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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING POLICY IN THE NEW MILLENNIUM

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Hilton Crystal City  
Arlington, Virginia

October 2-3, 2000

CLOSING PLENARY SESSION

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Reported by: Ray Heer  
Transcribed by: Janet S. Dickens

P R O C E E D I N G S

Tuesday, October 3, 2000

Beginning Time: 4:00 p.m.

INTRODUCTION BY SUSAN M. WACHTER

MS. WACHTER: Good afternoon. We are going to keep this session short. We'll have time for a reception. I absolutely promise you that we will be out of here before 5:00, perhaps substantially before so.

We have with us, nonetheless, a distinguished panel, beginning with -- please -- all the way to my left -- just raise your hand, so that it's clear -- also, I have hope we have the right names for the right people -- Robert Mitchell, who is president of the National Association of Homebuilders, the mover and shaker for the National Association of Homebuilders leadership on one million homes.

We also are very pleased to have with us the Honorable Michael R. Turner, mayor of Dayton. The mayor is a former homebuilder, and he exemplifies the partnership of mayors with the National Association of Homebuilders.

We also have with us Doug Porter, president of the Growth Management Institute. He

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directed research at ULI for 12 years and is currently a fellow of ULI, as well as being president of GMI.

We also have with us Professor David

5 Listokin of Rutgers University, who is also co-  
6 director of the Center for Urban Policy Research at  
7 Rutgers.

8 And, in addition, we have, from HUD, known  
9 to all of us, of course, beside Fred Eggers of my  
10 staff, Chief Economist Bill Apgar.

11 So with that, let me begin very briefly  
12 with a short overview from HUD's perspective of the  
13 Million-Homes Initiative.  
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1 OVERVIEW BY SUSAN M. WACHTER

2 MS. WACHTER: Why are we involved? We  
3 care about cities, short and simple. Why is the  
4 National Association of Homebuilders involved? The  
5 National Association of Homebuilders recognizes that  
6 the way to supply the needed housing for America and  
7 not to continue the sprawling of America is to  
8 rebuild the center. So they have come to us under  
9 the leadership of President Mitchell With this is a  
10 principle, that they come to build America from the  
11 center out. And it is President Mitchell's personal  
12 commitment that led to this program.

13 In addition, HUD has community builders in  
14 all of the pilot cities. So it made -- it was  
15 natural for the mayors and for the National  
16 Association of Homebuilders to come to HUD to work  
17 together with them to rebuild cities in this  
18 initiative. HUD has, besides a special relationship  
19 with mayors, programs that link to new construction  
20 -- HOME, CDBG, HOPE-6, FHA.

21 All of this came to culmination on  
22 February 4th, 1999, with the announcement by Vice  
23 President Gore, Secretary Cuomo, then president of  
24 NAHB, Charles Ruma, and Mayor Kurt Schmoke of  
25 Baltimore, announcing the Million-Homes Partnership

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1 -- an additional 100,000 homes in the nation's  
2 cities over the next ten years.

3 How were the cities for the case study  
4 selected? HUD, National Association of  
5 Homebuilders, and the Conference of mayors looked at  
6 cities where mayors were active in the housing area,  
7 where there was a strong National Association of  
8 Homebuilders association and where the demographics  
9 would allow a strong housing market.

10           The secretary invited selected cities to  
11 voluntarily participate, to identify what they are  
12 doing and what they would do to remove barriers to  
13 increasing new-home production in the inner cities.  
14 Local National Association of Homebuilders  
15 associations were invited where there was a  
16 demonstrating willingness to work with the city to  
17 commit their expertise to the effort. Twenty cities  
18 responded. The National Association of  
19 Homebuilders, Conference of Mayors, and HUD  
20 recommended 17 pilot sites.

21           You will hear today from the National  
22 Association of Homebuilder president, Bob Mitchell,  
23 of the extent of their commitment and involvement.  
24 You will then hear from Dayton mayor, Michael  
25 Turner, of his pilot city's efforts in this area.

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1           Then you will hear from PD&R economist, Fred Eggers,  
2 of our tracking effort, of the results. And you  
3 will then hear from the Conference of Mayors  
4 researcher, Doug Porter, on the interim results of  
5 the case studies and best practices.

6           After that, we will hear from David  
7 Listokin on his research in the area of housing  
8 rehab. And we'll then take Q and A's -- and all the  
9 hard Q and A's will go to Bill, who's right here for  
10 this and -- to be followed by a short clip of three  
11 of the sites.

12           We now will -- I will turn briefly to Bill  
13 who was -- perhaps to add how this came to be.

14           COMMENTS BY WILLIAM C. APGAR

15           MR. APGAR: Well, as was my tradition at  
16 HUD, any good idea, I take full credit for. But  
17 really, this idea of bringing the mayors together  
18 with the builders to build their inner city as a  
19 good idea for urban revitalization, but also as  
20 Secretary Cuomo says, "to take the U-turn on the  
21 development highway and look back into our cities"  
22 -- obviously, taking some of the pressure off of the  
23 exurban fringe.

24           You know, builders are a relatively  
25 interesting bunch. You give them a plot of land

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1           that you can build on, and they like to build homes.  
2 They don't particularly care whether that plot of  
3 land is in the suburbs or in the city, as long as  
4 it's free and clear and ready to go, fully able to  
5 build.

6           This was very aptly demonstrated about six  
7 years, when I happened to be in Louisville. There,  
8 as a sort of precursor to the Million-Homes idea,  
9 the Louisville Housing Association -- homebuilders  
10 association, the mayor, Jerry Abram -- I got  
11 together, and they had done something that, at the  
12 time, was considered novel. Why not have our build-  
13 arama, our show of the best practices in  
14 homebuilding, make a stop in the inner city.

15           So the city teed up eight or ten lots.  
16 They let small builders come in. And guess what  
17 happened? I was there. Thousands of people came  
18 out, because clearly there was a market for homes in  
19 the inner city. It's just a question of  
20 demonstrating the type of housing that could be  
21 built, the kind of neighborhood amenities that could  
22 be present in an inner-city development.

23           And so since then, I've been keeping  
24 stories of that as I talk to builders around the  
25 country. And builder after builder is telling about  
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1 what happens when you provide a suitable housing  
2 opportunity for folks in the city.

3           Not everyone wants to live in the "burbs,"  
4 although many do, as Tony said, but if you give  
5 people housing choices, quality homes in the inner  
6 city, a lot of people will move there. That's  
7 happening in Detroit, Cincinnati, city after city,  
8 and we'll hear about that today.

9           So it's really exciting. We ought to  
10 acknowledge the role, again, of the U.S. Conference  
11 of Mayors. Jean Low, who's here, worked very hard  
12 on this, and the whole staff of the Conference of  
13 Mayors. And we'll hear from -- more of that  
14 perspective.

15           But the mayors can do their job helping  
16 tee up lots, helping make the city a desirable place  
17 to build in. And guess what'll happen? The  
18 builders will build. And if you build it, they'll  
19 come. And we're seeing that in city after city  
20 across the country.

