

# University of Michigan Journal of Law Reform

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Volume 27  
Issues 3&4

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1994

## Meeting the Challenge of Urban Revitalization

Henry G. Cisneros

*United States Department of Housing and Urban Development*

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### Recommended Citation

Henry G. Cisneros, *Meeting the Challenge of Urban Revitalization*, 27 U. MICH. J. L. REFORM 633 (1994).

Available at: <https://repository.law.umich.edu/mjlr/vol27/iss3/3>

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# MEETING THE CHALLENGE OF URBAN REVITALIZATION

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Henry G. Cisneros\*

If we are to meet the challenge of urban revitalization in the 1990s, we must understand the nature of contemporary urban decline. To the extent that they have suffered physical deterioration, become home to disproportionate numbers of poor people, experienced more business failures and above-average crime rates, portions of our great cities always have been "in decline."

There always has been a "wrong side of the tracks" in America. But historically, there always have been crossings as well. For the first half of this century, low-income urban communities were places of transition: home to successive waves of immigrant families—from abroad and from rural America—who settled in poorer neighborhoods, found jobs, educated their children, accumulated a stake, and eventually lifted themselves into the middle class.<sup>1</sup>

Our cities were divided into poor neighborhoods, middle-class neighborhoods, and wealthy neighborhoods, but they continued to be infused by a wider sense of community and a community of interest.<sup>2</sup> Both sides of the tracks were still in the same town.<sup>3</sup>

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\* Secretary, United States Department of Housing and Urban Development. B.A. 1969, M.U.P. 1970, Texas A&M University; M.P.A. 1973, Harvard University; Ph.D. 1975, George Washington University.

1. See JON C. TEAFORD, *THE TWENTIETH-CENTURY AMERICAN CITY* 1–8, 25 (1986) (arguing that working-class immigrant neighborhoods changed constantly as waves of new immigrants pushed the earlier arrivals out to the more affluent edges of the city); cf. DOUGLAS S. MASSEY & NANCY A. DENTON, *AMERICAN APARTHEID* 18 (1993) (discussing the movement of blacks out of the rural South and into the urbanized North, but maintaining that these newly urbanized blacks did not realize the economic success of their European counterparts who were also flocking to cities); Michael D'Innocenzo & Josef P. Sirefman, *Introduction to IMMIGRATION AND ETHNICITY* at ix–xi (Michael D'Innocenzo & Josef P. Sirefman eds., 1992) (addressing generally how immigrants to America assimilate to the culture and suggesting that these cultural changes are neither painless nor complete transformations).

2. See TEAFORD, *supra* note 1, at 18–25 (providing an anecdotal overview of the social divisions within American cities at the turn of the century, particularly the sifting effect of living among the true elite of New York's Fifth Avenue or Chicago's Gold Coast).

3. See *id.* at 30–43 (discussing shared efforts to correct urban wrongs).

Today, we speak of the "inner city" as another world altogether, and the terminology is symptomatic of what has happened to our cities since World War II. As millions of families, predominantly white, moved from the cities to the suburbs in the postwar era, a new wave of immigrants—predominantly rural African Americans at first, followed by Latin Americans, Asians, and individuals of Caribbean ancestry—landed on our urban beachheads.<sup>4</sup> But unlike their predecessors, many of them never left the beach. Instead of serving as a place of transition to a better life, urban America became a dead end for them.

Discriminatory hiring practices limited their economic mobility.<sup>5</sup> Discrimination in rental, real estate, and lending markets set boundaries on where they could live, depriving them of access to schools, job opportunities, and services available in other areas.<sup>6</sup> Political neglect, born of discrimination, shortchanged their own neighborhoods of public services and educational opportunity,<sup>7</sup> while banking and insurance industry "redlining" deprived their communities of investment capital.<sup>8</sup>

They became increasingly isolated—physically, economically, educationally, and even linguistically—from the rest of society. They became a quasi-permanent "underclass."

This intensified spatial, racial, and social isolation of the inner-city poor is the single most significant aspect of American urban decline in the latter half of the twentieth century.

