

URBAN RENEWAL IN THE BAY AREA: THE NEED TO STRESS HUMAN CONSIDERATIONS

In San Francisco, California, the Board of Supervisors twice defeated a resolution to initiate an urban redevelopment plan;¹ the supervisor who cast the deciding vote explained his opposition on the ground that "if [Mayor] Shelley's for it I'm against it."² In San Diego, California, a referendum successfully voided a general plan for the city; leaders of the referendum argued that the plan "opened the door to socialistic urban renewal projects."³ Although an urban renewal project in Oakland, California, was initiated six years ago, the area is still barren of structures.⁴ Equally discouraging situations exist in cities outside of California. In Cleveland, Ohio, for example, although more than 6,000 acres were placed in redevelopment projects,⁵ none of the projects has been completed,⁶ the city has lost 26 million dollars in taxes,⁷ and the Department of Housing and Urban Development (HUD) recently cancelled all redevelopment funds until the city demonstrates an ability to complete its obligations.⁸ And while 1.5 billion dollars in urban renewal funds will be needed in the next six years in New York City alone,⁹ only three times that figure was spent on urban renewal for the entire nation from 1949 to 1965.¹⁰ These examples highlight problems which do not inhere in the urban renewal process, but result from inefficient management, petty politics, public misunderstanding, and insufficient funding.

Despite these practical problems, current conditions of urban life necessitate continued efforts in urban renewal. One of these conditions

¹ San Francisco Chronicle, Dec. 20, 1966, at 1, col. 1; *id.*, March 28, 1967, at 1, col. 2.

² *Id.*, March 28, 1967, at 1, col. 2 (Supervisor William Blake).

³ Los Angeles Times, March 12, 1967, § H, at 8, col. 3. The group which sponsored that referendum has promised another to prevent urban renewal for anything but "public purpose use."

⁴ Interview with Evarts Erickson, Public Education Officer, Oakland Redevelopment Agency, in Oakland, March 16, 1967. Mr. Erickson explained that part of the delay in construction was due to a shakeup in the redevelopment agency. The plan was also delayed fourteen months because federal funds were cut off after the passage of Proposition 13, an initiative measure which repealed the state's fair housing laws in November, 1964. Even taking these delays into account, a long period of time has passed in which the land has remained idle and off the tax rolls.

⁵ NEWSWEEK, March 13, 1967, at 41. Los Angeles Times, March 5, 1967, § E, at 1, col. 1.

⁶ Los Angeles Times, March 5, 1967, § E, at 1, col. 1.

⁷ NEWSWEEK, March 13, 1967, at 41.

⁸ *Id.* Los Angeles Times, March 5, 1967, § E, at 1, col. 2.

⁹ See N.Y. Times, Oct. 2, 1966, at 1, col. 1. This is the figure arrived at by Edward J. Logue, administrator of Boston's Redevelopment Authority in a report prepared for New York City Mayor Lindsay.

¹⁰ From 1949 to 1965, a total of \$4,952,969,000 was spent on urban renewal activities. BUREAU OF THE CENSUS, U.S. DEP'T OF COMMERCE, STATISTICAL ABSTRACT OF THE UNITED STATES 761 (1966).

is the increasing concentration in the inner city of impoverished families and dilapidated structures as commerce and population move to the suburbs. As President Johnson has noted: "The old, the poor, the discriminated against are increasingly concentrated in central city ghettos, while others move to the suburbs leaving the central city to battle against immense odds."¹¹ While general metropolitan areas grow rapidly in population,¹² the movement to the suburbs will probably not decrease, and the conditions discussed by President Johnson will intensify.

Not only is the urban population changing in structure, but it is increasing in size. It is estimated that the equivalent of one-sixth of the present population of the United States will be added to urban areas in the next fifteen years.¹³ Even if all of the citizens of the United States presently had adequate housing, urban areas might not be able to provide housing for these additional thirty million people. Since city dwellers do not presently have adequate housing,¹⁴ population increases can only aggravate the housing problem.

The primary function of urban renewal is to improve the lives of the urban poor. Wisely planned, urban renewal together with other programs can help to provide decent, safe and sanitary housing in a manner which affords realistic opportunities for employment and education. Combined governmental efforts in the areas of housing, employment and education can ameliorate the hardships of the urban poor while refurbishing the city. Such permanent improvements will enable the urban poor to maintain their new homes and prevent the creation of new slums.

Part I of this Comment provides a background for analysis by examining the existing legal structure of urban renewal in California. Part II examines such problems as citizen participation in the planning process and relocation of persons displaced by redevelopment projects.

¹¹ *Hearings on H.R. 6654 Before a Subcomm. of the Comm. on Government Operations*, 89th Cong., 1st Sess., at 6 (1965) (message from President Johnson).

¹² The population of the San Francisco Bay Area was 2.5 million in 1950, 3.6 million in 1960, and is projected to be 9 million in 1990. If these figures are accurate, there will be a need for an additional 436 square miles of land for urban uses between 1960 and 1980. W. SPANGLE AND ASSOC., & P. SEDWAY AND ASSOC., *MUNICIPAL, STATE AND FEDERAL PROGRAMS AFFECTING SAN FRANCISCO BAY* 1 (1966).

Other projections see a population in excess of 8 million by the year 2000. San Francisco Chronicle, March 28, 1967, at 4, col. 1, quoting Clifford W. Graves, Staff Associate Planner, Bay Conservation and Development Commission.

¹³ An estimated 30 million people will be added to urban areas by 1980. *Hearings Before a Subcomm. of the Comm. on Government Operations*, *supra* note 11, at 6. The population of the United States was estimated to be 193,818,000 in 1965. STATISTICAL ABSTRACT OF THE UNITED STATES, *supra* note 10, at 8.

¹⁴ There are an estimated 9 million rundown homes in the United States of which 4 million do not even have running water or plumbing. *Hearings Before a Subcomm. of the Comm. on Government Operations*, *supra* note 11, at 6. In New York City alone, more than 1 million people live in decaying, rat-infested buildings. N.Y. Times, Oct. 2, 1966, at 1, col. 1.

Part III treats the need for Bay Area government in the field of urban renewal.

I

THE LEGAL FRAMEWORK OF URBAN RENEWAL

The process of urban renewal is governed by state and federal statutes. State law enables local governments to undertake urban renewal and defines the type of area which may be renewed, the agencies involved, and the procedure to be followed. The federal statutes provide local agencies with funds on certain conditions.

A. California's Community Redevelopment Law

Urban renewal in California is governed by the Community Redevelopment Law.¹⁵ This statute, which applies to all cities and counties in the state,¹⁶ is designed to enable local governments to implement the state legislature's policy¹⁷ of clearing, reconstructing, and rehabilitating¹⁸ areas which are either deteriorating or poorly planned.¹⁹ Urban renewal has traditionally been treated as a local matter.²⁰ The Community Redevelopment Law embodies that tradition by providing city redevelopment agencies with authority within city limits, and county agencies with authority in unincorporated areas.²¹

The Community Redevelopment Law allows the legislative body of

¹⁵ CAL. HEALTH & SAFETY CODE §§ 33000-673 (West 1967). The constitutionality of the Community Redevelopment Law was upheld in *Redevelopment Agency v. Hayes*, 122 Cal. App. 2d 777, 266 P.2d 105 (1954).

¹⁶ 25 OP. CAL. ATT'Y GEN. 67 (1955).

¹⁷ CAL. HEALTH & SAFETY CODE § 33037 (West 1967) expresses the state's policy to redevelop blighted areas by "all appropriate means." The legislature found that whenever redevelopment could not be accomplished by private enterprise, it was in the public interest to employ eminent domain and to provide funds as a means by which blighted areas could be redeveloped. *Id.*

¹⁸ *Id.* § 33020 permits redevelopment of areas. Redevelopment is defined as "the planning, development, replanning, redesign, clearance, reconstruction, or rehabilitation . . . of a survey area . . . in the interest of the general welfare."