21           So I think this is a really exciting  
22 program, and we're going to hear more about it from  
23 our other panelists.

24           MS. WACHTER: Thank you. Bill?

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1           PRESENTATION BY MAYOR MICHAEL R. TURNER

2           MAYOR TURNER: Thank you. Of course, it's  
3 always exciting for a mayor to get an opportunity to  
4 do a commercial about their city. I can tell you  
5 that Dayton has had an exciting experience working  
6 with the Homebuilders Association and HUD and the  
7 U.S. Conference of Mayors and participating in this  
8 program.

9           We really do believe that the future of  
10 American cities is in building new market-rate  
11 housing. And many speakers that have spoken over  
12 the past two days have talked about low-income  
13 housing as being a commitment to humanity. Well, I  
14 think that market-rate housing is a commitment to  
15 the future and the health of our cities.

16           We talk about issues of economic  
17 segregation, and we all know the problems that occur  
18 through economic segregation. How to reverse that?  
19 You can look at issues of, of course, what the  
20 suburban responsibility is, but also if we look at

21 cities and their responsibility for attracting the  
22 middle class back to the interior city, you going to  
23 find that there's a lot that needs to be done.

24 One of our speakers at lunch today was  
25 talking about -- you know, perhaps people moved away  
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1 from the city because they didn't want to be near  
2 low-income populations or from -- the minorities.  
3 And I think that sometimes that our own biases can  
4 make those types of analysis a little too  
5 simplistic.

6 For example, if you were given a map of  
7 this room, and you saw only where people were  
8 sitting, you would assume that perhaps there's some  
9 really popular people who sat over here and maybe  
10 some not-so-popular people over here, but you would  
11 miss the fact that the doors are over here, and  
12 that's why, probably, you guys were all sitting over  
13 there.

14 (Laughter.)

15 MAYOR TURNER: And I think that's one of  
16 the responsibilities that cities have is to not just  
17 take the simple answers as to why people aren't  
18 moving into our neighborhoods, but look at some of  
19 the factors that we can change in addition to having  
20 inventory available that impact our neighborhoods --  
21 those issues and looking at things such as zoning  
22 and transportation.

23 The neighborhoods of the late 1800s, early  
24 1900s, that you find in most suburban America have  
25 much of their streets connected to thoroughfares

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1 where there's lots of cross traffic. Today, people  
2 don't design neighborhoods that way. If you look at  
3 going back into those neighborhoods and seeing how  
4 you can retrofit them so that you can lessen the  
5 amount of cut-through traffic, you can start to get  
6 the environments that people are familiar with or  
7 that are happy to return to.

8 Other issues that you see in urban America  
9 is a lot of times, in not enforcing their zoning  
10 codes and not doing it correctly, we put a lot of  
11 undesirable uses in our neighborhoods. There are a  
12 lot of industry that has encroached upon our  
13 neighborhoods. There are issues of bars or adult  
14 entertainment that are issues that need to also be  
15 addressed in order to make the neighborhoods  
16 attractive.

17 In looking at what we were doing to the  
18 city. In the city of Dayton, one of the biggest  
19 policy shifts that we had to make is that people had  
20 to accept that market-rate housing was a public  
21 purpose with which we could invest public funds and  
22 tax dollars. When you're talking about development  
23 in a city, you're talking largely about  
24 redevelopment. And in doing redevelopment, you're  
25 going to have issues -- such as land assembly,

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1 demolition, and sometimes just lot preparation --  
2 that are going to require some public assistance.

3 Now, subsidy for market-rate housing, I  
4 think, has only been controversial in urban cities,  
5 because suburban communities have been doing it for  
6 a long time. Their investment and infrastructure  
7 is, in fact, a sub-city that then attracts people to  
8 come and build homes and to live in their area.

9 So once we got over that issue of how are  
10 are we going -- that we are going to invest in  
11 market-rate housing, we looked at it as a production  
12 model, and what were the people that we need to get  
13 involved with? Obviously, we needed a private-  
14 public partnership.

15 We went to the Homebuilders Association.  
16 They represented 98 percent of the production of  
17 houses in our region, so we knew they knew how to do  
18 it.

19 We went to our lenders, who were already  
20 very much working with our builders in building  
21 homes in the suburbs, to talk about what type of  
22 products that they could design that would assist  
23 the builders to build in the city and also for end-  
24 buyers.

25 We also went to our realtors, because they

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1 were the gatekeepers for a lot of people in their  
2 introductions to communities. And we started a  
3 realtors ambassador program that was based on their  
4 continuing education credits where we introduced  
5 them to our neighborhoods and the surrounding areas  
6 and the amenities so that they could also assist us.

7 We went to our administrative policies for  
8 the city, and we streamlined them. We had our  
9 zoning, our building permits, and our inspection  
10 services all in different departments. We combined  
11 them so there was one person who was responsible.  
12 We did that in conjunction with the Homebuilders  
13 Association, so they could help us tailor a program  
14 that would be most responsive to them.

15 Then in launching into trying to stimulate  
16 market housing, basically the steps that we took  
17 are, one, we had to establish a market. In many of  
18 the neighborhoods, there had not been housing sales  
19 of the prices that we needed in order to be able to  
20 justify new-home construction and to be able to  
21 bring builders in. So we went into neighborhoods,  
22 and we would do an assessment -- what were the  
23 blighting influences, what were the worst houses in  
24 the neighborhoods -- and then we would do a rehab  
25 project in conjunction with attracting new

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1 construction.

2 Our rehab-arama project is one where we  
3 would take about eight houses in a neighborhood,  
4 have a home show. About 15,000 people would come.

5 And at the end of that, we would look for available  
6 lots in the neighborhood for in-fill construction.

7 We looked at how we could amass our  
8 inventory. We looked for -- where are abandoned  
9 lots were. Where were pieces of land that had been  
10 left behind -- five acres or ten acres that were in  
11 our -- adjacent to established neighborhoods. And  
12 we also looked for vacant land that was within the  
13 city's boundaries that abutted our other suburbs.

14 And so we took four approaches, both rehab  
15 in order to establish the market, looking for in-  
16 fill sites and in-fill neighborhoods, and then, of  
17 course, looking for the creation of new  
18 neighborhoods.

19 The efforts that we have had with the  
20 community have really been very astounding. In 1993  
21 to 1995, the city of Dayton built a total of 131  
22 houses, total. In the period of 1997 to 1999, when  
23 we first began this initiative, we built 358 homes  
24 -- a 278 percent increase. Last year, we built 126;  
25 and this year, we've already broken 141 homes. This

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1 is very important, because, not only does it attract  
2 people into the city, it allows people in the city  
3 to move up, so we can retain our own residents, but  
4 it also attracts capital.

5 The amount of new-home construction in the  
6 city of Dayton in 1999 topped over \$10 million in  
7 value, and that does not include the land. This  
8 year, we're expected to break over \$20 million.

9 Some of the exciting projects that we've  
10 done -- one is the Hook Estate. There, we had a  
11 ten-acre spot where there was a large mansion that  
12 was dilapidated and abandoned. There were people  
13 who wanted to come in a tear it down and put multi-  
14 family housing.

