

STENOGRAPHIC TRANSCRIPT OF

# HEARINGS

Executive and Legislative Reorganization Subcommittee of the

COMMITTEE ON GOVERNMENT OPERATIONS

A BILL TO CREATE A DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## HOUSE OF REPRESENTATIVES

Washington, D. C.

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1 The Chairman. The next witness is the Honorable Richard  
2 J. Daley, Mayor of the City of Chicago.

3 I am sorry that your time was limited. But they kindly  
4 ceased questioning out of respect for you in order to give  
5 you an opportunity, since they know that you have to go right  
6 back.

7 STATEMENT OF THE HONORABLE RICHARD J. DALEY  
8 MAYOR OF THE CITY OF CHICAGO

9 Mayor Daley. Mr. Chairman, I am thankful and grateful  
10 for the Committee taking this action.

11 I am Richard J. Daley, Mayor of Chicago. I am former  
12 President of the United States Conference of Mayors. It is  
13 especially a pleasure to be here at the invitation of your  
14 Chairman, Congressman Dawson, a great leader both in the City  
15 of Chicago and in the Congress.

16 No man is more familiar with the needs of the citizens  
17 of the urban communities than Congressman Dawson who has  
18 devoted his career to representing the interests of all the  
19 citizens of our great communities.

20 The passage of legislation for the establishment of a  
21 new Cabinet Department of Housing and Urban Development as  
22 proposed by President Johnson is long overdue.

23 Bills to establish an Executive Department concerned with  
24 housing and urban development were introduced as far back as  
25 the 84th Congress.

1 Hearings conducted by both House and Senate Committees  
2 have been extensive and thorough and the printed transcripts  
3 of these hearings represent a vast amount of testimony.

4 There is little to add to this testimony other than to  
5 point out that with each passing year the need for representa-  
6 tion of our urban population, as President Johnson has stated,  
7 are "Of a scope and magnitude that demands representation at  
8 the highest level of Government."

9 I believe that whatever resistance there is to this  
10 legislation stems from the use of the words "urban" and  
11 "housing," and their identification with big cities. There  
12 are some who still fail or refuse to recognize the obvious --  
13 that we live in an urban society and that the problems of  
14 urbanization directly affect the lives of most of our citizens  
15 and indirectly influence the lives of all of our citizens.

16 For example, there are more than 10,000,000 people living  
17 in the 102 counties of Illinois. The population in the metro-  
18 politan areas has risen from 2,600,000 in 1900 to 7,700,000  
19 in 1960 -- or more than 76 percent of the total state popula-  
20 tion.

21 Much of this amazing growth occurred in the past three  
22 decades -- but what is equally striking is that by 1970 four-  
23 fifths of the population of Illinois will live in 15 counties --  
24 and only one-fifth of the population will live in 87 counties...  
25 and this urbanization, this concentration of population, is

1 evident throughout our Nation.

2       Certainly, there can be no justification for the fact  
3 that many of the one-fifth of the state's population are  
4 represented in the Presidential Cabinet by the Department of  
5 Agriculture, while denying the same representation to the  
6 four-fifths.

7       Actually, those who represent rural interests must be  
8 concerned with the problems of the urban areas -- for the  
9 prosperity and well-being of the metropolitan areas are  
10 essential to the welfare of the rural areas -- just as the  
11 prosperity and well-being of the farmer and the rural areas  
12 must be of direct concern to urban residents.

13       This is not a bill for the big cities. As of January,  
14 1964, of a total of 1402 reservations for projects under the  
15 jurisdiction of the Housing and Home Finance Agency, 646 -- or  
16 nearly 50 percent -- were for cities under 100,000 population  
17 and these included 436 for cities less than 50,000 population.  
18 In fact, the largest number of grants -- 253 -- were for cities  
19 with a population ranging between 10,000 and 25,000.

20       A secretary of Housing and Urban Development would fill  
21 a need which has already been met in all other important  
22 policy areas.

23       Business is represented by the Secretary of Commerce....  
24 labor is represented by the Secretary of Labor....the develop-  
25 ment of our natural resources in the West is represented by

1 the Secretary of Interior. But nobody specifically represents  
2 the cities.