¹⁹ *Id.* authorizes redevelopment of "blighted" areas. These areas are characterized by unsafe or unfit buildings, *id.* § 33031, faulty planning, *id.* § 33032, depreciated values, *id.* § 33033, or unproductive utilization of land, *id.* § 33034. *Redevelopment Agency v. Hayes*, 122 Cal. App. 2d 777, 266 P.2d 105 (1954) permitted redevelopment of a nearly vacant hillside area, whose poorly placed streets and irregular lots impeded further development.

CAL. HEALTH & SAFETY CODE § 33321 (West 1967) permits a project to include "lands, buildings or improvements which are not detrimental to the public health, safety or welfare, but whose inclusion is found necessary for the effective development of the area." See also *Sanguinetti v. City Council of Stockton*, 231 Cal. App. 2d 813, 42 Cal. Rptr. 268 (1965).

²⁰ All of the redevelopment officials contacted felt that urban renewal was a matter of local concern. See text accompanying notes 133-45 *infra*, discussing whether urban renewal should still be considered a municipal problem.

²¹ CAL. HEALTH & SAFETY CODE § 33120 (West 1967).

each city and county to form a redevelopment agency for the community²² by either appointing an agency²³ or declaring itself to be the agency.²⁴ Two serious administrative problems may arise when the legislative body doubles as the redevelopment agency. First, the legislative body may not have time to both plan and administer the urban renewal programs. Second, the legislative body may be faced with a conflict of interest since it must act both as advocate for the redevelopment plan in its role as an agency and as impartial arbiter of the plan in its role as a legislative body.²⁵

Formation of a redevelopment plan involves cooperation among many governmental agencies, including the redevelopment agency, the planning commission,²⁶ the citizens advisory committee,²⁷ and the legislative body. Their roles and interaction with the redevelopment agency will be examined below in connection with the discussion of the preparation of a redevelopment plan.

As a precondition to redevelopment, a community must have adopted a master plan.²⁸ The planning commission draws up the master plan to reflect the community's long-range planning goals established by the legislative body.²⁹ In every stage of its development, the redevelopment plan must be consistent with the master plan for the community.³⁰

²² *Id.* § 33100 establishes a redevelopment agency in each city and county. An agency cannot transact business unless, by ordinance, the legislative body of the city or county declares that there is a need for an agency to function. *Id.* § 33101.

²³ *Id.* § 33110. The members of the agency are appointed by the mayor or the chairman of the board of supervisors with the approval of the legislative body. See *id.* §§ 33110-15 for the qualifications and terms of office for agency members.

²⁴ *Id.* § 33200. The legislative body may then appoint a community redevelopment commission to prepare redevelopment plans just as an appointed redevelopment agency might. *Id.* § 33201-02.

²⁵ As recently as 1965, Berkeley, California operated with the city council as the redevelopment agency. It has since abandoned this system. While no official report was issued explaining the conversion to an appointed agency, some of Berkeley's problems were those discussed in the text. Interview with Robert Amber, Assistant Urban Renewal Director, Berkeley Redevelopment Agency, in Berkeley, March 28, 1967.

A redevelopment project without an advocate has little chance of success. See San Francisco Chronicle, March 29, 1967, at 4, col. 3, for a forceful example of an agency official acting as an advocate for a plan. But if the city council is the advocate, the chance of an impartial hearing before the legislative body is eliminated. Mr. Amber verified that this problem was present in Berkeley under the old system. Amber Interview, *supra*.

²⁶ CAL. HEALTH & SAFETY CODE § 33323 (West 1967) requires cooperation between planning commission and redevelopment agency in the selection of project areas and in the preparation of the preliminary plan. *Id.* § 33330 provides for cooperation in the preparation of the redevelopment plan.

²⁷ See note 69 *infra* and accompanying text.

²⁸ CAL. HEALTH & SAFETY CODE § 33302 (West 1967).

²⁹ CAL. GOV'T CODE § 65300 (West 1966). See generally, Comment, 55 CALIF. L. REV. 836 (1967).

³⁰ CAL. HEALTH & SAFETY CODE § 33324 (West 1967) requires the preliminary plan to

The initial step in the redevelopment process is the legislative body's designation of a "survey area."³¹ Survey areas are those on which the planning commission and the redevelopment agency focus attention in preparing the redevelopment plan.

As a second step, the planning commission establishes "project areas" within the survey area.³² The planning commission then prepares a preliminary plan for each project area³³ describing its boundaries and generally stating plans for land use, street placement and population densities.³⁴

The preliminary plan is then sent to the redevelopment agency which prepares a redevelopment plan³⁵ describing in detail planned development for the area, financing for the project, and methods of enforcing the plan.³⁶ This is the first stage of the planning process for which a public hearing is required.³⁷ The agency normally prepares its plan before holding a hearing or taking testimony.³⁸ While notice must be given to each known

conform to the master plan. *Id.* § 33332 requires the final redevelopment plan to conform to the master plan.

³¹ *Id.* § 33310. The legislative body may, by resolution, authorize the planning commission or the redevelopment agency to designate the survey areas. *Id.* Any person, group, association or corporation may request the legislative body to designate a survey area. *Id.* § 33311.

The California statute does not require the legislative body to hold hearings during its discussion of possible survey areas. The San Francisco Board of Supervisors, however has adopted a policy of holding hearings before the Board's Finance Committee prior to consideration of the resolution. The purpose of these hearings is to ascertain whether there is community support for the plan. Interview with Glenn Isaacson, Acting Deputy Executive Director, San Francisco Redevelopment Agency, in San Francisco, March 10, 1967. *See also* San Francisco Board of Supervisors, Proposed Resolution, File No. 148-67-2, Establishing Policies of the Board of Supervisors Regarding Inner Mission Rehabilitation-Renewal to Further and Safeguard the Interests of the Present Residents, Businessmen, Property Owners, and Organizations and to Insure Citizen Participation in Planning (Introduced March 6, 1967).

³² CAL. HEALTH & SAFETY CODE § 33322 (West 1967). The planning commission may designate one or more project areas comprising all or part of the survey area. The impetus for the selection of project areas may come from the planning commission's own motion, or from the request of the redevelopment agency, the legislative body, or the owners of a majority of the area in a proposed project area. *Id.*

³³ *Id.*

³⁴ *Id.* § 33324.

³⁵ *Id.* § 33330.

³⁶ *Id.* §§ 33333-36.

³⁷ *Id.* § 33348 requires the agency to hold a public hearing on the redevelopment plan before its adoption. *Id.* § 33330 also grants the agency the power to hold hearings to aid it in preparing its redevelopment plan.

³⁸ Amber Interview, *supra* note 25. The hearing procedure often does not fulfill expectations both because the agency may be inflexible in its position and, more importantly, because opponents of the plan present emotional pleas rather than constructive proposals. Isaacson Interview, *supra* note 31.

assessee in the area,³⁹ the agency often attempts to notify all other persons who might be affected by the plan.⁴⁰ While the agency is only required to hold one hearing, officials interviewed claim that everyone desiring to be heard is given a chance to testify.⁴¹

As a final step, the approved redevelopment plan is sent to the legislative body for approval, modification⁴² or rejection.⁴³ The vote required for approval depends upon action by the planning commission. If it has approved the plan,⁴⁴ only a majority vote of the legislative body is needed for ratification;⁴⁵ if the planning commission has disapproved the plan, a two-thirds vote is needed.⁴⁶ Such a system forces the redevelopment agency to consider planning commission suggestions and hopefully produces a plan that not only satisfies the master plan, but also reflects planning commission ideas for the social structure of the city.⁴⁷

In considering the redevelopment plan, the legislative body must hold a public hearing⁴⁸ which normally continues until all interested citizens have been heard.⁴⁹ The ordinance adopting the redevelopment plan must contain a series of findings,⁵⁰ the most important of which are: (1) that redevelopment is necessary for the public health, safety, welfare, and morals and (2) that a relocation plan for residents of the project area has been established.⁵¹ These findings are usually general statements that

³⁹ CAL. HEALTH & SAFETY CODE § 33349 (West 1967). This section also requires notice of the hearing to be published in a newspaper.

