

# POLICY AND DESIGN FOR HOUSING

Lessons of the Urban Development Corporation 1968-1975

**ORIGINS** How UDC Began  
June 10, 2005, 5:00-9:00 PM

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## ORIGINS: How UDC Began

Opening Panel & Exhibition Opening - Friday June 10, 2005, 5:00-9:00pm

@ Center for Architecture, 536 LaGuardia Place

### PANELISTS:

John Stainton - Former UDC Regional Director

Stephen Lefkowitz - Fried Frank Harris Shriver & Jacobson LLP, Former UDC Chief Counsel

Paul Byard, FAIA - Platt Byard Dovell White Architects, Former UDC Counsel

Frank Braconi - Executive Director, Citizens Housing and Planning Council

### MODERATOR:

Allan Talbot - Former UDC Director of Program Development

Opening Remarks: Theodore Liebman , FAIA, The Liebman Melting Partnership; Former UDC Chief of Architecture

**THEODORE LIEBMAN:** In 1969 to 1975, I worked with the New York State Urban Development Corporation. Those years were for me, as they were for a number of people, the best years of their lives, and our lives. And the next 24 hours, you'll hear a lot about that. We were fortunate enough to work with Edward J. Logue, Honorary AIA, a lawyer by training, but we always knew he was the true chief architect at UDC. He really started a great experiment in demonstrating how large numbers of housing could be built and great communities could be built in cities. And demonstrating that this could be done for people with limited incomes. Tonight, and all day tomorrow at The City of New York Graduate Center, we are going to really look at our successes and our failures, and tonight you're going to hear about the origins of UDC.

We're going to look back but most importantly, we're going to look towards new solutions for housing at a time when our federal government seems to have either given up, or found other issues or other adventures to take their time, but no longer really supports or fosters programs for our urban health. An extraordinary group of people worked for over a year and a half to put this exhibit together. This exhibit will be part of a record that will document not only UDC and some of the projects it built, but some analysis done by three great universities for UDC housing today. We're hoping that the next few days are going to be exciting and memorable days for all of us who lived that experience. But most importantly, hopefully something will carry on from this for architects and planners and people who care about housing.

Alan Talbot, Former UDC Director of Program Development, will moderate the panel on the origins of UDC tonight.

**ALAN TALBOT:** When I was a young boy, many years ago, one of my favorite occupations occurred at 7:30 on weeknights, and it was listening to a radio program that originated in Detroit, Michigan, and it was introduced with music, the overture from William Tell opera, which would

fade off and a voice would come over, "Return to us now to those days of yesteryear, when out of the path came the thundering hoofs of the great horse, Silver, the Lone Ranger rides again." Well, tonight, we hope to get this off to a good start. I hope this meets the expectations of the symposium and its organizers, but one thing is for dammed sure, for the next 24 hours, the Lone Ranger will ride again.

In that spirit, let's return to yesteryear, specifically 1968, the year that UDC was formed. A year packed with a lot of action. Just to jog your memory with a few events from the period, we were engaged in a very unpopular war in Southeast Asia. Young men had begun to burn draft cards, and take the midnight express to Montreal. It was a presidential election year. The incumbent president elected by a landslide in 1964, suddenly found himself faced with a challenge from within his own party. First from Eugene McCarthy, and then at the last minute, from the Junior Senator from New York. Here in New York City and New York State, we had a governor with thick wrists and big ideas and a very attractive mayor, John Lindsay, who had surrounded himself with a very talented staff, and who seemed from the very start to be stuck in the goo of labor relations in New York City. That poor administration was hit by work action after work action. The transit workers shut down the subway system. The spring of UDC's creation, the sanitation men pulled a wildcat strike and garbage heaped on city streets for more than 10 days. And then there was Al Shanker of the Teacher's Union, who were at war, they were apoplectic over the fact that the Ford Foundation had thrown a lot of money at the notion of decentralizing the city's school system.

It was a strange time. It was a topsy-turvy time. In the Bay Area, Indians took over Alcatraz Island. Here in New York, students took over Columbia University. It was a topsy-turvy time in sports. The Mets were the winning team. The Yankees were struggling to stay out of the cellar, and the New York Knicks were a team heading towards a championship here in 1971. It was also a very dangerous time. There was a lot of shooting going on. Five years earlier in Dealey Plaza, we'd lost a President. Three years before that, we'd lost a messianic civil rights leader who was shot in the Audubon Ballroom, up on Upper Broadway. And then in April of 1968, a beloved civil rights leader was shot on a hotel balcony in Memphis, Tennessee, and two months later Bobby Kennedy was shot in the kitchen of the Ambassador Hotel in Los Angeles. There was serious unrest in America's cities. That is to say, there were bloody riots: Detroit, Cleveland, Los Angeles, right across the river in Newark, Upstate in Rochester. Then President Johnson formed a commission, headed by the governor of Illinois, Otto Kerner, to investigate the causes of this urban unrest, and the Kerner Commission Report came back with the finding that the nation was headed towards two separate societies: One black, one white; one very poor, one affluent; separate, but very unequal. And it attributed the problems in the inner cities to a combination of police brutality, lack of job opportunities, economic development and housing development.