3 And yet, the productive capacity....the purchasing power....  
4 the back-bone of our economy.... and the people who pay most  
5 of the taxes....live in urban communities.

6 The Department of Agriculture -- as well as the other  
7 Departments -- have served the national interest -- and the  
8 establishment of a Secretary of Housing and Urban Development  
9 would also make a great contribution to all of the people of  
10 our Nation.

11 With the tremendous growth of our economy, and the  
12 participation of the Federal Government in every aspect of  
13 our society, the problem of communications has intensified.

14 The present Departments have served as a central clearing  
15 house and individuals and organizations concerned with labor....  
16 commerce....agriculture.... and public lands can receive  
17 information and guidance directly from the respective Department.  
18 Whereas, the mayor of a municipality must devote much time  
19 going from agency to agency to get an answer to a problem -- or  
20 to get conflicting Federal programs coordinated.

21 The Housing and Home Finance Agency has become larger  
22 in the size of its staff and in the amount of its Federal  
23 expenditures and commitments than some of the present Cabinet-  
24 level Departments.

25 The complexity, and the diversity of interests, which the

1 impact of urban development and housing has on every phase  
2 of the daily living of the great majority of our citizens --  
3 makes it essential that programs be coordinated and concentrated  
4 attention on broad policies be developed on the highest executive  
5 level.

6 The first finding of the Hoover Commission was precisely  
7 along this line when it stated in reference to Federal programs:

8 "Until dispersed units are pulled together, and  
9 authority is placed in Department heads as Chief  
10 Assistants to the President, there will be conflict,  
11 waste, and indecisiveness in administration."

12 To sum up the benefits arising from the establishment  
13 of a Department of Housing and Urban Development:

14 The Department would fill a need which has already been  
15 met in all other important policy areas by establishing a  
16 secretary who would be available as a consultant on urban  
17 affairs to other officials in the Federal Government -- and  
18 by representing the interests of the vast majority of our  
19 citizens who live in metropolitan areas.

20 The result of centralizing the various Federal activities  
21 concerned with urban affairs would provide for a unified  
22 organization at the Federal level....would coordinate existing  
23 programs.... and would reduce the number of independent agencies  
24 reporting directly to the President and the Congress.

25 The establishment of a Department would make it possible

1 to conduct the great amount of comprehensive research that  
2 needs to be done if we are to solve the problems of urbaniza-  
3 tion.

4       There is considerable research being carried on today,  
5 but such studies are made in bits and pieces. The results of  
6 such studies are often not widely publicized, and a Federal  
7 Department could not only develop its own program of essential  
8 information, but would have channels available to distribute  
9 basic research studies to city....county...and state officials.

10       Certainly, a Department of Housing and Urban Development  
11 could provide a central point in the Federal Government where  
12 cities could come for help and information.

13       It is important to note that the proposed bill in itself  
14 adds no new programs or operation to the new Department. It  
15 does assign additional responsibility for leadership in coordi-  
16 nation with all of the activities of the Federal Government  
17 as they affect urban areas.

18       As President Johnson has stated so eloquently in his  
19 message to the Congress:

20               "Our urban problems are of a scope and magnitude  
21 that demand representation at the highest level of  
22 Government. The Housing and Home Finance Agency was  
23 created two decades ago. It has take on many new  
24 programs. Others are proposed in this message. Much of  
25 our hopes for American progress will depend on the

1 effectiveness with which these programs are carried  
2 forward. These problems are already in the front rank  
3 of national concern and interest. They deserve to be  
4 in the front rank of Government as well."

5 Chicago -- like other central cities -- is the core of  
6 a great metropolitan area with residents of suburbs....towns....  
7 and other cities -- all with similar urban programs -- all  
8 facing similar urban problems.

9 I feel that I am here not only speaking for the people  
10 of Chicago, but on behalf of a much greater urban population.

11 It is to meet the genuine and urgent needs of all our  
12 citizens that I urge the approval of House Bill 6654 to  
13 establish a Department of Housing and Urban Development.

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