⁴⁰ Amber Interview, *supra* note 25.

⁴¹ *Id.*; Isaacson Interview, *supra* note 31.

⁴² The redevelopment plan may be amended after its adoption. CAL. HEALTH & SAFETY CODE § 33450 (West 1967).

⁴³ The South Campus Project in Berkeley, California was rejected by the city council on June 30, 1966 due to opposition within the project area. 1966 Berkeley Ann. Rep. 4.

⁴⁴ The redevelopment plan must be submitted to the planning commission by the agency before being presented to the legislative body. The planning commission is to issue a report on the plan and may recommend approval or rejection. CAL. HEALTH & SAFETY CODE § 33346 (West 1967). If the planning commission does not report on the plan within thirty days after receiving it, it is deemed to have waived the right to report. *Id.* § 33347.

⁴⁵ *Id.* § 33366. Only a majority vote is required if the planning commission has failed to issue a report. *Id.*

⁴⁶ *Id.*

⁴⁷ Redevelopment officials interviewed asserted that the staffs of the planning commission and the redevelopment agency worked together and that the planning commission always approved the agency's plan. Amber Interview, *supra* note 25; Erickson Interview, *supra* note 4; Isaacson Interview, *supra* note 31; Interview with Janet Roche, Assistant Planner, Oakland Redevelopment Agency, in Oakland, May 4, 1967.

⁴⁸ CAL. HEALTH & SAFETY CODE § 33360 (West 1967). The hearing before the council may be informal as long as the plan receives full consideration. *Sanguinetti v. City Council of Stockton*, 231 Cal. App. 2d 813, 42 Cal. Rptr. 268 (1965).

⁴⁹ The hearings on the Berkeley South Campus Project lasted three and one-half months. Amber Interview, *supra* note 25. The agency either holds several hearings or continues one hearing until everyone is heard. *Id.*

⁵⁰ CAL. HEALTH & SAFETY CODE § 33367 (West 1967).

⁵¹ *Id.*

necessary conditions exist⁵² and will not be reviewed by the courts if there has been "substantial compliance with the legislative requirements."⁵³ This means that the legislative body as a practical matter has final authority in determining the need for redevelopment and the adequacy of a redevelopment plan.

Once a plan has been adopted, the agency may acquire property⁵⁴ and prepare it for construction.⁵⁵ However, since the agency has no power to construct buildings,⁵⁶ it must proceed by selling or leasing property in the project area on condition that it be used in accordance with the redevelopment plan.⁵⁷

B. Federal Provisions Concerning Urban Renewal

Urban renewal would be an academic planning theory were it not for federal financial assistance⁵⁸ in the form of advances, loans and grants to the redevelopment agency. Advances are available to cover the cost of surveys⁵⁹ while loans are available to cover the entire cost of the urban renewal project.⁶⁰ Where necessary, grants are available to cover two-thirds to three-fourths of the total cost of a project.⁶¹ While the money goes directly to the redevelopment agency, all applications for federal assistance must be approved by the legislative body of the community.⁶²

To receive federal funds, a community must demonstrate to the Department of Housing and Urban Development that it meets certain

⁵² For examples of such general statements, see *Sanguinetti v. City Council of Stockton*, 231 Cal. App. 2d 813, 42 Cal. Rptr. 268 (1965).

⁵³ *Id.* at 818, 42 Cal. Rptr. at 270.

⁵⁴ CAL. HEALTH & SAFETY CODE § 33391 (West 1967). The agency has the power to acquire property by eminent domain once the redevelopment plan has been adopted by the legislative body. *Id.* § 33392.

⁵⁵ The agency may clear and move buildings, *id.* § 33420, develop any property as a building site, *id.* § 33421 and install streets, utilities, and other improvements, *id.* § 33421.

⁵⁶ *Id.* § 33440.

⁵⁷ *Id.* § 33432. No sale or lease can be made until the agency holds a public hearing. *Id.* § 33431. The agency is empowered to obligate lessees and purchasers to use the property for the purpose designated in the redevelopment plan. *Id.* § 33437. The agency can also sell, lease, donate or grant property to a housing authority for public housing. *Id.* § 33442.

⁵⁸ Although some early projects were financed without Federal funds, almost all recent projects have required federal funding. CALIFORNIA ASSEMBLY INTERIM COMM. ON GOVERNMENT EFFICIENCY AND ECONOMY, REPORT AND RECOMMENDATIONS CONCERNING THE COMMUNITY REDEVELOPMENT LAW 12 (1955). The abortive San Francisco Inner Mission Plan, for example, would have required over \$2 million in Federal funds just for surveys and preparation of plans. San Francisco Board of Supervisors, Proposed Resolution, *supra* note 31 at 1.

⁵⁹ 42 U.S.C. § 1452(d) (Supp. 1966). Advances are also available for preparing a General Neighborhood Renewal Plan in areas where the urban renewal will be done in parcels over a period of less than ten years.

⁶⁰ *Id.* § 1452(a).

⁶¹ *Id.* § 1453.

⁶² *Id.* § 1455.

requirements. The community must show that private enterprise is not providing decent housing for all families,⁶³ and that the community has undertaken positive programs of code enforcement to prevent the spread or reoccurrence of blighted conditions.⁶⁴ However, the most important precondition to receiving federal funds is a completed "workable program" for community improvement.⁶⁵ Of the seven standards established by the Department of Housing and Urban Development for a workable program,⁶⁶ the two most important are provision for relocation housing for those displaced by urban renewal projects and provision for adequate citizen participation in the redevelopment process.⁶⁷

The California and federal statutes merely create the framework within which cities can implement urban renewal. Only local communities can initiate the redevelopment programs, select the individual project sites, and plan the construction of buildings. Because the relevant statutory standards are very broad, leaving the local agencies with great administrative discretion, responsibility for improving the lives of the urban poor rests in the hands of the community.

II

PROBLEM AREAS IN URBAN RENEWAL

Redevelopment agencies have traditionally viewed slums as concentrations of dilapidated buildings, reconstruction of which will transform the area into a decent place in which to live. However, this building-oriented conception of slums is misplaced. Since the goal of urban renewal is to improve urban life, not urban buildings, the scope of citizen participation and relocation must be redefined to take account of the people involved.

A. Citizen Participation

The legislative body and the redevelopment agency, the decision makers in the urban renewal process, are empowered with broad discretion in preparing and implementing the redevelopment plan.⁶⁸ Citizen partici-

⁶³ *Id.* § 1441.

⁶⁴ *Id.* § 1451(a).

⁶⁵ *Id.* § 1451(c).

⁶⁶ 4 HOUSING AND HOME FINANCE AGENCY, POLICIES AND PROCEDURES OF THE ADMINISTRATOR § 1-2-1 (O.A. Manual Series), cited in Note, *Citizen Participation in Urban Renewal*, 66 COLUM. L. REV. 485, 522 (1966). See Urban Renewal Staff Committee, Report No. 4, Berkeley's Workable Program, May 27, 1960. The seven requirements of a workable program are: adequate local codes, effectively enforced; comprehensive general plan; analysis of blighted areas to determine the treatment needed; adequate administration to carry out urban renewal; ability to finance the program; plans for rehousing displaced persons; and citizen participation.