Now in counterpart to all this mayhem, at this very time, money was being put together, a cast was being assembled, a musical score was being composed, for a musical show on Broadway which featured butt naked young men and women performing a ridiculous show, called of all things, "Oh Calcutta." Now, let me talk personally about my involvement in UDC. I was working in Washington at the time, and I had worked for Ed Logue in New haven, and I was also a consultant to the Housing and Neighborhood Improvement Task Force, which was Ed's trojan

horse to determine under what circumstances he might come and head the city's housing programs in 1966. That effort fell apart for many reasons. The marriage between Lindsay and Logue did not happen for many reasons, not the least of which was, that Ed's insistence that the Planning Commission be stripped of its independence and folded under a new development agency headed by him.

I'd also written a profile on Ed Logue for "Harpers Magazine" entitled, "Boston's Bristly Mr. Logue." He didn't mind the piece. He hated the title. In any case, during our lunch in Washington, Ed produced two pamphlets with blue covers called the Urban Development Act. Now he had just signed on to become the president and chief executive officer of this new organization called UDC. That title incorporated at least three of Ed's favorite nouns, perhaps four if you don't count chief as an adjective. And I'll be interested to hear the background of that title and other things about the origins of the UDC from our friend Steven Lefkowitz, in just a few minutes. For a large man, Ed had very small dainty and graceful hands, and he would use, particularly his left hand, to make points about things. Many planners use these steel rods. Ed would use his hand like that. He said, we'll assemble this. We'll clear that. We'll build this. And now during our lunch his hand was going, about why he wanted me to come to work for the UDC, and the title he proposed was Director of Program Development. And I said, "Ed, what the hell does that mean?" And, his hand gestured, and it was abundantly clear he had no idea, and that we'd make it up as we went along.

I came to work to the UDC in the summer of 1968, and I showed up at the sixth floor of his modest offices at the time, at 666 Fifth Avenue, right around the corner from the Governor's office. And Ed greeted me and presented me in my new office with three huge cardboard boxes and told me, "Alan, I figured out what the job of the Director of Program Development will be. Tell me what the hell to do with what is in these three boxes?" The first box contained literally hundreds of resumes, some of which he had solicited, many of which just came flying in over the transom. Now Ed had this huge organization chart, filled with regional directors, but the interesting fact of the time was, that to the best of my recollection, and I hope I do not offend anybody, there were exactly five people working there. There was Janet Murphy, Stephen Lefkowitz, Bob Litke, Ed, and a driver named Julio. It was fundamentally a shell game. And so it became very important that we recruit the kind of people that would fill these boxes, these top echelon boxes: Lawyers, construction managers, architects, and so forth. We did that job, at least for the top staff, over the course of about two to three months, and I must admit we recruited a pretty interesting top notch bunch of people. Not all of them were attractive. Not all of them were even pleasant. Some of them were down right weird, but as a group, they were extremely talented and I would put them up against those people who worked for the Lindsay administration at that time. A lot of people who worked for UDC in those early days, have become life long very, very close friends. John Stainton is one of them, and during his part of the presentation he will tell us about the spirit that moved the young folks to come there and what he saw as his mission at the time.

The second box I was presented with, oh what should I call it, the charlatan box. It contained proposals from a variety of hipsters and flipsters and finger-popping daddy-o's, who were purveying everything from asphalt to recycled aluminum. There were urban architectural institutes. There were urban study centers. There were universities. There were this. There

were that. Somebody had to meet with these people and figure out if they could be useful. I couldn't, but Ed saw in them, the possibility for coalition building. So some of them were retained, and performed well.

The final box, the final box was the supplicant box. This box was the biggest of them all. It contained letters. It contained reports. It contained memoranda about all of the moribund housing and urban renewal projects around the State of New York, which could, conceivably be a first part of the first round of the UDC program. This box introduced us to endless meetings with an obscure office in Albany, called the Office of Planning Coordination. And we spent many hours with the people up there, and I must say that Ed was always infatuated with architects and he respected planners. He found them interesting as historians, and he loved their gossip. They were wonderful sources to get the lay of the land. So on the basis on all of the research in this box, the meetings with the Office of Planning Coordination, we set out to pick the first round of projects around the state.