15 The city acquired the site. We subdivided  
16 it so that the front yard of the mansion itself  
17 would be a site for building, and we built 12  
18 building lots beside it. The mansion itself has  
19 sold for \$825,000. There's a \$1.2 million house  
20 being built in the front yard. And the houses of  
21 the 12 lots are selling between \$300,000 and  
22 \$450,000. Five years ago, you could not break  
23 \$200,000 in housing values and sales in the city of  
24 Dayton.

25 Other projects that we've done are the

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1 Wright-Dunbar neighborhood, which abuts the national  
2 park from the Wright Brothers, and -- (inaudible).  
3 And there, we have gone in and done rehab and new  
4 construction. And the housing prices are landing  
5 between \$150,000 and \$200,000.

6 I think the most exciting dividend of all  
7 of this is that we've demonstrated that there is a  
8 market, so that homebuilders are now coming to us  
9 and asking us where is -- are the next available

10 land. But also, our business community has seen  
11 this as a model they want to replicate.

12 We have two institutions, the University  
13 of Dayton and Miami Valley Hospital, that had a  
14 neighborhood between them and have a lot of  
15 dilapidated structures and abandoned houses. And  
16 they have stepped forward with \$6 million  
17 contributed to a project that will result in 40  
18 houses being demolished, 15 rooming houses being  
19 eliminated, 30 houses renovated, 24 new homes to be  
20 constructed, and 14 owner-occupied houses will be  
21 rehabilitated with the owners in place. The City of  
22 Dayton is contributing \$2.5 million to that, and,  
23 overall, it's going to be a \$14.5 million project.

24 If we had approached these anchors in our  
25 community previously and asked them to participate,

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1 they would have thought we would have not been  
2 successful, but this project has clearly shown that  
3 you can. Thank you.

4 (Applause.)

5 MS. WACHTER: We will now turn to Fred  
6 Eggers, who will tell you about our tracking efforts  
7 that we have put into place.

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1 PRESENTATION BY FREDERICK J. EGGERS

2 MR. EGGERS: Good afternoon. You have a  
3 project as ambitious as the Million-Homes -- 100,000  
4 new homes a year for ten years -- you need somebody  
5 to be a scorekeeper. And it's kind of evolved on  
6 HUD to be the scorekeeper. Now, this is not  
7 something that we took on just by ourselves. We  
8 worked with our partners, particularly with the  
9 homebuilders in how we're going about this. And  
10 what I've been asked to do today is to tell you  
11 about how we will keep score and to let you know, I  
12 think, that tracking is on track.

13 What we worked out in our discussion with  
14 the homebuilders is that probably the only feasible



15 way of keeping score is to use the data collected by  
16 the Census Bureau on new permits issued. The Census  
17 Bureau collects data from 19,000 permit-issuing  
18 places. We were able -- HUD was able to identify  
19 almost all central cities -- the permit-issuing  
20 authority for almost all central cities. And we  
21 also identified another 51 cities that are not  
22 classified as central cities, but in 1990, they had  
23 more than 100,000 people. And we thought that these  
24 cities certainly deserved to be part of the universe  
25 being tracked.

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1 The next issue is how do you decide, you  
2 know, what is additional, what's above and beyond  
3 what you would have expected ordinarily. And there  
4 are probably different ways of doing that. This is  
5 -- to keep it simple, what we are doing is to go  
6 back and look at the recent cycle, the period 1990  
7 through 1998, and look at what happened, on average,  
8 over that cycle and use that as the baseline.

9 Now, there are some limitations to what  
10 we're doing. We're missing a few central cities.  
11 There are a few places where there is not -- the  
12 permit-issuing authority is larger than the central  
13 city, and probably the biggest problem is that the  
14 Census Bureau collects data on permits for new  
15 construction. If you take a warehouse and  
16 rehabilitate it and turn it into apartments or  
17 condominiums, that's not picked up as a permit by  
18 the Census Bureau, so we'll be missing those, and  
19 we're looking for ways to kind of correct that  
20 problem, but we haven't found one yet.

21 But this is the method we'll be using,  
22 working with the homebuilders and, certainly, with  
23 the Conference of Mayors. And we will be tracking  
24 it year by year as we go along. Thank you.

25 (Applause.)

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1 MS. WACHTER: We now will turn to Bob  
2 Mitchell, National Association of Homebuilders  
3 president.  
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1 PRESENTATION BY ROBERT L. MITCHELL

2 MR. MITCHELL: Thank you, Susan. And I am  
3 pleased to be here, obviously very honored to be  
4 present for the National Association of  
5 Homebuilders. We're an organization of 204,000  
6 member firms, so we represent about eight million  
7 workers in this country and about five percent of  
8 our gross domestic product.

9 I can also officially welcome you to  
10 Washington because I'm a native Washingtonian, born  
11 just a few blocks from the capitol when I -- was  
12 born and grew up in this area. And so the  
13 rebuilding of the cities or building back of the  
14 cities -- you know, especially here in Washington,  
15 is extremely important to me, but it's also  
16 important -- the in-fill housing subject -- is to  
17 all builders, because, quite honestly, homebuilders  
18 care. And I say that because that's the theme of a  
19 major celebration of our organization this year.

20 We formed the Homebuilders Care Initiative  
21 five years. This year, it is a special -- we're  
22 marking a special celebration, as I said. And, for  
23 an example, if you were to pick today's newspaper,  
24 the USA Today, you will find a map of the United  
25 States in there, and there will be three stars --

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1 two of three stars of various cities. And in that,  
2 will be what the homebuilders are doing to  
3 contribute to their communities. And these are  
4 projects that the homebuilders have been doing year  
5 after year for as long as you can remember.

6 But usually when we are talking about our  
7 next project, we're not called homebuilders, we're  
8 called greedy developers. And that's what  
9 Homebuilders Care is all about, and that's a point I  
10 really do want to make. If a builder doesn't care  
11 about his city -- he doesn't care about  
12 transportation, doesn't care about schools -- he's  
13 not caring about the basics to his business, and,  
14 therefore, it's not unusual, it's not unique -- and  
15 I know I speak for -- I'm, as I say, a builder in  
16 the Washington metropolitan area. I've been  
17 building here for 25 years. If anybody lives here  
18 and needs a house, give me a ring. But, in any  
19 event, I do know that what you have to care about,  
20 and I know what you have to be concerned about. And  
21 you'd better be involved in your city.

22 And this opportunity that we sought with  
23 HUD, which then -- we apparently were knocking on  
24 the front door or the back door, and the mayors were

25 at the other door, both of us saying, "Let's get

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1 started in the cities" -- made a lot of sense --  
2 kind of interesting. The discussions began, as Bill  
3 Apgar knows, with Secretary Cuomo, and we're talking  
4 about building 100,000 homes. And Charlie Ruma, my  
5 predecessor, who is not known to be timid about any  
6 initiative, said, "Why not make it a million?" And  
7 when it became a million homes, that's when Vice  
8 President Gore decided he'd do the press conference.