⁶⁷ See *id.*

⁶⁸ Since their findings are not reviewable de novo by a court, the decisions of local government agencies on urban renewal will stand if there has been substantial compliance

pation is a way to ensure that the wishes of a community are brought to the attention of these decision makers. Representative government must be responsive to the people, especially when it takes homes and uproots families.

1. *The Federal Requirement of Citizen Participation*

The only legal requirement for citizen participation is contained in the requirements for a workable program laid down by HUD.⁶⁹ The federal standards envision a citizens group which represents the city as a whole⁷⁰ rather than requiring the formation of a citizens body within the project area. Unfortunately these "citizens advisory committees," probably appointed by the mayor,⁷¹ often are not representative of the city as a whole. The citizens advisory committee of Oakland, California, for example, is dominated by persons representing downtown business interests.⁷²

The San Francisco Planning and Urban Renewal Association (SPUR), which is the official citizens advisory committee for the city,⁷³ furnishes a good example for analyzing the federal requirement of citizen participation. SPUR freely admits it is not as broadly based as it should be.⁷⁴ Although its more than one thousand members live in every postal zone in San Francisco,⁷⁵ its fifteen dollar per year membership fee⁷⁶ deprives it of members from project areas. Moreover, its Board of Directors is heavily oriented toward downtown merchants and large corporations.⁷⁷ SPUR

with the legislative requirements. *Sanguinetti v. City Council of Stockton*, 231 Cal. App. 2d 813, 42 Cal. Rptr. 268 (1965).

⁶⁹ No mention of citizen participation is made in either the California or federal statutes. Citizen participation is required by the Department of Housing and Urban Development under the statutory standard of a "workable program." HOUSING AND HOME FINANCE AGENCY, *supra* note 66.

⁷⁰ U.S. DEP'T OF HOUSING & URBAN DEVELOPMENT, A GUIDE FOR CITIZENS ADVISORY COMMITTEES FOR THE WORKABLE PROGRAM FOR COMMUNITY DEVELOPMENT 1 (1965). This organization is to represent all segments of the community—"economic, labor, civic, church, education, health, welfare, minority groups, public information, and neighborhoods." *Id.* It must also have community development as its "primary function." *Id.*

⁷¹ This is the procedure recommended by the federal government. *Id.*

⁷² Interview with Evarts Erickson, Community Education Officer, Oakland Redevelopment Agency, in Oakland, March 16, 1967. An extensive survey of citizen participation in the major cities of the eastern part of the United States also found that citizens advisory committees did not represent all segments of the city. Note, *Citizen Participation in Urban Renewal*, 66 COLUM. L. REV. 485 (1966).

⁷³ See San Francisco Planning and Urban Renewal Ass'n, What is SPUR? (1966).

⁷⁴ Interview with John Jacobs, Associate Director, San Francisco Planning and Urban Renewal Ass'n, in San Francisco, March 10, 1967.

⁷⁵ *Id.*

⁷⁶ San Francisco Planning and Urban Renewal Ass'n, What is SPUR? (1966).

⁷⁷ The chairman of SPUR's board of directors, Mr. Jerard F. Sullivan Jr., is on the board of Crocker Citizens National Bank, Schlage Lock Co., Interstate Hosts, Foster and Kleiser Co., Fairmont Hotel Co. and others. Other members of the board have similar

does, however, perform three positive functions. First, to compensate for its narrowly based membership, it holds meetings where neighborhood groups and city officials can meet to discuss possible redevelopment projects.⁷⁸ Second, through newsletters it attempts to educate the public and city officials about proposed redevelopment plans.⁷⁹ Third, because the staff and membership contains architects and planners,⁸⁰ SPUR proposals elicit serious consideration by the redevelopment agency.⁸¹ Apart from these specific functions, the citizens advisory committee oversees the needs of the city as a whole.

2. *The Inadequacy of the Federal Standard and Suggestions for Improvement*

Even if the citizens advisory committees were representative of the city as a whole and served the positive functions exemplified by SPUR's activities, their performance would not be completely satisfactory. The people who are directly affected by urban renewal must participate in the planning process. For they are the ones whose homes will be taken by government action and who will be moved to other areas. Unless the residents of a project area have a voice in planning, the city may ignore their needs: their families may be separated; they may be forced to pay higher rents; and small merchants among them may be forced out of business.⁸²

One proposal for citizen participation is to give the residents of the urban renewal area a veto over any redevelopment plan.⁸³ Advocates of

backgrounds. T. Dreyfus and M. Kelley, Research for the Mission Council on Redevelopment (1967) (unpublished paper on file in the office of Prof. I. M. Heyman, School of Law, University of California at Berkeley).

⁷⁸ Jacobs Interview, *supra* note 74. He estimated that 135 meetings were held both in the neighborhood and in the downtown area on the proposed Mission Renewal Plan.

⁷⁹ Newsletters are sent out about five times a year. SPUR also prepares monthly calendars of coming events. The organization contains four active committees which meet monthly and six special study committees which meet on the call of the chairman. These committees are open to all SPUR members. San Francisco Planning and Urban Renewal Ass'n, How SPUR works, March, 1967. See also San Francisco Planning and Urban Renewal Ass'n, Report No. 21, Dec. 1966, giving SPUR's position on renewal for the Mission District.

⁸⁰ Jacobs Interview, *supra* note 74. For example, Mr. Jacobs recently joined SPUR after six years as the Executive Director of the Stockton Redevelopment Agency. San Francisco Planning and Urban Renewal Ass'n, Newsletter No. 28, Dec. 1966.

⁸¹ For example, Mr. Jacobs, Associate Director, stated that SPUR and the redevelopment agency have always been able to agree on a plan through consultation. Jacobs Interview, *supra* note 74. This record was later broken when SPUR opposed the Embarcadero Center development in the Golden Gateway redevelopment project. San Francisco Chronicle, April 5, 1967, at 1, col. 1.

⁸² See Gans, *Human Implications of Current Redevelopment and Relocation Planning*, 25 J. AM. INST. PLANNERS 15 (1959); Hartman, *The Housing of Relocated Families*, 30 J. AM. INST. PLANNERS 266 (1964).

⁸³ The Mission Council on Redevelopment, which represented sixty-five groups in the area, proposed a veto for project area residents over any redevelopment plan. San Francisco

this proposal feel that in the absence of a veto power the redevelopment agency and the legislative body will ignore the neighborhood's needs. While such fears may be well-founded in some cities, such a veto is inadvisable⁸⁴ for it would force the redevelopment agency and the legislative body to ignore the needs of the city as a whole. Urban renewal has an impact on the housing, industry and employment needs of the city. The effect of a neighborhood veto would be to halt all urban renewal⁸⁵ except in those few cases where the desires of the city exactly coincided with those of the neighborhood.

The most feasible medium of citizen participation is one in which neighborhood groups negotiate redevelopment plans with the city.⁸⁶ In addition, these neighborhood groups should be independent of city government; a committee appointed by the mayor often creates the impression that it is just another arm of the "establishment" created to pacify concerned elements of the community without accomplishing anything.⁸⁷ To

Chronicle, Dec. 20, 1966, at 15, col. 3. A recent candidate for Mayor of Berkeley, California, ran on a platform of putting all redevelopment projects up to a vote of the city. Verified Statements of Candidates for Office at the General Municipal Election, City of Berkeley 3 (1967).

⁸⁴ In fact, the City Attorney of San Francisco even ruled that such a proposal would be illegal since the city and the redevelopment agency, as arms of the state, cannot delegate their powers to private groups. Interview with Roland J. Henning, Assistant City Attorney of San Francisco, in San Francisco, March 30, 1967.

⁸⁵ When their plan for a neighborhood veto was rejected, the Mission Council on Redevelopment became opposed to any renewal for the area. The Council contained conservative groups such as "Parents and Taxpayers." Some of these groups do not believe in redevelopment at all and carried pickets asking the Governor to encourage the repeal of the Community Redevelopment Law. San Francisco Chronicle, Dec. 20, 1966, at 15, col. 6.