I tell you, it was like a scene from some Fellini movie. We would be in a helicopter. We would descend on a town green in some obscure village in Upstate New York. We would be met by a sad sack bunch of local officials, and they would take us to these pathetic piles of urban renewal inactivity and plead with us for help. I was reminded recently in the movie, "Field of Dreams," you may remember when Shoeless Joe Jackson, whispers from the corn fields to Kevin Costner, "Build it, and they will come." Well, it must have been back in the 50's and 60's, that a lot of planning consultants emerged from the corn fields of Upstate New York, and said, "Clear it, and they will build." And nothing could have been further from the truth. The problems of these upstate communities, which still persists today, is that many have lost their very economic reason for being. The projects we were evaluating, were the sickest of the sick, but something had to be done. And the warnings of the Kerner Commission were very much on our minds. So we did what we could to turn things around. Now our last panelist, Frank Braconi, from Citizens Housing and Planning Council, will give us a broad picture of what we faced then, and how well we did. But our first panelist, Stephen Lefkowitz, was there at the creation, and he's going to tell us about the origins of UDC.

STEPHEN LEFKOWITZ: Thank you. UDC actually stated rather late in 1966 or early in 1967. The Governor, that is Governor Rockefeller, whom I worked for and who we referred to as The Governor, as if there were no other, was just off a re-election campaign and had spent the later part of 1966 getting re-elected and traveling to all the woebegone cities of upstate New York that Alan referred to. The problem Alan has certainly dramatized, is that the cities in New York State were hemorrhaging, and in particular, they had cleared large chunks of their central business districts (CBD), because there was nothing there. And so, they had nothing to fill it up with and no ability to really build. No capacity, either financial or in terms of knowledge or expertise, and in indeed in some case, no energy. Cities were obviously plagued by white flight, and as you all know and as Alan has reminded us, urban America was in turmoil. And so the Governor, and I do think it was the Governor, because he was an activist and a person of great resources and energy, decided to create a state agency to do the job which the cities could not do, and arm that agency with sufficient powers and financial resources so that it could do the job. Do the job that the cities have not been able to do. UDC was set up as a public benefit corporation or public

authority. Indeed it's called a political subdivision of the State of New York. And this is something that New York State has done for many years, set up public authorities, separate from the standard governmental agencies, governmental departments, to do off sheet borrowing, off balance sheet borrowing, to employ people who that are not members of civil service, and to basically jump start an approached problem. And so the Urban Development Corporation, the concept, was born in early 1967.

I would say when I went to work for the Governor, he basically said, we're going do this and it is your responsibility to help draft the legislation. I worked on this in a more or less meandering fashion for the 1967 legislative session, talking to people, getting some help from other people in state government. Meanwhile working on the regular legislative flow that occurs every year in Albany--Albany legislature didn't used to go till June or July--ended in about April or May. We went through many many drafts, and as we went through the process of trying to create a corporation, a public authority, the scope got larger and larger, and the mission got larger and larger. Housing was always a very key point, but it was not the only thing, by any means.

The legislation encompassed and gave the corporation the ability to do commercial projects, industrial projects, so called civic projects, and something called a land use improvement project, which is basically urban renewal as you all know it. And, that has proved in many ways to be the most useful tool of the Forty-Second Street Redevelopment Corporation, as an urban development corporation land use improvement project. And it has the same characteristics and the same statutory recital as urban renewal: blighted, unsanitary, undeveloped, etc., etc. And also, we gave, at the Governor's direction, a financing capacity to this corporation. In those days, the Internal Revenue code was much looser in terms of issuance of tax exempt bonds. Much looser. And so, New York State created a number of authorities to issue tax exempt debt and this would be one of them. Given these liberal rules and what was then called moral make-up of the State of New York, i.e., a non-binding commitment to make up any shortfall in debt service that one of these authorities might encounter as it issued bonds, we packaged that together as a bond issuing agency. So all through the winter and spring, we drafted, I drafted, we played around with different concepts. I honed it as carefully as I could.

And one day, I think it was probably early winter, January, 1968, the Governor invited Mr. Logue to come and visit. We had a meeting in the Governor's office, which was a town house, two town houses, that he owned on 55th Street. He was a Governor with vast resources. We talked with Ed about this corporation and what this thing might do. As Alan mentioned, Ed was fresh off an engagement, a romance--with the Lindsay administration, which really never led to a marriage. And he was very interested in New York, I daresay. He was no longer head of the Boston Redevelopment Authority, and I guess he'd just run for mayor, and there was a little bit of loose ends. So he was very interested in New York, and the Governor was very interested in him, having heard about him from various sources. We came and talked about this corporation and what it would do and what the Governor's ideas were, and Ed said basically, in addition to the condemnation powers which you've given the corporation, which lots of public authorities have, and in addition to the power to do financing, which I mentioned, we really have to be able to override local zoning, because they're just going to get in the way of the municipalities, and we need an ability to bypass them. And I was a little taken back, being a conservative fellow, but the

Governor was not. The Governor was quite bold. I guess Ted mentioned that Ed was a lawyer by training, and so he told the governor, that's what was needed in order to make this corporation really effective dealing with New York.