9 (Laughter.)

10 MR. MITCHELL: And he came to our  
11 building, as did Secretary Cuomo, and it was a great  
12 day for us and, I think, a great day for all of us  
13 to bring this together.

14 The housing -- and I'll make a little  
15 pitcher here -- a little ad, if I might -- we've got  
16 two documents -- or two booklets -- I don't know if  
17 you've seen them out on the table. One of them is  
18 our Smart Growth policy, and the other equally and,  
19 I guess, more applicable, is The Next Frontier:  
20 Building Homes in America's Cities." And I  
21 recommend them to you. If you haven't picked up a  
22 copy -- and there's -- I don't know if there's any  
23 more out there -- but if not, please drop a card on  
24 this front table, and we'll make sure we get it to  
25 you.

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1 But our Smart Growth initiative, of which  
2 in-fill housing is extremely important, points out  
3 five major factors. And one of those is meeting the  
4 nation's housing needs. Well, obviously, that  
5 sounds rather simplistic, but a lot of our  
6 communities are not doing that. They're not  
7 planning ahead. We know how many children are born  
8 this year, how many deaths there are, how many  
9 children are in the 6th grade and the 12th grade.  
10 It's pretty easy to figure out what you're going to  
11 need in the way of housing to meet that population  
12 ten years down the road. And you should be planning  
13 that.

14 And the reason we have, for example, in  
15 Washington -- some of you, I know, are from  
16 Washington -- on WTOP, you hear "sprawl and crawl."  
17 Well, "sprawl" is what the current zoning  
18 regulations dictate. And "crawl" is what results  
19 from not building the infrastructure. And so that's  
20 one of the issues we have to deal with and why we're  
21 dealing with the edges and why the -- coming back  
22 into the cities makes a lot of sense.

23 We need to provide a lot of housing  
24 choices. Most people today would tell you they want  
25 the house in the suburbs with a yard. But then

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1 there are many folks, because of the demographic  
2 changes -- and this is very important -- the  
3 demographic changes are occurring -- there's a lot

4 of folks in my age category, who are empty-nesters,  
5 and a lot of those folks would just as soon live  
6 back in the inner suburbs or in the cities where we  
7 grew up if the housing options that provide you a  
8 quality of life are there. And, very honestly, the  
9 outdated zoning ordinance and development  
10 regulations and, really, the wills of the -- of  
11 those who are elected haven't been there to make  
12 that happen. So we need to provide those choices.

13 We need to plan and fund the  
14 infrastructure improvements. I just mentioned a  
15 moment ago that haven't been happening. In a lot of  
16 instances, the infrastructure, when you go back to  
17 do the in-fill, is there, but it needs an awful lot  
18 of upgrading or replacement. And therefore, that  
19 needs to be addressed, and it hasn't always been.

20 We need to use the land more efficiently.  
21 We need higher density and innovative land-use  
22 products. And I'll mention that again in a minute.

23 And finally, the revitalization of older  
24 suburban and inner-city markets, which is what we're  
25 here to talk about today. All five of these

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1 principles apply. And whether it's innovative land  
2 use or planning or infrastructure improvements, each  
3 of these must be addressed. And the in-fill part of  
4 the housing program can do a lot to help the crunch  
5 on the envelope or the expansion of the envelope.  
6 And I'll talk about that for a just a moment.

7 We have a Smart Growth in our state,  
8 Maryland. And Governor Glendenning has put forth  
9 that and really has made a -- pretty much of a  
10 nationwide campaign. We met with Governor  
11 Glendenning back in June, at approximately an hour-  
12 and-a-half-long conference in Annapolis. And I had  
13 some builders from Maryland, plus I had a national  
14 leadership there to talk to him about his Smart-  
15 Growth program. And we made the point to him that  
16 unless you get your message through to the local  
17 community leaders, we can't help you, we can't make  
18 this happen.

19 In our particular county -- Smart Growth  
20 -- in our state, Smart Growth says that the state  
21 will expend funds on designated areas -- designated  
22 by the county where they want priority funding,  
23 where they want development, where they want in-fill  
24 to occur. He no sooner had gotten that past the  
25 state legislature and our county passed a

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1 mansionization law that if you went back in to  
2 rebuild a house, a knock down -- or you were going  
3 to expand a house, it made it extremely difficult.  
4 That is not really working in line with the Smart  
5 Growth program.

6 They also tightened up considerably on the  
7 special exception regulations. Well, special  
8 exceptions are particularly important today if

9 you're going to build housing that's different than  
10 was there before. For an example, we built a large  
11 life-care facility for senior housing that has  
12 assisted -- or rather independent, assisted, and  
13 nursing all in the same building where people could  
14 live in their old neighborhood in a new home in a  
15 new lifestyle, and it was very popular. It has sold  
16 out. It has been sold out since we got it built,  
17 but we fought like crazy. And now they have  
18 tightened up the infrastructure.

19 So what I'm saying to you is the public-  
20 private partnership that was referred to by the --  
21 by both of the earlier speakers is absolutely  
22 essential. The public elected and appointed  
23 officials have to understand that it is division of  
24 the city or the county or whatever -- the town -- to  
25 revitalize that city.

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1 And what this program is all about is  
2 revitalization of cities. It's not an affordable  
3 housing program. Although affordable housing for  
4 low- and moderate-income people is very much a vital  
5 part of it, that is not the overriding purpose or  
6 vision. The program is to revitalize the cities,  
7 and we need to address some issues that will allow  
8 it to be -- allow us to move forward.

9 One of them I can tell you that I worked  
10 very hard on this year, and I'm disappointed that I  
11 haven't gotten any further -- I realize it's an  
12 election year -- but the brown-fields legislation.  
13 I was on Capitol Hill, and everybody I visited --  
14 probably 50 congressmen and senators -- everybody  
15 thought the brown-fields legislation was absolutely  
16 a good idea, and we talked -- I even talked about --  
17 with my folks in the Maryland suburbs about specific  
18 communities. Just think what we could do there.

19 But we haven't been able to move it along  
20 because of the infighting politics. Well, that --  
21 at the national level, does not send the message  
22 down to the cities and to the counties. And that's  
23 where you absolutely need the difficulties -- and  
24 when I say that, I mean the difficult bureaucracies  
25 removed. And I know maybe you think, "Well, maybe

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1 what he's talking about is why it won't work." And  
2 that's not true at all. I can tell you that we, the  
3 builders, are very anxious and excited, particularly  
4 -- and most builders are natives of the town where  
5 they're building -- of doing something positive and  
6 leaving something in their city. And they will work  
7 hard at it, but they can't do it if the will and the  
8 fortitude of those who are elected -- and when the  
9 people start yelling "density -- we don't like  
10 density, and we don't like sprawl" -- well, make up  
11 your mind what you want. And we've got to have  
12 density if we're going to do in-fill projects.