A leader in the Mission Council, Mr. Bert Donlin, expressed the opinion that each area could redevelop itself without governmental aid. He also proposed a referendum in the proposed redevelopment area to see if the people wanted urban renewal. Interview with Bert Donlin, in San Francisco, March 30, 1967. When asked about Mr. Donlin's belief that areas would renew themselves, Mr. Erickson, Education Officer Oakland Redevelopment Agency, answered that urban renewal is like a remedy for a disease: we do not allow nature to take its course since that would be disastrous. Erickson Interview, *supra* note 72. Under both federal and state statutes urban renewal cannot be undertaken until it is demonstrated that the market forces themselves are not redeveloping the area. 42 U.S.C. § 1441 (1964); CAL. HEALTH & SAFETY CODE § 33037 (West 1967).

⁸⁶ "Through no other normal means can the residents of a particular neighborhood substantially influence decisions which will have a vital effect upon the environment in which they live." Note, 66 COLUM. L. REV. 485, 538 (1966). The experience of the Oak Center project in Oakland, California, illustrates the effectiveness of organized groups. A strong neighborhood was successful in guarding their interests by securing the appointment of their neighborhood group president to the redevelopment agency. Erickson Interview, *supra* note 72. The defeated plan for the Mission District in San Francisco would have created a Mission Rehabilitation-Renewal Committee to negotiate plans with the redevelopment agency. San Francisco Board of Supervisors, Proposed Resolution, *supra* note 31, at 4.

⁸⁷ The plan for the Mission District provided for a committee appointed by the mayor and consisting of "responsible, knowledgeable, and concerned people vitally interested in the social and economic welfare of the residents of the area." San Francisco Board of Super-

secure a group that is representative of broad segments of the neighborhood, members of the neighborhood group should be elected by residents of the project area.⁸⁸ This independent group should have its own set of planners. These planners would serve as interpreters of the agency's plan, as advisors to the neighborhood group, as educators of the group to the realities of urban renewal, and as the group's advocates before the agency.⁸⁹ With their own planners, such groups would elicit more serious consideration from redevelopment agencies than private individuals do.⁹⁰ Since the neighborhood normally lacks funds to hire planners, outside aid will be necessary. City government could either provide money to hire planners, or allocate planners from the redevelopment agency staff to the group.⁹¹ Private funds might also be available.⁹² With such aid, neighborhood groups could make constructive proposals to protect neighborhood interests.

The effectiveness of neighborhood groups will depend not only on their structure, but also on their contact with the redevelopment agency. For maximum effectiveness, neighborhood groups should become involved in the planning process at an early stage. Early involvement will help to alleviate the local hostility present at the inception of most redevelopment projects⁹³ and, along with improved communication procedures, will promote serious official consideration of neighborhood needs.

Neighborhood participation must begin before the agency's hearing on its proposed redevelopment plan.⁹⁴ By the time the agency has spent large sums of money preparing its completed plan, it will naturally become a strong advocate of its own plan.⁹⁵ Residents of the neighborhood may then

visors, Proposed Resolution, *supra* note 31, at 7. But the mayor decided who was "responsible" and there was no requirement that the members of the committee be residents of the Mission area.

⁸⁸ Another possibility is to require "maximum feasible citizen participation" as in the War on Poverty programs. 42 U.S.C. § 2782 (Supp. 1966).

⁸⁹ See Note, *Citizen Participation in Urban Renewal*, 66 COLUM. L. REV. 486, 593 (1966).

⁹⁰ Agency officials stress that they wish that the neighborhood groups would offer alternative proposals rather than only emotional pleas to leave the area alone. Isaacson Interview, *supra* note 31.

⁹¹ A planner from the redevelopment staff would have been provided to the Mission Rehabilitation-Renewal Committee. San Francisco Board of Supervisors, Proposed Resolution, *supra* note 31, at 4.

⁹² A neighborhood plan for the Cooper Square project in New York City was financed through private donations. COOPER SQUARE COMMUNITY DEVELOPMENT COMM. AND BUSINESSMEN'S ASS'N, AN ALTERNATE PLAN FOR COOPER SQUARE (1961).

⁹³ Television interviews with residents of the South of Market renewal area in San Francisco explored some of this hostility. Eyewitness News, KPIX-TV, April 4, 1967.

⁹⁴ CAL. HEALTH & SAFETY CODE § 33348 (West 1967).

⁹⁵ Interview with Robert Amber, Assistant Urban Renewal Director, Berkeley Redevelopment Agency, in Berkeley, March 28, 1967. The extent to which the agency is prepared to act as the advocate for a plan was seen in the comments made by the Executive Director of the San Francisco Redevelopment Agency, Mr. Justin Herman, concerning the

be left with the alternatives of acquiescing in the agency's plan or arguing against any redevelopment for the area. Raucous hearings may result,⁹⁶ allowing logic to be cast aside and permitting the most vocal groups to carry the day.

Early contact between the agency and the neighborhood could be furthered by establishing a site office in the contemplated survey area.⁹⁷ Such an office would represent the agency both in organizing community support for the proposed survey and in hearing ideas from residents in the area. The site office would promote communication between the agency and the neighborhood by offering a convenient place for informal discussions.

Contact at the site office, however, is not sufficient to ensure that public officials seriously consider neighborhood ideas. Neighborhood groups need closer contact with the redevelopment agency and the legislative body. A defeated plan for redeveloping San Francisco's Mission District contained valuable ideas for forming such channels. First, it authorized the neighborhood group to report regularly to the board of supervisors on how policies set forth in the resolution authorizing renewal were being followed by the redevelopment agency.⁹⁸ Such periodic reports would help minimize the use of redevelopment funds in a manner inconsistent with the legislative policies. Second, the neighborhood group would have had access to the agency's redevelopment plan at least ninety days before the agency's hearing.⁹⁹ The group could file a report on the proposed plan to be considered by the agency and the board of supervisors.¹⁰⁰ Under this procedure, the agency and the board would receive the neighborhood group's report before making final decisions on the plan. The board of supervisors would receive the group's report at the same time they received the agency's plan and could then compare both documents before holding public hearings. The neighborhood group's findings would receive greater consideration in this form than as testimony in a lengthy public hearing.

3. Summary

The ideal citizen participation program would consist of two bodies. First, a citizens group, broadly based and professionally staffed, would

opposition of some architects to the Embarcadero Center. San Francisco Chronicle, March 30, 1967, at 4, col. 3.

⁹⁶ See L. Sullivan, *Administrative Procedure and the Advocatory Process in Urban Redevelopment*, 45 CALIF. L. REV. 134, 144 (1957).

⁹⁷ The normal procedure is to postpone establishment of the site office until the survey area has been designated. In the Mission District, for example, the site office was not to be established until the planning funds from the federal government were received. San Francisco Board of Supervisors, Proposed Resolution, *supra* note 31, at 2.

⁹⁸ San Francisco Board of Supervisors, Proposed Resolution, *supra* note 31, at 7.

⁹⁹ *Id.* at 4.

¹⁰⁰ *Id.* Minority reports of dissenting members of the committee could also be filed. *Id.*

actively educate the public and city officials about urban renewal and oversee the interests of the city as a whole. Second, a neighborhood group, chosen by the residents of the project area and having access to planners and agency plans, would negotiate redevelopment proposals with the agency and would transmit neighborhood wishes to the legislative body. Such a system would balance the goals of the city and the neighborhood in preparing redevelopment plans.

B. Relocation

Effective citizen participation is reflected in the relocation of persons displaced by urban renewal in a way which improves their lives. Although both California and federal statutes require the agency to prepare a plan to relocate project residents in decent, safe, and sanitary housing,¹⁰¹ these requirements have not been strictly enforced.¹⁰² Thus, while the buildings in the area are rejuvenated, residents are shuttled from one slum into another. Unless relocation provides better housing for those displaced by urban renewal, overcrowding in other areas will create new slums.