We introduced the legislation, and it sat there for a while, as things do, until things get ready to move in Albany. The story of the passage of the Urban Development Corporation legislation has been told many times before and it's true. Martin Luther King was assassinated in Memphis. There was a funeral for him, in Birmingham, Alabama. Governor Rockefeller was at the funeral along with lots of other national leaders, and he called up from Birmingham to Albany and he said, let's pass the legislation. And so, we tried to do that. It passed the New York State Senate. It was defeated in the New York State Assembly. It was defeated because lots of local assemblymen, politics, is local, were concerned about cutting loose this State agency, which in fact could do what it wanted to do, notwithstanding local regulations, local zoning, local codes, local laws. And we suffered a defeat in the Assembly, which was unfortunate. And thereafter, the Governor got on the phone from Birmingham, Alabama, and one by one, he called the recalcitrant assemblymen into the office, into the back office, the Governor being on the phone, and the man who basically was there to carry out the Governor's wishes, in person, and one by one, these legislators filed into the back room and they emerged white-knuckled and white-faced. And a couple of hours later, the bill went back to the Assembly, and it passed this time. And that was when we had a Governor who really was a Governor. I'm still involved in urban development and I can tell you we miss a governor like that.

In any event, that was in April of 1968, and within a couple of weeks, we set up shop. Janet, Ed, and me. The three of us. The Governor's secretary, who dispatched me to work for the Urban Development Corporation said, you know the Governor wants Ed Logue to run this, but he doesn't know him very well and this corporation has a lot of extraordinary powers. He wants you to go and work for Ed and keep an eye on him. And of course. Ed was so beguiling and so interesting to work with and so much fun to be with, that I soon lost my objectivity, and I just became part of what he wanted to do. The first trip we made was to Newburgh, New York, which was and I guess probably still is, a pretty woebegone place. The huge broad street, Broadway, leading down to the Hudson River, was then, just devastated. I mean there were empty store after empty store and we went as Alan described, like paratroopers into this place, and the next day there was a headline in the Newburgh paper that said something like, Urban Development Corporation, with its vast powers, is going to rebuild Newburgh. And of course, there was Janet and Ed and me. So, we went around the state. We actually went upstate to Syracuse, where Ed invested in a several thousand acres, to buy land from a used car, Cadillac dealer, to start a new town called Radisson. We went to Buffalo--where Ed, I don't know if we signed a contract right way--we might of, to buy several thousand acres to start a new town called Amherst. None of these were exactly the core mission that we had been set up to do, but Ed was very interested in this, and so we did it.

We had 50 million dollars to start as I recall, and 50 million dollars in those days, wasn't so bad. It was basically intended to be seed money, and Ed certainly knew how to seed it. Even better than the first 50 million dollars, was our bond authorization. We had the capacity, the legal capacity to issue bonds. And of course, that's where the real financial leverage lay. When we started



off, and I can't exactly remember, but I think it's the case, that there was, I mean, I know there was already in place, a well-established New York State housing finance system. There was the Division of Housing & Community Renewal (DHCR), and there was the New York State Housing Finance Agency (HFA); another tax exempt bond issuer, a sister agency, if you will; and I think, if I remember correctly, when we started off, we were obligated to submit our projects to DHCR review. We submitted several projects to DHCR review but they never came out the other end. They never came out because this was a very well established and rather conservative agency that wanted to do things by their book, very carefully, very precisely; wanting to know an awful lot of things about market studies, about economics, about costs, and a lot of information that we simply didn't have. The HFA, which was really part of the Division of Housing, I mean separate but part, thought as many financing agencies do, that the most important thing is their bond rating, and so they were very careful and we put projects in and they never came out the other end. So, we complained to Albany about that, and said we're never going to get anything done if that happens. And so, what we did was change the legislation, just a little tweak, to take us out of the Division of Housing, and I can assure you, they were very pleased to see us go, wished us well and said, you're on your own now.

Alan, I think, had suggested I talk a little bit about project finance, and I can do that. The traditional way, and certainly the way today as well, unless you have the full faith and credit in the United States government behind you, is to finance projects one by one basically, and have in hand all of the money that you need to start and to complete the project. I think you'll find that's pretty typical. We had not one project and Ed was not satisfied to do one project at a time, Ed wanted to do a lot of projects. I mean, that was after all our mission, and Ed was full of energy. His staff was full of energy, and so we wanted to do as much as we could possibly do as quickly as possible. And so we didn't finance one by one. What we did instead of 20 bond issues for 20 projects, each having sufficient funds to complete its particular project, we issued basically non-specific, non-project bonds, and we started say 20 projects and the bond issue would contain say, 10% of the funds required for each of those projects. And it's very good in the sense that it allows you to get going very quickly. It allows you to build not one at a time, but many at a time.

