activities than highwayside locations or large isolated campuses, and save open countryside by holding the large facilities in the cities and cutting the need for expressways. Also, it would bring

racial and income groups together. Over many years, central cities have offered corporations the right conditions for the effective conduct of business: face-to-face relations, external economies, a large and varied talent pool.

An office construction boom in the major downtowns across the country--led by New York City--therefore followed the nation's shift from manufacturing to office and service work. This provided a new tax base for the cities and kept their governments financially afloat for a time.

Now, many of the office jobs and services, such as new college campuses, hospitals and department stores, are deliberately going outside the older cities because the cities' poverty burden appears to preclude them from providing a suitable environment.

The cities are left with relatively declining tax bases and leaping governmental costs. The situation is now desperate in Newark, New York City, Paterson and other old cities of the Region.

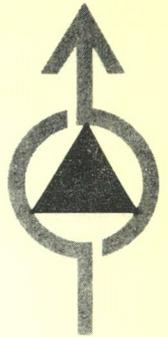
In the long run, the crumbling of the nerve centers of this nation's economy could be far more expensive to the nation than assuming more of the cities' poverty-related financial burdens.

Public Services in Older Cities, which Regional Plan Association published in 1968 as a background volume for the Second Regional Plan, showed how poverty-related costs keep the cities from providing a high level of traditional municipal services and thus competing with the suburbs as desirable places to live and work. It reasoned that if the federal government relieved the cities of poverty-related costs, most cities could have a high level of services without seeking federal funds for any and all programs possible, whether there was a clear federal

A periodic report on progress and problems in implementing The Second Regional Plan, identifying obstacles that readers might help to overcome.

REGIONAL PLAN ASSOCIATION
230 WEST 41st STREET
NEW YORK, N. Y. 10036

THE REGIONS AGENDA



responsibility or not. If cities did not need to beg for federal grants for all kinds of local programs, federal-local fiscal relations could be rationalized. Governor Rockefeller recently complained that federal money was being "scattered" through categorical grants: "We file so many papers with Washington, we don't know what we are asking for." If the federal government took responsibility for the greatest national problem, poverty, cities could concentrate on financing local services.

In a series of meetings on these issues over a two-year period in seven suburban counties surrounding New York City and in a New York City conference attended mainly by suburbanites, Regional Plan Association found widespread agreement with the argument that all poverty-related public services--compensatory education, public health, job training and other programs against poverty--should be financed completely by the federal government.

In total, responses on written questionnaires following all-day discussions were:

For complete federal financing: 50%. For federal and state financing combined: 34%. For federal, state and local financing about in the proportion it is now: 7%. For only state financing: 4%. Other: 4%. Uncertain: 1%.

The sample of almost 2,000 was well above average in education and income for the Region.

We have a fundamental choice in our urban areas: we can live together in one society--rich and poor, black and white--or we can turn our backs on the older cities, where most of the poor and the blacks and Puerto Ricans live, and build anew outside them. If we choose to live together, the places we come together--the cities--must become more satisfactory both for living and working.

The prime consideration for Congress should be a formula by which the federal government meets its own national responsibility--eliminating the grinding poverty which is rapidly sinking our cities as well as condemning yet another generation to a second class life. Such formula should assure that any shared revenue be applied in the first instance to poverty-related programs.

* * * * *

Congress is now comparing the relative merits of federal assumption of welfare costs vs. general revenue sharing with states and localities. Regional Plan Association feels that the single most important step for the federal government is to relieve the cities of poverty costs.