1. Existing Problems in Relocation

Relocation often fails to provide displaced persons with "decent, safe, and sanitary"¹⁰³ housing. This deficiency normally takes two forms—a failure to trace displaced residents and a tendency to relocate them in substandard housing.

Agencies may lose track of displaced residents before they can find them new housing.¹⁰⁴ This was painfully demonstrated in the St. Vincent project of Cleveland, Ohio, in which 67 per cent of the families left the

¹⁰¹ CAL. HEALTH & SAFETY CODE § 33367 (West 1967); 42 U.S.C. § 1455(c) (Supp. 1966). This relocation housing must be in areas not less desirable in regard to access to public utilities, public and commercial facilities and employment than the project area and at rents within the means of those displaced.

To ease the problems of relocation, 42 U.S.C. § 1465 (Supp. 1966) provides relocation payments to business and persons displaced by urban renewal and code enforcement projects.

¹⁰² An agency official insisted that the Department of Housing and Urban Development was very strict in enforcing the relocation requirements. Interview with Janet Roche, Assistant Planner, Oakland Redevelopment Agency, in Oakland, May 4, 1967. *But see* notes 103-10 *infra* and accompanying text. *See also* Note, *Citizen Participation in Urban Renewal*, 66 COLUM. L. REV. 485 (1966). A survey of urban renewal found that only three men were assigned to police the requirements of the workable program, including relocation, for all of New York and New England. *Id.* at 529. So few personnel to police so large an area prevents any effective on-the-spot policing of the statutory requirements and forces federal officials to rely on local agency reports.

¹⁰³ This is the legal standard. 42 U.S.C. § 1455(c) (1964); CAL. HEALTH & SAFETY CODE § 33367 (West 1967).

¹⁰⁴ The agencies make no effort to relocate persons who leave the area before the application for federal funds is accepted. Roche Interview, *supra* note 102. The figures used by the agencies, therefore, only include persons in the area when the project was approved by the Department of Housing and Urban Development.

project area without any relocation aid from the city.¹⁰⁵ Although it is not clear where these families went, agency officials fear that they moved to already overcrowded slums.¹⁰⁶ While tracing is often difficult, without it people displaced by renewal projects will only move to other depressed areas.¹⁰⁷

Even where the city finds the dislocated person a new home it is often substandard. Good examples of this are furnished by the urban renewal projects in Cleveland, Ohio and Oakland, California. Of the 193 families relocated by the Cleveland redevelopment agency in the Gladstone project, one-fourth were placed in substandard housing.¹⁰⁸ The redevelopment agency's annual report for Oakland's Acorn project states that almost one-half of the persons who were living in substandard housing before urban renewal now live in decent homes.¹⁰⁹ Although this may be a significant accomplishment measured by past standards, it means that over one-half of the people relocated by the agency still live in substandard housing. These deficiencies illustrate the inability of the California and federal governments to enforce their standards. While the central cities often lack decent, inexpensive housing,¹¹⁰ and while people often refuse relocation assistance,¹¹¹ strict enforcement of the "decent, safe, and sanitary" standard is necessary to insure some improvement in the lives of those affected by urban renewal.

2. *Solutions to the Problem of Relocation Housing*

There are three possible solutions to the problems of relocation. One solution is to eliminate any need for relocation by rehabilitating buildings rather than by destroying them. Congress, in the Housing Act of 1954,¹¹² encouraged rehabilitation rather than clearance by authorizing funds for demolition only if rehabilitation was unfeasible¹¹³ and by providing grants for building improvements.¹¹⁴ Two factors limit the usefulness of rehabili-

¹⁰⁵ Los Angeles Times, March 5, 1967, § E, at 1, col. 1.

¹⁰⁶ See *id.*

¹⁰⁷ In the Acorn project of Oakland, California, low income families who tried to relocate themselves were unable to find "decent, safe and sanitary" housing. Roche Interview, *supra* note 102.

¹⁰⁸ Los Angeles Times, March 5, 1967, § E, at 2, col. 2, 3.

¹⁰⁹ 1966 Oakland Redevelopment Agency Ann. Rep. 8.

¹¹⁰ See GOVERNOR'S ADVISORY COMM'N ON HOUSING PROBLEMS, APPENDIX TO THE REPORT ON HOUSING IN CALIFORNIA 137, 141 (1963).

¹¹¹ Interview with Glenn Isaacson, Acting Deputy Executive Director, San Francisco Redevelopment Agency, in San Francisco, March 10, 1967; Roche Interview, *supra* note 102.

¹¹² Housing Act of 1954, ch. 649, tit. III, 68 Stat. 590 (codified in scattered sections of 42 U.S.C.).

¹¹³ 42 U.S.C. § 1460(c) (Supp. 1966).

¹¹⁴ *Id.* § 1452b. See also U.S. DEP'T OF HOUSING & URBAN DEVELOPMENT, PROGRAMS OF THE DEPARTMENT 5, 6 (1965).

tation. First, the cost of rehabilitating structures is often much greater than the increased value of the building.¹¹⁵ Second, improving a structure to meet code standards may be so expensive that the owner will have to charge higher rents; higher rents in turn drive low income families from the area and negate the purpose of rehabilitation. However, since rehabilitation has the advantage of keeping communities together and eliminating the need for relocation, redevelopment agencies have begun to emphasize this type of urban renewal.¹¹⁶

A second solution for reducing the problems of relocation is to provide low-cost housing in the project area for all residents who wish to return. This method would greatly reduce the need for permanent relocation housing¹¹⁷ and could be used even when rehabilitation is impractical. Moreover, it would stress the need to provide decent housing for residents of the project area and would recognize the value in preserving communities tied together with ethnic or religious bonds. Strong citizen participation groups have begun to convince redevelopment agencies that relocation housing within the project area would be desirable.¹¹⁸

A third solution is to coordinate public housing and urban renewal¹¹⁹ to furnish decent, low-cost housing for low income families displaced by urban renewal. The use of scattered-site public housing units would both provide decent housing and avoid the oppressive atmosphere pervading conventional housing projects.¹²⁰

Many relocation problems can be solved by wise redevelopment of the area. Rehabilitation, where feasible, eliminates the need for relocation. Reconstruction which allows the original residents to return eliminates the need for permanent relocation. Where neither of these alternatives is possible, low-cost public housing might be provided for persons displaced by urban renewal. The success of citizen participation through neighbor-

¹¹⁵ Isaacson Interview, *supra* note 111.

¹¹⁶ The Oak Center project in Oakland, as planned, will be almost all rehabilitation. Erickson Interview, *supra* note 72. San Francisco's Western Addition II project plan calls for substantial rehabilitation. San Francisco Planning and Urban Renewal Association, Newsletter No. 24, Jan. 1966.

¹¹⁷ The need for even temporary relocation housing can be reduced by clearing and rebuilding small areas, and moving people from the next area to be cleared into the newly rebuilt area. This is planned for Western Addition II. Isaacson Interview, *supra* note 111. Cf. San Francisco Board of Supervisors, Proposed Resolution, *supra* note 31, at 3.

¹¹⁸ For example, the San Francisco agency's plan for renewal of the Mission District would have guaranteed residents housing in the redeveloped area at rents they could afford. San Francisco Board of Supervisors, Proposed Resolution, *supra* note 31, at 2, 3. This proposal would have also given businessmen in the area preferential treatment in purchasing land and renting buildings in the project area. *Id.* at 3, 5.

¹¹⁹ See notes 121-32 *infra* and accompanying text.