The problem of course came when we couldn't borrow the rest of the money. And there came a time in 1974, where there was a credit crunch, certainly municipal credit crunch in New York City, and the Urban Development Corporation. And we had a lot of notes outstanding; bond anticipation notes, and we couldn't roll them over. And that ended a chapter in UDC. I worked at UDC from '68 to '75 as did Ed, as did many others I think, and in 1975 we failed to meet our payment date on our notes. I remember a lot of worried people in our finance department wondering about what we were going to do. We couldn't issue bonds and we couldn't roll over notes. Governor Rockefeller had departed Albany. He was appointed, I guess and confirmed by the Senate, as Vice-President after Gerry Ford became President upon Nixon's resignation, so the Governor was gone, and his successor Malcom Wilson ran against Hugh Carey and lost. And so we had a new governor. We had a financial crunch, and we had a default on our notes. Exit Ed, exit Steve Lefkowitz, and that, I think brings us to 1975.

JOHN STANTON - Former UDC Regional Director: I would like to start by recognizing Margaret



Logue, who's here and her daughter, Ed's daughter, Kathy. It was great to have you come for this. One of the things that I wanted to say, and has not already been said, I think it's clear that Ed had this vision thing, in spades and uniquely the will and political savvy to make it become a reality. He was very effective throughout his career of attaching himself to a very strong political figure: first Dick Lee in New Haven, and later John Collins in Boston and then Governor Rockefeller. And I think that was certainly one of his keys to success. Ed was, as I think we can all agree who knew him--he was not a bureaucrat. He was a rare breed, one that is now almost extinct. He was a public entrepreneur, development entrepreneur. Everyone agrees he was bold and driven. He was also compelling, able to tell a story about housing and revitalization to galvanize support, energize staff, and very importantly, attracted money. And money was, he followed the money. He knew that the resources brought power and access and a parting of the waters to make things happen.

He was decisive, not a man second-guessing or doubting, and he thought the sweep of his vision took in whole neighborhoods, whole cities, and ultimately the State of New York. Steve referenced that Steve Coyle, later of the Boston Redevelopment Authority director, surveyed Ed's neighborhood plans and liked to kid him that he could see the work of the bombardier that Ed was in WWII. The birds-eye view of things allowed Ed to see the broad boundaries of change, and not get mired in details. He had staff for that, I think we sometimes felt we were following the elephant over the, you know ahh, cleaning up, cleaning up after him. In getting ready for today and, and, because Alan is one the panel, I took another look at our moderator's book, "The Mayor's Game," which he published in 1967. In it Alan describes the tenure of New Haven Mayor Dick Lee and his development administrator, Ed Logue. What Ed brought to the UDC, was his approach to development first honed in New Haven, and later in Boston. With Lee's support, Ed and been able to aggregate all the cities development functions in one office, that I understand by some, was called the Kremlin. Alan describes Ed as having a great sense of urgency that gave him the image of a tough, able and often abrasive man of action. Forget rebuilding the city, it was an emergency issue, a war time situation, which meant that anyone who delayed programs was aiding the enemy. And Alan goes on, keeping a man like Logue under wraps is something like hiding a tiger in the cellar. Alan, do you remember writing that?

ALAN: I do. I often regret...

JOHN: I first met Ed at a job interview for the Boston Redevelopment Authority in a sweaty hotel room in 1960. Ed was on the phone all the time, but thank God, there were no cell phones then. John Collins was the new mayor of Boston and lured him away from New Haven and appointed him as Development Administrator for the Boston Redevelopment Authority (BRA). The same title, different city. The early 60's were a tough time for Boston, and as we think about it, you know, that time was a tough time for a lot of cities, and I think we forget that. And I can remember prices in Boston where you could get a house for 10,000 dollars in the South End, but it was hard to buy because you couldn't get it financed. And of course now if you can touch it for a million, you've done well. And that was what happened all over. As he hadn't been given it, Ed began his days in Boston aggregating the resources and administrative power needed to carry on a comprehensive plan of action. One that involved both the city central core, but also many of the older neighborhoods.

One of the conditions he was able to negotiate prior to arriving in Boston, was to combine the City's Redevelopment Agency and Planning Commission into one agency. The renewal program gave him access to money to carry out programs while the planning function enabled him to operate in a much larger context than would otherwise be possible. You know when I took that lesson and when I moved to Rochester and ran the Rochester program, the first thing I did was to combine the two functions. A lot of people get uncomfortable with that, but it's one way that has made it possible sometimes to get things done. He later combined the building functions under the public facilities department, and these structures, though frequently challenged are still in place today. The BRA staff, as at UDC, were for the most part young, in their 20's and 30's, many from outside the city with no Boston experience, and highly motivated. And we felt perhaps naively that we were on a mission and could make a difference.