4. See generally LUCIANO MANGIAFICO, CONTEMPORARY AMERICAN IMMIGRANTS: PATTERNS OF FILIPINO, KOREAN, AND CHINESE SETTLEMENT IN THE UNITED STATES 7-8 (1988) (showing a shift in immigration patterns away from Europe and towards Mexico, the Caribbean, the Philippines, Korea, and China); Constance R. Sutton, *Transnational Identities and Cultures: Caribbean Immigrants in the United States*, in IMMIGRATION AND ETHNICITY, *supra* note 1, at 231, 232 (explaining the "Caribbeanization" of New York City and its effects on the culture of the city).

5. Cf. MASSEY & DENTON, *supra* note 1, at 178 (offering statistics to show that growing up in a poor neighborhood significantly reduces a black man's earning potential).

6. See *id.* at 50 (referring to a survey which found that 80% of Chicago's real estate agents in the 1950s refused to sell blacks property); TEAFORD, *supra* note 1, at 103-04, 118 (claiming that the new suburban growth areas of the early 1950s were largely populated by whites and that black families remained a rarity).

7. See generally MASSEY & DENTON, *supra* note 1, at 2, 17-59 (arguing that the racial tensions of the 1960s were caused in large part by the segregation which had persisted in American urban centers for the previous 50 years and noting that President Lyndon B. Johnson's U.S. National Advisory Commission on Civil Disorders Report (*Kerner Commission Report*) came to essentially the same conclusion).

8. See James J. Hartnett, *Affordable Housing, Exclusionary Zoning, and American Apartheid: Using Title VII to Foster Statewide Racial Integration*, 68 N.Y.U. L. REV. 89, 101 n.73 (1993).

Successful urban revitalization depends on our willingness to confront it. Failure to deal with it will leave a critical mass of human misery at the cores of our cities, and a self-sustaining chain reaction of poverty that no amount of tax credits, tax incentives, or business investment can ever overcome.

The Clinton administration's urban strategy is founded on an understanding of this reality. Our approach to urban revitalization is, accordingly, twofold: on one hand, we seek to channel capital and human resources into inner-city communities to enable these areas to lift themselves economically; on the other hand, we seek to transform them into engines of transition. Our initiatives must not only bring about immediate improvements in people's lives, they must put individuals on a ladder to better lives—to economic self-sufficiency and full membership in broader society.

This concept of transitions to better outcomes informs every effort we have undertaken to address the key issues facing urban America today:

- **Homelessness.** We have adopted an approach based on a "continuum of care" which moves people from the transiency of the streets and temporary shelter, to treatment, counseling, and remediation for the drug-abuse, mental-health, disability, or educational problems which may have propelled them into the streets, to transitional housing, to independent lives in permanent housing.<sup>9</sup>

- **Distressed public housing.** We want to transform the worst of our nation's public housing from decaying enclaves of minority isolation, unemployment, poverty, crime, and despair into safe, physically attractive, mixed-income communities that empower residents to lift themselves and move on to productive and rewarding jobs, conventional housing, and even home ownership.

- **Housing production.** We are committed to reversing years of decline in housing affordability and home ownership through initiatives which increase the stock of affordable rental housing and put home ownership within reach of more people, moving them to better housing and better lives.

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9. See, e.g., Supportive Housing Program, 24 C.F.R. § 583 (1994).

•Fair housing. We seek to ensure that poor, minority populations concentrated in our inner cities have real choices about where they live, enabling them to gain better access to the jobs, education, and public services that are distributed through metropolitan-wide housing markets.

•Community empowerment. We want to release the grip of crime, fear, and social breakdown on distressed communities, strengthen them economically, and reweave them into the fabric of mainstream society.

The Clinton administration is promoting these manifold transitions through a variety of initiatives. Last year's expansion of the earned-income tax credit,<sup>10</sup> permanent extension of low-income housing tax credits<sup>11</sup> and mortgage revenue bonds,<sup>12</sup> the Empowerment Zone and Enterprise Communities Initiative,<sup>13</sup> and strengthening of the Community Reinvestment Act<sup>14</sup> will pour billions of dollars into low-income communities. The United States Department of Housing and Urban Development (HUD) has committed more than one billion dollars to the redesign and restoration of severely run-down public housing projects;<sup>15</sup> we have stepped up enforcement of existing law requiring that HUD-financed inner-city projects provide job opportunities for inner-city residents.<sup>16</sup> HUD's National Community Development Initiative<sup>17</sup> will funnel twenty million dollars in federal funds and nearly seventy million dollars in

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10. Omnibus Budget Reconciliation Act of 1993, Pub. L. No. 103-66, tit. XIII, ch. 1, § 13131(a)-(d)(1), 107 Stat. 433-35.