13 I'll just give you a couple of examples

14 that I pushed forward in my county in the last few  
15 years. And we haven't gotten where I think we ought  
16 to be, but -- probably in your community you've  
17 noticed a lot of strip shopping centers being  
18 modernized, being brought up to date. And a lot of  
19 schools -- elementary schools being shut down for a  
20 year or two while they're being rebuilt.

21 Well, suppose those strip shopping centers  
22 were built four or five stories high. And over  
23 those stores were built housing for seniors for  
24 active adults where they could have their community  
25 above the stores? It becomes a small little

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1 community, almost like live-work units. Why  
2 couldn't that be done?

3 Elementary schools, why couldn't they be  
4 built four or five stories high and, with  
5 imaginative land planning, you would have entrance  
6 to single-parent apartments on one side and the  
7 school entrances on the other.

8 Innovative land planning gets your mind  
9 out from the codes that have held us back for a  
10 number of years. There's a lot of ways that we can  
11 deal with this, and what we're asking the mayors,  
12 we're asking the county councils, the town councils,  
13 whoever the bodies might be, is to please suspend  
14 any unnecessary, duplicative, and excessive  
15 regulatory barriers.

16 We've got a bill in Congress now that  
17 passed the House 418 to 7. I say "we" --  
18 Congressman Lazio put it forward, but we've been  
19 very supportive of it. As I say, it passed the  
20 House by a huge margin. In an election year, we  
21 can't get it out of the Senate. And it even  
22 provides incentives for uniformed folks who work in  
23 the city to give them incentives to live in the  
24 cities.

25 So there's a lot of things that we need to

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1 be done, but I will tell you that with the kind of  
2 cooperation we've gotten from the mayors of the 16  
3 or 17 pilot cities, out of all the cities in the  
4 country, that's the examples we need. I was just in  
5 Columbus, Georgia, about a week ago. Columbus is on  
6 the western border, right next to Alabama.

7 And I met with building officials -- our  
8 HBA, our homebuilders, and also officials of that  
9 city. And everyone of them took an immense pride  
10 in, number one, they had all put -- they had agreed  
11 years ago, as a coalition, to have a one-cent sales  
12 tax imposed upon them. And they've raised three-  
13 quarters of a billion dollars in the last ten years.

14 And they showed me a demonstration plant  
15 for treating combined sewage flow, both storm drain  
16 and sanitary together, and showed me some  
17 Homebuilder Care projects they had done, and a river  
18 walk. And the city -- everybody I talked to -- took

19 great pride in this public-private partnership.

20 So there are some wonderful examples. In  
21 the booklet, I pointed out to you, Pittsburgh,  
22 Cincinatti, certainly Dayton -- up in New York,  
23 around the Buffalo area -- but throughout the  
24 country there are many examples.

25 We'd like to talk to you more about them,

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1 and obviously the time is short today, but I would  
2 urge you to keep in mind that we need everybody's  
3 support to make this program work. I call it  
4 "BAMITY," which is B-A-M-I-T-Y, which means "build a  
5 million in ten years." Everybody has to come up  
6 with an acronym in Washington. But it's really the  
7 Million-Home initiative. We call it that at NHB.

8 But if we're going to build a million more  
9 than we would have built in the next ten years, then  
10 the major obstacle we have to overcome is the  
11 barriers to going back in the cities and the  
12 creativity that we need to do this. And we can do  
13 it. Thank you.

14 (Applause.)

15 MS. WACHTER: Thank you, Bob. You can  
16 tell how much he cares. And we really are grateful  
17 for that.

18 We are now going to turn to David  
19 Listokin, who's going to talk about his research on  
20 overcoming barriers to housing rehab in cities. And  
21 perhaps he will mention our Growing Smart, which is  
22 research that we are doing in PD&R to revitalize  
23 codes to make it easier to build in cities.

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1 PRESENTATION BY DAVID LISTOKIN

2 MR. LISTOKIN: Thank you. I'll keep my  
3 remarks brief. We've recently been doing work on  
4 housing rehab, and I'd like to use that as a point  
5 of departure to comment on the in-fill new  
6 construction that's been commented on the Million-  
7 Home initiative.

8 I'd like to start by examining the  
9 relative composition of construction in cities,  
10 between rehab and new construction. Echoing Fred's  
11 comments, it's very hard to measure, but if you  
12 looked -- in 1990 to 1994 -- and if you looked at  
13 the composition of residential construction, it was  
14 overwhelmingly rehab in many cities. It was 60 to  
15 80 percent in Cleveland, Baltimore, and a number of  
16 other jurisdictions. It was 50 to 60 percent --  
17 again, this is the rehab comprising 50 to 60 percent  
18 of the value of residential construction in Detroit,  
19 Philadelphia, San Francisco, and Washington, D.C.

20 So what you have is that in cities -- at  
21 least traditionally, are rehab-dominated, and that  
22 really limited consumer choice. And I think one of  
23 the important accomplishments of the Million-Home

24 initiative is this broadening of consumer choice, so  
25 that if I want new housing, I'm not just limited to  
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1 suburbs and exurbia, but I can go, at least in  
2 modest numbers, to cities, as well.  
3 Now, the good news, when you're looking at  
4 in-fill, is that it's a lot easier in many  
5 instances, relative to rehab. You don't have to  
6 deal with lead paint. You don't have to deal with  
7 asbestos. Rent control isn't an issue. Trades is  
8 less of a problem. You have a full economy. It's  
9 hard to get people to do new construction. It's  
10 harder when you're doing retrofitting, as opposed to  
11 new construction. And so, again, that's further  
12 good news.

13 The challenging news is that many of the  
14 constraints to doing the rehab you also confront  
15 when you're doing in-fill, as well. And I'd like to  
16 just touch on three areas -- acquiring properties,  
17 land-use, and financing. And good progress is being  
18 made to address those challenges.

19 So if you're doing rehab, one of the first  
20 problems you run into is to acquire a property.  
21 Well, when you're doing in-fill, one of the problems  
22 you run into is acquiring a parcel. You can't  
23 identify who the owner is. The owner may or may not  
24 be willing to sell, may not be willing to sell at a  
25 reasonable price, especially given the presence of

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1 back taxes and charges and the like.

2 Well, their are best practices being done  
3 to address those hurdles. Cities are reducing the  
4 amount of time it takes to do tax foreclosure. You  
5 have redevelopment authorities assembling parcels  
6 and writing down the cost of that acquisition. I  
7 mean, frankly, that was the one thing urban renewal  
8 did very well, and we can use that to good stead  
9 currently with respect to in-fill. There's also a  
10 writing down with respect to infrastructure costs.  
11 And so again, we have a parallel problem, but we  
12 have some good progress being made with respect to  
13 in-fill.

14 A second problem area that crosses both  
15 rehab and in-fill concerns land-use. When you're  
16 doing rehab, you have various land-use issues. The  
17 same thing is true when you're doing in-fill. You  
18 may not have a high enough density. You may not  
19 have the zoning for multi-family, which, after all,  
20 is the way we provide affordable housing -- or at  
21 least the way we traditionally did them. You may  
22 have limitations on mixed-use.