In terms of thinking about Boston, I don't know how many of you have picked it up that the chief planner of Boston, David Crane, who also did some work for the UDC, passed away last week. I know that he was quite close to a number of us. You know Ed was always ambitious, in 1967 he tried to further broaden his authority by running for mayor. It didn't work out and he lost in the primary. Within a short time though, he was back this time working as a principal development consultant on what eventually became the Fort Lincoln New Town development in Washington D.C. Planning started with a lot of fanfare and the full backing of the Johnson administration, a group of leading architects and planners was assembled, and an ambitious proposal produced that called for the development of a new community of housing, schools and retail facilities on 335 acres of surplus government land on the northeast edge of the city. The project was sidetracked and Johnson decided not to seek another term and there were various legal problems that held it back, and development today is still not complete. Nevertheless, it was Ed's first direct experience organizing such a large and complex undertaking; an experience that would later show up in his work at the UDC.

I was one of the early staff people that Ed hired for the UDC. I stayed for only two and one-half years. To illustrate how decisions got made, and I had a similar experience as Alan did in a way, I remember meeting with Ed for breakfast one morning at the Yale Club, where he stayed before moving his family to the city. We talked about what I might be interested in doing. I'd grown up in New York State and was not interested at that time in moving to the city. He pulled out a road map, he didn't know the state that well and he looked at it, I remember, and he pointed to Rochester, "How about that for a western regional office?" And so that was how it came to be, the kind of upstate beachhead between Buffalo and Syracuse. Steven and Alan have talked about traveling around the State and picking up projects. I remember him going to Buffalo, and he didn't get what he thought was useful on the first attempt, he would try again. He came back from Buffalo one time, declaring that what its Mayor, Frank Sedita, had offered was *de minimus*. I didn't know the word *de minimus* then. I had to look it up. We set up all these local offices. I remember we would go to these various towns and the smaller the town the bigger the headline in the newspaper, that sometimes it took over the whole front page just by showing up. I remember arriving by plane and the sirens were going and we'd go downtown, and then we'd have lunch at the Senior Citizen's Center on paper plates.

From his Fort Lincoln experience and his general approach to thinking on a big scale, Logue continued to push for large multi-use developments. He sent staff to look at what had been done in Europe and in Scandinavia, and the UDC report "New Communities for New York," was issued in 1970. The report recommended an audaciously bold program. Planned communities that would accommodate 500,000 people or one third of the projected state's population growth in the 1970's. In the 80's and 90's, even more people would be served. No small vision, but of course the only projects that did get underway were Roosevelt Island, the Raddison Community outside Syracuse, and Audubon, near Buffalo. Even in the first years, there were doubts about the limits of how much the UDC could do. And the first annual report issued at the end of 1969, Logue noted the lack of federal commitment to provide the level of funding needed to serve a full range of incomes, one of the agency's primary goals. The program was totally dependent on the available ability of federal subsidies. But over seven years, that is what the UDC was able to do was in a very large part, the result of Ed's talents.

The question I would have and that we might think about, is: could the UDC happen today? Would someone with Ed's intensity and drive be able to pull it off? Certainly what the UDC was able to do, was in very large part the result of Ed's many talents, but as we all know now is not the time of ascendancy for direct government involvement in housing and community development. For the past decade, the only large scale public development efforts, have been the Hope VI Program, rebuilding some of the large public housing projects, and that now also has more limited funding. In many communities, at least in Boston where I live, it seems like the best hope for community development that serves a full range of incomes, is likely to lie with the growing strength of the locally-based community development corporations in partnership with private developers. The UDC experience was an exciting time for all of us fortunate enough to be part of it, and I'm looking forward to our discussions of lessons learned and the possibilities for the future.

FRANK BRACONI: Well I have the very awkward job tonight of being the outsider on this panel. I did not work for UDC. In fact I only met Ed Logue once. It was the late 1990's. I sat on a panel with him and afterwards we had a very entertaining conversation, and I asked him if he would write a book review for us for a publication we were issuing. And I sent him the book, and he returned 3 or 4 pages of text to us and they were fiery, I mean those pages were smoking. I sent them to our in house editor and in the course of the editing, we heard that Ed had passed away, and now we had a dilemma. Probably his last official written quote on housing and community development, you know it needed editing, editing punctuation, whatever, and we couldn't pass the changes by him, so we had a dilemma and basically I told my editor, you know this stuff is too good and too fiery and too intense and I'm gonna publish it, so make the punctuation changes, correct the typos and let's get it out there. And so, I'm very honored that I had that interaction with him if nothing else and I've read those words many times in looking for guidance. And in fact, I want to say before I get to the critical public policy things that I do have to get to in my role as an outsider, that I'm in admiration of many people that worked with Ed Logue and other people that worked at the UDC. And the commitment and the intensity and talent to public service.