11. § 13142(a)(1), (b)(1)-(5), 107 Stat. at 437-39.

12. § 13141(a), (c)-(e), 107 Stat. at 436, 437.

13. Pub. L. No. 103-66, 107 Stat. 312, 543 (1993).

14. This statute was originally enacted as the Housing and Community Development Act of 1977, Pub. L. No. 95-128, 91 Stat. 1111, 1147 (1977) (currently codified as amended at 12 U.S.C. § 2901 (1988)).

15. See, e.g., Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1994, Pub. L. No. 103-124, 107 Stat. 1275, 1285 (1993) (allocating \$778,240,000 to remain available until expended); Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993, Pub. L. No. 102-389, 106 Stat. 1571, 1579 (1992) (allocating \$300 million to remain available until expended).

16. 12 U.S.C. § 1701u (1988). Current regulations containing procedures established to comply with the law are set forth at 24 C.F.R. § 135 (1994).

17. HUD Demonstration Act of 1993, Pub. L. No. 103-120, 107 Stat. 1144, 1148 (authorizing the appropriation of \$25 million for the 1994 fiscal year to carry out the National Community Development Initiative and providing that federal funds "shall be matched from private sources in an amount equal to 3 times" \$25 million).

private money to community-based organizations in our inner cities this year.

While we channel resources into our inner cities, we are enabling inner-city residents to move out into the greater metropolitan community by opening up housing opportunities. The administration is aggressively enforcing fair-housing and fair-lending laws<sup>18</sup> and supporting "scattered-site" public housing projects which disperse low-income families throughout urban areas.<sup>19</sup>

President Clinton this year signed an executive order directing all federal departments and agencies to ensure that their programs further fair-housing practices.<sup>20</sup> The administration's fair-lending task force, composed of HUD and nine other agencies, is coordinating government-wide efforts to end lending discrimination. The task force has clearly defined, for the first time, what constitutes lending discrimination under the Fair Housing Act of 1968<sup>21</sup> and the Equal Credit Opportunity Act of 1974.<sup>22</sup>

This dual strategy of promoting inner-city development and expanding horizons of opportunity for inner-city residents offers real hope of reversing decades of urban decline. But it also requires patience and perseverance. As President Clinton has said on numerous occasions: We did not get into this situation overnight, and we won't get out of it overnight.

But if we can muster the will to persevere, I believe we will see a day when the term "inner city" is stricken from our lexicon, a day when there only will be cities—heterogeneous communities of rich people, middle-income people, and poor people; communities of Americans of diverse ethnic backgrounds. They will be thriving communities that treasure their diversity, even as they share fundamental values with pride: hard work, family, and individual responsibility.

They once again will be launching pads for dreams.

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18. Exec. Order No. 12,892, 59 Fed. Reg. 2939 (1994), *reprinted in* 42 U.S.C.S. § 3608 (Law. Co-op. Supp. 1994).

19. *See, e.g.*, Housing and Community Development Act of 1992, Pub. L. No. 102-550, 106 Stat. 3672, 3736 (codified at 42 U.S.C. §§ 1437aaa-2 to -3 (Supp. V 1993)) (removing statutory language that excluded scattered-site public housing projects from funding and other HUD support). Scattered sites are defined as "noncontiguous lots throughout a multi-block area, with no common property." Low Rent Housing Homeownership Opportunities, 24 C.F.R. § 904.307 (1994).

20. Exec. Order No. 12,892, *supra* note 18.

21. Pub. L. No. 90-284, 82 Stat. 73 (codified as amended at 42 U.S.C. §§ 3601-3631 (1988)).

22. Pub. L. No. 93-495, 88 Stat. 1500 (codified as amended at 15 U.S.C. §§ 1691-1691f (1988)).