23 Well, the good news is that we're  
24 beginning, at least in selected instances, to  
25 address those barriers -- increasing density for

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1 single-family detached, allowing multi-family,  
2 allowing mixed-use.



3           There are still some challenges in this  
4 area. We have to reform building codes. We have to  
5 reform subdivision measures. We have to reform how  
6 historic designation and controls affect in-fill new  
7 construction, because we're going to have new  
8 construction in historic areas. But you have these  
9 problems, but good progress being made to address  
10 those challenges.

11           A third area deals with financing and  
12 affordability. It crosses both the rehab and in-  
13 fill. The solutions are the same. You take every  
14 subsidy that's not nailed down -- block grants, HOME  
15 monies, HOPE-6 monies, affordable-housing program  
16 monies from the federal home loan bank. You use  
17 monies from local housing trust funds. You tap  
18 resources from state housing finance agencies. You  
19 couple that with affordable mortgages from FHA and  
20 the GSEs. Again, good progress being made.

21           There are lingering challenges in  
22 financing. I think there's more rhetoric with  
23 respect to extending financing in urban mixed-use  
24 than in reality, even though we're beginning to work  
25 on that. There are problems of appraisal. When

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1 you're doing a rehab, the appraisals often come in  
2 under what the cost is. You have similar issues  
3 with respect to in-fill, even though we're working  
4 on it, problems with closing costs. In many cities  
5 -- Philadelphia is one -- closing costs are very  
6 high. It's ten percent in Philadelphia. It's 20  
7 percent of the acquisition price in Rochester. And  
8 it's an issue, but we're beginning to work on it in  
9 order to deliver the in-fill new construction.

10           Now, I'd like to conclude with just some  
11 general observations. I think the Million-Home  
12 initiative has good timing. I mean, when you go  
13 back to urban renewal, urban renewal had terrible  
14 timing. It came forth in the '50s and '60s.  
15 Immigration had been curbed back in the '20s. The  
16 '50s and '60s was the era when baby-boomers were  
17 being born. Now the demographic cycle has changed.  
18 Immigration is up, the baby-boomers are aging. So  
19 again, the timing is much more supportive for in-  
20 fill and urban renewal.

21           The numbers are doable. A million homes  
22 is a challenge, but it is a doable number over ten  
23 years. I mean, that stands in contrast to whatever  
24 -- six million subsidized housing goal of Kaiser and  
25 Douglas. You couldn't do that. A million homes is

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1 achievable.

2           Let me just conclude with two thoughts.  
3 While it's important that we're adding new  
4 construction to the rehab emphasis in cities, we  
5 have to, of course, recall that there's a continuum  
6 of responses here, that you're going to be  
7 delivering cosmetic rehab at whatever -- \$40,000 a

8 unit; the gut rehab, at \$80,000 a unit; new  
9 construction at whatever -- \$120,000 a unit and  
10 above. So we have to look at that continuum of  
11 responses.

12 Lastly, I think the million-home goal will  
13 be achieved, but we also have to keep in mind the  
14 sustain-ability. It's easier to get people in  
15 houses than to keep them there successfully. And to  
16 do that, we have to tackle the big challenges of  
17 public safety, education, and taxation. Thank you.

18 (Applause.)

19 MS. WACHTER: Our last speaker will now  
20 talk about the transfer of knowledge as part of what  
21 we're about here. So we turn to Doug Porter, who  
22 will give us interim results of case studies and  
23 best practices.

24 And while he's coming up, I just want to  
25 note that in your binder, you have David Listokin's

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1 research, as well as Doug Porter's.

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1 PRESENTATION BY DOUGLAS R. PORTER

2 MR. PORTER: Thank you, Susan. I do want  
3 to point you to the -- I only have less than five  
4 minutes, and I have 57 programs to tell you about.  
5 I think we'll do without that. That's five seconds  
6 a piece. I propose not to do that. I propose to  
7 have you do your homework and look at the tables  
8 that I've put on the tables there for you.

9 The first table, Table 1, summarizes what  
10 we found out in our survey of six cities and the  
11 kinds of programs that they were undertaking that  
12 fit into the Million-Homes initiative. And you will

13 see -- Chicago, Cincinnati, Houston, Sacramento, San  
14 Antonio, and Seattle as the places we chose to look  
15 at -- you will see there the range of things they're  
16 doing.

17 In each place, we found really imaginative  
18 kinds of programs. We found very enthusiastic  
19 people involved in those. We found partnerships  
20 between builders and the local city agencies and a  
21 whole set of really interesting ideas about how  
22 cities can go about producing these million homes.

23 And that, in fact, was our commission from  
24 the U.S. Conference of Mayors, was to try to  
25 identify what was going on out there and describe

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1 those practices. We also were asked to look at  
2 particular practices in six additional cities -- and  
3 you will see that on the second page of that first  
4 table -- that looked to us like they were  
5 interesting explorations -- somewhat different than  
6 those other cities, where we looked comprehensively  
7 at what they did. And so we have Baltimore,  
8 Columbus, Dayton, Denver, St. Louis, and Tampa  
9 there.

10 I don't know how we did this, but we ended  
11 up with three Ohio cities all together out of the 12  
12 cities we looked at. That says something about  
13 Ohio, I think. That's probably good.

14 The second table, the last table, is the  
15 one that I really want to call your attention to,  
16 because what we did here was to sort these kinds of  
17 programs out by seven categories of activities. And  
18 these really sort of tell you the kind of thing that  
19 is going on.

20 It's already been mentioned that city  
21 assemblage of sites for housing is one of the most  
22 important things that can be done -- from tax-  
23 delinquent properties, abandoned houses, and so  
24 forth -- producing these housing sites. And I would  
25 only point out that -- as one example, the first one

0042

1 there, the Chicago home-start program -- where  
2 Chicago really has taken an entrepreneurial approach  
3 to delivering these sites -- actually owning the  
4 land, owning the development, financing the  
5 development, and managing it with a developer --  
6 for-fee developer involved -- but nevertheless,  
7 keeping control over that project until it's ready  
8 to sell. That's entrepreneurial, with a capital E,  
9 I think.

10 The second set of things is a city-  
11 assistance and development, financing and tax  
12 reductions. We certainly know a lot about those  
13 from other programs that have been going on for  
14 years and years. Here, I think one of the  
15 interesting things is Baltimore's tax abatement  
16 program and Maryland's gap-financing program, all  
17 oriented to converting Class-B office buildings in

18 downtown areas.

19       You may know, if anybody -- if you're  
20 around here, that Baltimore has probably an excess  
21 of older office buildings, some of them historical.  
22 And this is a chance to convert them to housing,  
23 either for sale or rental, which has been very  
24 successful. There are a number of projects underway  
25 already, and about eight or nine more, and they're

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1 even talking about having almost used up the stock  
2 that they have available at this point.