¹²⁰ Hartman, *Limitations on Public Housing*, 29 J. AM. INST. PLANNERS 283 (1963). See also San Francisco Chronicle, Nov. 2, 1966, at 2, col. 7, 8.

hood groups will be measured by the degree to which relocation produces not only different but better homes.

C. Consolidation of Urban Renewal and Public Housing

Since some displacement of persons, whether temporary or permanent, is inevitable in urban renewal projects and since many of those displaced necessarily will have low incomes, local public housing authorities are responsible for housing these same people when there is a shortage of safe and sanitary low-rent accommodations.¹²¹ Redevelopment officials interviewed all agree that combining urban renewal and public housing would be beneficial to both programs.¹²² But although some cooperation between public housing authorities and redevelopment agencies is prescribed by existing statutes,¹²³ these agencies remain autonomous, cooperating only in isolated instances.¹²⁴ Because they are both concerned with low-income families, the two agencies may duplicate efforts and work at cross-purposes if they are not closely coordinated.¹²⁵

Public housing and urban renewal agencies should be coordinated in order to provide housing for the low-income families displaced by urban renewal projects. Since the redevelopment agency is empowered only to prepare land for construction,¹²⁶ it must rely on private groups and public bodies to construct and maintain the buildings in the redeveloped area.¹²⁷

¹²¹ The redevelopment agency is concerned with residents of blighted areas. CAL. HEALTH & SAFETY CODE § 33030 (West 1967). Those areas normally contain low-income families. The housing authority is also responsible for the housing of low-income families when there is a shortage of safe and sanitary accommodations at low rents. *Id.* § 34212. A comparison of the public housing standards defining an unsafe or unsanitary building and the urban renewal standard for blight shows that the agencies are concerned with the same people.

¹²² Interviews with Robert Amber, *supra* note 95; John Jacobs, *supra* note 74; Glenn Isaacson, *supra* note 111; Justin Hermin, Executive Director, San Francisco Redevelopment Agency, in San Francisco, March 10, 1967; and John Williams, Executive Director, Oakland Redevelopment Agency, in Oakland, May 3, 1967.

¹²³ CAL. HEALTH & SAFETY CODE § 34322.2 (West 1967) requires the public housing authority to give persons displaced from urban renewal preference in the selection of tenants.

¹²⁴ A redevelopment official stated that there is a close working relationship between the staffs of the Oakland Redevelopment Agency and the Oakland Public Housing Authority. They cooperated in sponsoring a successful bond issue for 2500 units of public housing and in removing the citizenship requirement for eligibility in public housing. Roche Interview, *supra* note 102.

¹²⁵ The two agencies seem to be working at cross-purposes in the Hunters Point Area of San Francisco. The housing authority is phasing out public housing there at the same time the redevelopment agency is planning a redevelopment project for the area. The housing authority wanted part of the urban renewal project to include public housing but the redevelopment agency refused on the ground that there was already enough public housing in the area. Isaacson Interview, *supra* note 111.

¹²⁶ CAL. HEALTH & SAFETY CODE §§ 33432, 33440 (West 1967).

¹²⁷ *Id.* § 33442 allows the redevelopment agency to sell, lease, grant or donate real property to the housing authority which is the major public body involved in the construction and maintenance of buildings.

While the agencies have succeeded in finding private organizations to build housing for moderate income families,¹²⁸ they have been unable to provide adequate housing for low-income families.

Redevelopment agencies thus depend upon public housing to care for people displaced by urban renewal projects. Public housing on the other hand would benefit by working with redevelopment agencies. Without new sites for housing units, waiting lists for public housing will continue to grow. Public housing authorities have difficulty in securing new sites,¹²⁹ despite their powers of condemnation, because the California Constitution requires that all public housing projects be approved by the voters of the city;¹³⁰ voter resistance and the cost and delay of putting a measure on the ballot can stifle public housing. Urban renewal agencies, therefore, could greatly aid public housing authorities in securing sites, for voter resistance to public housing units would be reduced if the units were part of a comprehensive redevelopment plan.¹³¹ Through redevelopment of the area in sections, the redevelopment agency could provide scattered-site public housing in each section and avoid the need for relocation outside the project area.

Curiously enough, although consolidation would help both agencies, there has, as yet, been no merger. That the agencies are governed by different statutes and procedures should be no obstacle; the statutes would be satisfied if the agencies continued to operate but under a single administrator who would coordinate the two. Other cities have succeeded in coordinating their renewal and public housing agencies,¹³² and California cities should follow suit.

III

REGIONAL GOVERNMENT

Urban renewal is not a municipal problem, as it is treated in the statutes, but a regional one. The unity of the metropolitan area, the im-

¹²⁸ 12 U.S.C. 1715(L) (Supp. 1966) provides low interest mortgages to nonprofit corporations to build housing for low and middle income families relocated by urban renewal.

¹²⁹ Isaacson Interview, *supra* note 111.

¹³⁰ CAL. CONST. art. XXXIV, § 1. Redevelopment officials feel that art. XXXIV § 1 has impeded the development of public housing. See GOVERNOR'S ADVISORY COMM'N ON HOUSING PROBLEMS, *supra* note 110, at 596.

¹³¹ In one community, 500 people jammed a planning commission hearing to protest plans to put low cost public housing in their established, middle class areas. N.Y. Times, June 2, 1966, at 25, col. 3.

¹³² Milwaukee, Wisconsin has had a Department of City Development which has coordinated the housing authority, planning commission and redevelopment agency since 1961. 23 J. OF HOUSING 188 (1966). Mayor Lindsay of New York recently received a proposal to coordinate all development and planning into one department and the idea of merging the redevelopment agency and public housing authority has been approved by the mayor. 24 J. OF HOUSING 43 (1967).

balance in tax bases, and the concentration of low-income families in the central cities produce problems of urban renewal that can only be solved on a regional basis.

A. The Unity of the Metropolitan Area and the Move to the Suburbs

There are some prerequisites for a workable regional government. First, the people included in the jurisdiction must have common interests, goals and problems. San Francisco Bay Area inhabitants share such common goals, interests, and problems. They use the same highways, share the same cultural and recreational facilities, and seek employment without regard to city boundaries. Second, the area should be sufficiently contiguous and inclusive to be able to solve its problems without being so large as to lose economies of scale. These considerations would not seem to prevent a regional program of urban renewal in the San Francisco Bay Area.

Many problems in the San Francisco Bay Area are presently approached on a regional basis. Regional bodies are already working with problems of air and water pollution and rapid transit.¹³³ Initial steps have been taken towards treating the area as a unit for purposes of planning for open space allocation.¹³⁴

Urban renewal could be handled on a municipal level if the distribution of jobs, unemployed persons, industry, and tax base were uniform throughout the metropolitan area. But that is not the case, primarily because of movements of people and industry to the suburbs. People migrated to the suburbs to such an extent that the population of the San Francisco-Oakland metropolitan area grew 24 per cent between 1950 and 1960 while the population of the inner cities decreased.¹³⁵ Primarily higher income families have moved to the suburbs while low-income families and minority groups remain in the inner city.¹³⁶ The Negro population of Oakland, for example, has risen from 22.1 per cent in 1960 to 33 per cent in 1965¹³⁷ while it has fallen from 1.3 per cent to 0.1 per cent in the same

¹³³ The Bay Area Rapid Transit District, the Bay Area Air Pollution Control District, and the Bay Conservation and Development Commission have been established to handle these problems. All have jurisdiction over large areas of the San Francisco Bay Area.

¹³⁴ Association of Bay Area Gov'ts, *Regional Home Rule and Government of the Bay Area* 8 (1966).

¹³⁵ BUREAU OF THE CENSUS, U.S. DEP'T OF COMMERCE, *STATISTICAL ABSTRACT OF THE UNITED STATES* 18, 20 (1966).