One name I haven't heard today is Frank Kristof, a housing economist. There is very little that I ever think of, or say, or write, where I don't at some point discover that Frank Kristhof said first and wrote that first and was there before I was there. I have great admiration for many of the

people at UDC and for someone I guess maybe not quite a generation, but a little bit behind the rest of you, you who had worked there, you know it's difficult to imagine the excitement, the urgency and the sense of mission that motivated the creation of the UDC and its early activities. It's fortunate though, I'm old enough to remember those times in our society. I remember the assassination of Dr. King, and the cities burning and the campuses in turmoil and the sense that our society was coming apart. Alan was very eloquent about setting the stage earlier, and I think that grand goals of the UDC legislation to increase low and moderate income housing, alleviate unemployment, revitalize industry, were very much a part of those times.

I can understand the sense that Ed Logue and his staff at UDC felt that something big had to be done, and something big had to be done and fast, before it was too late. And I think maybe looking back on it as a kind of a person who does not have the nostalgic aspects of having participated in it, the more as a disinterested policy analyst, I can see many of the good things that came out of the agency's activities. Some of the housing developments that were spoken about by Susan Saegert earlier about the Marcus Garvey project in Brooklyn, and it surviving as an anchor, an island, within that community during the very dark years when the community was deteriorating and that it is serving as a bastion, perhaps a platform for revitalization ultimately. I also look at some of the economic development elements that were part of the UDC's original mandate. For instance, the Cummings Engine Plant plan in Jamestown, New York, which I believe UDC financed that industry relocation, and last I knew Cummings was still in Jamestown, New York, thirty years later, in fact I think they expanded their facilities only a few years ago, and they employ something like 1500 people, and you wonder what would have become of upstate cities like that, without those efforts. And so as I become the critical policy analyst in a few moments, realizing how can one put a value on 1500 jobs, that probably sustain 1500 or more families, and a whole community for 30 years. I mean I don't know that you can put a dollar value on those accomplishments.

But with all that said, let's look back at it somewhat from today's eyes, and I wonder whether really the UDC mandate and the tools that were given, really matched the problem. Were they appropriate from the legislature, from the government, etc. What were the objectives and the tools that were really needed for the time? It's not so clear to me from looking back on it that they were. For instance, the sense, as I said earlier about our society coming apart and being in turmoil, that something big needed to be done fast. Was that necessarily true? I look back and I see a time of awakening, not a time of deterioration. I see a time of the civil rights movement that was awakening for instance. Or a time that communities were first beginning to demand a role in their decisions about their own futures. Maybe what needed to be done at that time, was a different strategy, in terms of public response and New York State response to it, which was to carefully nurture those movements rather than to see them as a signal of destruction or chaos. So, let me give an example, and I'm willing to back down from any of these comments, completely and fully. But I want to throw them out and we'll see where it goes.

OK, so this is on the civil rights: it's very interesting to me as I go over many of Ed's earlier writings, writings from these times, and the discussion of the fair share, and the role of the suburbs in accommodating low and moderate income housing, and racially integrated housing that ironically, I'm finding great lines that I could still use today in his old writings, and this is sad,

there's a tragedy to that. Not a whole lot has changed on those issues. I look at the UDC mandate to override local zoning and how that struck fear, and Steve mentioned that earlier in the creation of it, how that struck fear in local officials and local legislatures, and I read about basically the purple wall that the UDC ran into on its fair share efforts in Westchester, which ultimately caused a reaction, and I think a legislative repeal of some of UDC's powers. I also look 35 years later and say not a whole lots changed on fair share housing. We're almost in exactly the same position we were 30 years ago. And maybe there was another way, a less threatening way for the State to have a very real awakening on the part of the public that the racial suppression that we had subjected African-Americans to for so long, needed to be changed, but it didn't need to be changed with threats. Just a thought. And maybe 30 years later, the progress may have been slowed, but maybe 30 years later, we'd be in a better place.

Take something like community control, community empowerment. I think about the Harlem Urban Development Corporation (HDC), which is basically set up as a subsidiary to the UDC, and to some degree languished. I would be very interested in hearing the real story of the HUDC. But basically the story that I can get from a distance, from reading the news accounts or the analysis I've got over the years, is the that the HUDC was, as it dithered and kind of dealt with community politics, it turned up not to be where the action was at UDC. There were other bigger projects that involved more money, involved more spectacular architecture, could get done faster, and to some degree the HUDC was left to kind of quietly evolve into a local patronage machine. And I wonder if the impulse of having the HUDC of the community control, was not a good one, and had the tools been somewhat more scaled down, there would have been somewhat less urgency to do big things quickly, that maybe more could have been done, you know with the HUDC than ultimately was. There's plenty, plenty of opportunity for rebuttal in my remarks today, and you know, if I stimulate that, it would be good.