3       City reduction of infrastructure cost --  
4 David Listokin mentioned that as an important factor  
5 in all of these things. There's certainly waivers  
6 of fees, certainly city infrastructure programs that  
7 are oriented to helping new housing get off the  
8 ground. And I would mention the -- in specific, the  
9 two Texas cities, Houston and San Antonio, which  
10 have something called a tax-increment reimbursement  
11 zone in which developers who go in to build housing  
12 and front-end the cost of public infrastructure --  
13 that is, improving, upgrading the infrastructure  
14 that is there already, in some cases replacing it --  
15 are then reimbursed through a TIF formula over time.  
16 An interesting idea which seems to be popular in  
17 Texas and maybe should be popular elsewhere, as  
18 well.

19       Mayoral summits and housing agency  
20 reorganizations is very much part of the game. Many  
21 of the cities we looked at -- in fact, I would say  
22 most of them -- the mayors were out front in seeing  
23 in-town housing -- many times downtown-focused  
24 housing -- but nevertheless in-town housing as a  
25 real opportunity for making the city come alive.

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1       And there were many places where the  
2 mayors had put together summit meetings, sometimes  
3 extended over time, to awaken people's interest in  
4 in-city housing, to awaken builder's interest in in-  
5 city housing, and to also pave the way for getting  
6 projects built beyond the NIMBYist kinds of  
7 opposition you might expect in some cases.

8       Educational and information campaigns sort  
9 of ride right along with the mayor's interest.  
10 Nevertheless, they've been very important in  
11 bringing the word to people about the kinds of  
12 opportunities -- housing opportunities that might be  
13 available.

14       And there, I would point out, in  
15 particular, I find interesting that Cincinnati home  
16 ownership partnership, which has put together a Web  
17 site which is extensive -- provides extensive  
18 information in each of 51 neighborhoods throughout  
19 Cincinnati. They have published a lot of that  
20 information in a neighborhood guide book. They have  
21 a training program for real estate agents, which is  
22 called Real Estate Ambassadors, to show them these

23 neighborhoods and show them why they should be  
24 pushing for their own business in those  
25 neighborhoods. And altogether a reaching out to the  
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1 community about the possibilities of in-city  
2 housing.

3 Regulatory relief is very much something  
4 that, of course, the builders have been interested  
5 in from the beginning. This is -- and in all of the  
6 cities -- there's been some movement to try to  
7 simplify the usually over-complex sets of  
8 regulations, to try to provide ways for builders to  
9 move through the system expeditiously. And there  
10 are a variety of ways that have done that.

11 Chicago is permitting self-certification  
12 of pre-approved designs. If you've got a design  
13 approved for housing, and you want to do it again  
14 somewhere else, you can self-certify that it's going  
15 to be workable. In Houston, the builders  
16 association actually put together a white paper of a  
17 whole set -- I don't know -- of 22, 24  
18 recommendations about things that they would like to  
19 see done to remove obstacles to building in the city  
20 of Houston. And many of those have been followed up  
21 with already in the brief years since they finished  
22 that white paper.

23 Neighborhood conservation is something  
24 that -- I've listed three here -- but all of the  
25 communities are doing, in one way or another. And I  
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1 only mention it to say that all of these cities have  
2 -- or most of the cities, I guess I should say --  
3 have really understood that many of their housing  
4 efforts have to be targeted at certain neighborhoods  
5 that really show a lot of promise and are willing to  
6 work with them and are willing collaborate to push  
7 the program along. And so they have tended to focus  
8 on 10, 12, 15, 20 neighborhoods as places in which  
9 they could really make things happen and put the  
10 properties together, the sites together, and target  
11 their spending to those areas.

12 That's what I have to say to you, and now  
13 you have to memorize all of this for a test in ten  
14 minutes.

15 (Applause.)

16 MS. WACHTER: Thank you, Doug. Do we have  
17 any Qs and As? If not, we will go directly to a  
18 short film clip on the program of three of the sites  
19 -- a program in Baltimore, Dayton, and Houston. Are  
20 there any questions for -- Yes?

21 VOICE: It seems regional planning has  
22 taken a back seat -- (inaudible, off mike) --

23 MS. WACHTER: Mayor, would you like to  
24 respond?

25 MAYOR TURNER: Well, again, when I was  
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1 speaking about the issues that cities look at, and

2 really what are our responsibilities for stimulating  
3 market-rate housing with the cities, those really  
4 aren't issues that we need suburban cooperation for.

5 Our projects have shown that if we go into  
6 a neighborhood and we manage the project -- we do  
7 land assembly, we clean up the neighborhood -- that  
8 people will move in, and that they will acquire the  
9 houses, and that it will bring a revitalization of  
10 the neighborhood -- crime goes down, values go up,  
11 commercial services follow them. And yet we remain  
12 with very diverse -- economically diverse  
13 neighborhoods.

14 And so in that we really -- that is an  
15 effort that we have to make on our own in looking  
16 into our neighborhoods.

17 Now, issues of dispersal of low-income  
18 housing and then being willing to accept housing  
19 that would allow for dispersal, of course continues  
20 to be an issue. And it is one that we do not have a  
21 lot of suburban cooperation on, even though our  
22 regional planning organization has in its policy  
23 objectives that have been adopted by everyone that  
24 there would be dispersal. When it actually comes to  
25 planning commissions, zoning commissions and the

0048

1 city councils voting, you have an array of issues  
2 that result in, usually, blockage of those type of  
3 projects.

4 Our goal was to try to grow our  
5 population, not really displace the population that  
6 we have, and attract people back to the city. We're  
7 -- our goal is to build 2500 housing units --  
8 single-family housing units by the year 2003 -- the  
9 average household, about three persons per  
10 household, to put us on our way of growing up an  
11 initial 10,000 people in the city.

12 MS. WACHTER: Thank you. Bill, did you  
13 want to add?

14 MR. APGAR: I would just turn around and  
15 talk to Gene, because he will tell you some ideas  
16 coming out of the Conference of Mayors. Some of the  
17 regional cooperations come from local governments  
18 understanding that if collectively they don't deal  
19 with the problems, they will all suffer.

20 The Treasure Valley partnership that Mayor  
21 Coles, in Boise, Ohio, is -- they got together --  
22 they held up in a room -- "they" being eight or ten  
23 municipal officials that covered this beautiful  
24 valley that they could see the growth ruining it.  
25 That was ruining it for the people of the city and

0049

1 the outlying jurisdictions. And they signed a  
2 compact. There was no federal requirements, but  
3 they signed a mutual pact to do some stuff together,  
4 and they have done wonders.

5 Obviously, the federal government can  
6 encourage -- and we have been working on providing

7 some positive carrots for coordinated regional  
8 planning. Our regional connections program, as you  
9 know, has been something we have been pushing on the  
10 Hill.

11 But the other thing, of course, is just to  
12 recognize that these regions are economic regions.  
13 And everybody has a stake in the value of the  
14 economy. I mean, again, the Conference of Mayors  
15 tried to make that point in some work they did which  
16 pointed out that the Washington metropolitan area  
17 is, like bigger than Spain, or whatever it was -- I  
18 mean, it's a major force. And the folks in the  
19 city, and the folks in the suburbs are linked by the  
20 health of that broad region, in terms of the quality  
21 of jobs, the range of jobs.