¹³⁶ President Johnson has noted: "Wealthy suburbs often form an enclave whereby the well-to-do and the talented can escape from the problems of their neighbors, thus impoverishing the ability of the city to deal with its problems." *Hearings on H.R. 6654 Before a Subcomm. of the Comm. on Government Operations*, 89th Cong., 1st Sess., at 7 (1965) (message from President Johnson).

¹³⁷ UNIVERSITY OF CALIFORNIA AT BERKELEY, *INST. OF INDUS. REL. BULL.*, Nov. 1966, at 3.

period in the southern suburban part of the county.¹³⁸ Industry moved to outlying areas to such an extent that manufacturing employment in San Francisco fell 9.2 per cent in the last fifteen years while it rose 81 per cent in the surrounding five counties.¹³⁹ These shifts in population and industry would not cause grave governmental problems if they occurred within the jurisdiction of one municipality. But almost ninety cities exist in the nine county area ranging from Hercules with 300 residents¹⁴⁰ to San Francisco with more than 700,000 residents.¹⁴¹ The fragmentation of government has weakened the inner city so that it can no longer solve its problems alone.

B. Regional Planning and Urban Renewal

Regional planning is necessary for effective urban renewal because the inner cities are unable to coordinate relocation of persons with job opportunities. While jobs are available in outlying areas, urban renewal takes place in the inner city. If low-income families cannot be placed close to jobs, they remain unemployed and thus further aggravate the problem. Even providing low-cost housing in the inner city is of little help if residents cannot find jobs. Under a fragmented system of government the inner city has no power to create suitable relocation housing in another city where the job opportunities might be better.

Regional planning can correct these problems by relocating people near available jobs. If employed they could afford to maintain their homes and prevent the spread of blight. Public housing, if coordinated with urban renewal, could provide low-cost housing near jobs and ease the financial hardships of low-income families. Moreover, by collecting data on population and employment trends, land requirements, and transportation needs a regional body could guide these developments to meet the needs of the region.

C. Regional Taxation and Urban Renewal

Regional taxation is necessary to enable urban renewal to become people-oriented. Cities engaged in urban renewal contain large numbers of unemployed persons, declining job markets, and deteriorating areas. They are, therefore, necessarily incapable of financing renewal. These fiscal problems are aggravated by the short term loss of tax revenues resulting from unavoidable delay in the redevelopment process.¹⁴² As a

¹³⁸ *Id.*

¹³⁹ *Id.*

¹⁴⁰ 1966 CONTRA COSTA COUNTY BD. OF SUPERVISORS ANN. REP. 7.

¹⁴¹ BUREAU OF THE CENSUS, U.S. DEPT OF COMMERCE, STATISTICAL ABSTRACT OF THE UNITED STATES 21 (1966).

¹⁴² IN GOVERNOR'S ADVISORY COMMISSION ON HOUSING PROBLEMS, *supra* note 110, at

result, cities try to increase their tax base by building structures with high assessable values rather than stressing rehabilitation or providing other low-cost housing. They may also tend to neglect relocation needs in order to secure short-term economic savings. Indeed, one writer has found that while cities undertake urban renewal for several reasons, fiscal motives are often the major factor in prompting and shaping urban renewal plans.¹⁴³

Since the revenues for regionally financed renewal projects would come from the entire metropolitan area, these fiscal considerations would become less significant. Short-term losses would be spread among all residents of the area. Pressure to build structures with high assessable values will decrease. Rehabilitation, which does not greatly augment taxes, could be used more often. More money could be spent in finding decent relocation housing for those displaced by projects.¹⁴⁴

It seems equitable that suburban residents pay some of the cost of urban renewal in the cities. The suburban resident demands benefits from the inner city. He takes advantage of cultural events and recreational areas in the city. He works in the inner city and expects streets to be paved and police protection to be provided. Conversely, the suburban resident is responsible for many of the city's problems. By taking his money to the suburbs, he has left the city with low-income families from whom it must raise revenues and for whom it must provide services. Suburbs receive tax revenues from "clean" industries which have moved there from the inner city, but which do not provide services for the laborer who commutes there from the inner city. Thus, suburbs receive the benefits of industry without providing a decent environment for the workers who operate it. Regional government can eliminate these inequities by requiring everyone who derives benefits from the region to sustain the financial burdens of improving it.¹⁴⁵

D. The Structure of Regional Government

A regional governmental body concerned with urban renewal for the San Francisco Bay Area might be developed in two ways. One method

595, it was reported that all of the agencies responding to a questionnaire suffered losses in taxes due to delays inherent in the system.

¹⁴³ L. Sullivan, *Administrative Procedure and the Advocatory Process in Urban Redevelopment*, 45 CALIF. L. REV. 134, 137-38 (1957).

¹⁴⁴ Only 0.5% of the \$2.2 billion spent on federally-aided urban renewal up to 1960 went to relocation. Hartman, *The Housing of Relocated Families*, 30 J. AM. INST. PLANNERS 266 (1963).

¹⁴⁵ As President Johnson has said: "The interests and needs of many of the communities which make up the modern city often seem to be in conflict. But they all have an over-riding interest in improving the quality of life of their people. . . . These interests will only be served by looking at the metropolitan area as a whole, and planning and working for its development." *Hearings on H.R. 6654, supra* note 136, at 7.

for accomplishing regional supervision of urban renewal would use the joint-exercise-of-powers provisions of the Community Redevelopment Law.¹⁴⁶ Under these provisions two or more agencies may jointly exercise powers by working together or by agreeing that one agency be designated to act.¹⁴⁷ This voluntary relationship tends to collapse, however, when two agencies find themselves in serious conflict over a specific proposal. It has, therefore, been of limited usefulness.

A second method would have the state legislature create the regional body. While the legislature could pass an act enabling areas to form regional government, it could more effectively create the regional body itself. A proposal is now pending to decide if such state legislation is necessary.¹⁴⁸

The federal government could promote regional government concerned with urban renewal by conditioning the receipt of federal funds on its creation.¹⁴⁹ Federal statutes presently allow the Department of Housing and Urban Development to encourage the establishment of such state and regional agencies.¹⁵⁰ The Department could require the formation of a regional body to screen applications for urban renewal funds and to parcel out available funds. Such a regional body would insure that all redevelopment projects furthered the best interests of the region. Since the body would draw its operating funds from the entire region, it could afford a large enough staff to insure that the federal requirements of citizen participation and relocation were fulfilled.

IV

CONCLUSION

Statutes governing the urban renewal process are not the panacea for all urban renewal problems. State statutes provide only a framework, while the federal laws merely define specific conditions to be met to receive federal funds. But it is local government that must put the policies into practice; it must find efficient administrators who are interested in people as well as buildings and must remove petty politics from urban renewal projects.

This Comment has suggested ways to improve some aspects of urban renewal. For example, residents of the project area should have greater responsibility in overseeing the redevelopment agency. Stricter enforce-

¹⁴⁶ CAL. HEALTH & SAFETY CODE §§ 33210-13 (West 1967).

¹⁴⁷ *Id.* § 33210. One city can also carry out redevelopment in another city if the legislative body of the city where the project is located approves. *Id.* § 33213.

¹⁴⁸ San Francisco Chronicle, April 25, 1967, at 9, col. 5.

¹⁴⁹ This is done presently for planning grants. 40 U.S.C. § 461 (Supp. 1966). *See generally*, Comment, 55 CALIF. L. REV. — (1967).

¹⁵⁰ 42 U.S.C. § 1451(b) (1964).

ment of the "decent, safe, and sanitary" standard for relocation housing is needed. Relocation can be more effective through rehabilitation, through reconstruction of the area to meet the needs of the residents, and through coordination of public housing and urban renewal. Finally, regional government itself is needed to provide the type of renewal which alleviates the hardships of slum life. The decisions for such steps are in the hands of Congress and local officials, and on their actions rest the future of the urban poor.

Alan E. Harris