22 And so leaders across the country are  
23 coming together at the regional level to say, "Hey,  
24 if we're going to be competitive in the world  
25 economy, we may have to put some of these

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1 differences apart."

2 A particular example is Mayor Archer in  
3 Detroit, who said we can sort of watch over the  
4 decline of the industry in the Detroit region, or we  
5 can collectively, city and suburbs, build an economy  
6 for the region that benefits both cities and  
7 suburbs.

8 So there are some examples where, out of  
9 mutual self-interest, people are pushing beyond  
10 these boundaries.

11 MS. WACHTER: And often this comes around  
12 -- oh, go ahead. Yes?

13 MR. LISTOKIN: You're seeing the regional  
14 planning coordination in ways that were less obvious  
15 than in the past. You may not have, like, 895  
16 clearing houses, but you have metropolitan planning  
17 organizations with TEA-21. I mean, the -- where you  
18 had growth management -- I mean, that -- in effect,  
19 states saying, you know, these are 12 goals, you  
20 know --

21 MS. WACHTER: David, I'm going to have to  
22 cut us off, because this is really another topic  
23 which we could spend, profitably, another hour on.  
24 Suffice it to say that Gene has publication on this.  
25 I'm sure you can get it on the Conference of Mayors.

0051

1 There are 20 or 30 or so best-practice functional  
2 regionalism -- but the wonderful thing is, this is  
3 self-help. City mayors can do this on their own.

4 Unless there are key questions on the  
5 Million-Homes -- because I promised 5:00 o'clock,  
6 then -- question?

7 VOICE: I do have a question. Was there  
8 any inner-city opposition as to where developments  
9 occur? I think one thing that happens is that -- my  
10 granddad told me, "Always bring your fattest pig to  
11 the fair," and second, "the squeaky wheel may not

12 always get the grease."

13 So sometimes mayors have particular parts  
14 of their jurisdiction that are primed for  
15 development. I'm curious as if there have been, you  
16 know, neighborhood groups as to where that  
17 development doesn't occur.

18 MS. WACHTER: So NIMBYism in the city,  
19 stopping the redeveloping of the city. Mayor?

20 MAYOR TURNER: I'm sorry, I thought he was  
21 asking have we targeted --

22 MS. WACHTER: Are you asking about  
23 NIMBYism in the city?

24 VOICE: Well, in the city -- there's only  
25 so many places you can build within that city. So

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1 in Dayton, the places you have built, has there been  
2 an outcry in the areas of the city where that  
3 development did not occur?

4 MAYOR TURNER: Actually, we broke up the  
5 city into three different circles -- what we called  
6 urban mature, urban eclectic, and then suburban.  
7 The suburban, obviously, we manage differently. We  
8 looked into the almost traditional suburban model of  
9 pushing infrastructure in those areas to stimulate  
10 stimulate homebuilding, which is happening.

11 The urban mature is the area right around  
12 downtown in a circular -- all the neighborhoods were  
13 in a similar condition. They were not necessarily  
14 in similar economic condition and, certainly, their  
15 makeup was different. But we focused on the inner  
16 ring, and we have been jumping around that ring.

17 And right now, there is not a neighborhood  
18 that's in the center ring that does not have a  
19 multi-million dollar housing project that is ongoing  
20 or has been launched for single-family rehab and new  
21 construction.

22 So although initially, when we did our  
23 first neighborhood, there was concerns that people  
24 were not going to be able to enjoy this throughout  
25 the city. The -- and, by the way, this is my

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1 seventh year as being mayor, so it's -- we've had  
2 time to get around the city. The -- by showing that  
3 it worked, we were able to sustain it, and we will  
4 -- we are going all around downtown.

5 MS. WACHTER: Thank you. Okay. Oh, look  
6 We do have insistent -- more questions. Go ahead.

7 VOICE: Just a quick question and a  
8 comment. In terms of how you account for the  
9 success of this, I think the idea of having a  
10 baseline and looking at the growth makes sense,  
11 because cities are more attractive, there's more  
12 homes being built and renovated, and this -- and you  
13 should take credit for all of that -- but, in  
14 addition to the aggregate numbers, I'm just  
15 wondering if, in terms of what Doug Porter just  
16 presented and what Mayor Turner just presented,



17 there are specific things going on in different  
18 cities.

19 MS. WACHTER: Let me answer that directly  
20 We will have permits city by city, so you will be  
21 able to link it to the programs in the city and then  
22 be able to go to the city and say, "Where are these  
23 being -- where are the permits being issued?" So  
24 you will be able to actually track it by city.

25 VOICE: Is there a mechanism put in place  
0054

1 -- if not, I recommend it through this great  
2 coalition -- for the cities to report in documenting  
3 all the projects that are being done that they're  
4 assisting, so you get both the aggregate numbers and  
5 the actual specific initiative along the lines of  
6 what Doug has done.

7 MS. WACHTER: Doug, do you respond on your  
8 effort?

9 MR. PORTER: In the program that would  
10 provide a regular tracking --

11 VOICE: What I'm saying is -- Fred  
12 described what we've got. What I'm suggesting is  
13 someone like, you know, myself -- (inaudible, off  
14 mike) -- talking about economic development in  
15 Washington, D.C. -- I think it would be great for  
16 the cities to be able to report in and say, "We've  
17 got these, you know, 237 homes to be built in these  
18 locations which we have assisted, through these  
19 various initiatives," like Mayor Turner described  
20 and have that data available. And if you don't  
21 already have that in place, I would recommend it.

22 MR. PORTER: Do you mean instead of paying  
23 consultants like me to go out and find it?

24 (Laughter.)

25 VOICE: However you get it.

0055

1 MS. WACHTER: We do also have a separate  
2 objective base that we are going for. Thank you  
3 very much. We are now going to see a film clip.

4 (A film clip was shown.)

5 MS. WACHTER: I want to thank our  
6 panelists for their work today and for all their  
7 good work. I don't want to leave this conference  
8 without briefly thanking -- no conference like this  
9 happens without a lot of effort from a lot of staff.  
10 I just want to recognize -- if we could bring up the  
11 lights for a moment -- some of the people just  
12 standing around in the corners -- but I would like  
13 to put the light on for a moment.

14 Leo Penny -- please put your hand up -- I  
15 want to thank Leo; Adam Meyer, are you here please;  
16 Kathy O'Leary, are you here; and Donna Abbenante --  
17 are you here, Donna; Ruth Roman, from Bill's shop.  
18 And you all -- (inaudible) -- and you all have  
19 worked exceedingly hard.

20 It was all about partnerships. This is --  
21 a Million-Homes is a partnership which is

22 extraordinarily important for our nation. It's all  
23 about opportunity and rebuilding communities. We  
24 also have a partnership at PD&R with the research  
25 community and practitioners.

0056

1                   And be sure to pick up our pamphlet out  
2 there to learn about other ways of joining with our  
3 efforts. And, once again, thank you for being with  
4 us.

5                   (Applause.)

6                   (Whereupon, the proceedings were adjourned  
7 at 5:15 p.m.)

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