On housing stock, let me propose another thing. When I look back on the period that I was asked to look at, 1968 to 1975, I think that one overwhelming tragedy that occurred in our community in New York City and other places, was the mass abandonment. You know, New York City lost, what, half a million housing units between 1965 and 1975, maybe running at 50,000 units a year. We have all seen pictures of the South Bronx, that's probably burned into our memories, South Bronx and Central Harlem, etc., you know coming at that destructive period, and I say was the kind of grand scale of ideas of the HUDC, really what the Governor and New York State should have been doing in 1968? As the very kind of foundations of the physical environments of our neighborhoods were being threatened, they were being eroded. And maybe what needed to be done was something much more humble. Much more along the lines of what New York City ultimately did on its own accord in the 1980's with the rehabilitation programs, and relatively small scale, which has played I think quite, quite clearly a role in revitalizing neighborhoods. I would not go as far as some critics about Co-op City, or the large projects that contributed to the abandonment of the 70's. I think to a large degree, that would have happened with or without the Mitchell-Lama Projects that were built on the fringes of the low-income areas. But, it's also hard to argue that the kind of Mitchell-Lama scale projects did much to prevent what ultimately happened. And maybe in fact we needed something more on a small scale, more finely grained scale, from a public policy point of view.



On another note, maybe a question that we have is whether the grandiose objectives that are stated in the neighboring legislation, were really matched with the tools that the agency was given to accomplish them. And when you look back at Ed's writings during this time at UDC, he repeatedly made the point that low and moderate income housing in inner cities cannot be provided without subsidy dollars. That bond financing is not enough, right, market rate financing is not enough. He said that over and over and over again. Yet, he never got that subsidy. It was never delivered to the UDC. In fact, ironically, it was delivered through the back door, through the restructurings that Steve was talking about after, push came to shove, and the bonds could not be financed. Then the subsidy was delivered. But it was never delivered up front so that it could be used wisely and to buy down and make these projects actually viable for low-income people.

When I look back at not only the high aspirations of the UDC, but also the results, you know, in the 1970's and the financial problems, I see very dedicated people who were trying to square a circle that ultimately couldn't be squared, you know, it couldn't be, it couldn't be done. You couldn't reach the income group, you couldn't deal with the social problems that UDC was being asked to deal with, with the tools that UDC was being given to deal with them. And that was kind of what caused the watershed you know, in the mid 1976 that Steve referred to. As a public policy analyst, it's very easy to look back--it's been 30 years--and with no personal involvement in it, and to be critical. But it also maybe balances out a little bit the tendency to look back at a very exciting time of your lives and a very exciting time in public life and maybe not to be critical enough. And I guess that's my role here. I hope I haven't offended anyone by that role. And maybe stimulating just a little bit of thought on it. Thank you very much.

ALAN: I'm delighted that Frank's on the panel, and I'm especially delighted that he went last because he raised a number of very interesting questions, which I'm happy to turn over to my colleagues if any of them want to respond to any of the thoughts that Frank has put forth, or is this just a young whippersnapper who doesn't understand what life was like back in the '60's?

STEPHEN: The comments about the lack of subsidy were absolutely true. There's no doubt about it. We were utterly dependent upon Federal Section 8 subsidies. Ed had a genius for getting federal subsidies and would go to Washington every year at the end of their fiscal year and collect whatever cities around the country had not been able to use. I mean, he was really brilliant in playing that game, but that was not enough I think. So I think Frank's comments are really quite fair in terms of lacking subsidy. Tax exempt bond financing, real estate tax exemption, by themselves did not then and cannot today, as I think many people in the room know, provide affordable housing for low-income vendors. Those are not sufficient tools. The City of New York today, of course, has active programs of cash subsidies, 40, 50, 60 thousand dollars. And I think that's absolutely necessary. We didn't have that. We did have Section 8. and that's all we had. So I think your comments are really quite fair.

In terms of scale, this is something which I think many people in the room know far better than I, but I think its very difficult to solve social problems with bricks and mortar. And UDC projects were, most, many of them I should say built on a grand scale, and its very difficult I think it's very difficult to create the kind of living environment that you need to create to have social impact as well with, now I'm sounding like Jane Jacobs, but nonetheless, I think it's true I mean the projects



in Coney Island which I'm sure many people are familiar with, are pretty good examples of that. And someday Coney Island may come back, but I'm afraid it may be perhaps in spite of those projects, rather than because of those projects as beautiful as they are.

ALAN: Let's take some from the audience.

AUDIENCE: I'm Judith Berdy, I'm president of Roosevelt Island Historical Society and I've been living on the Island for 28 years, and yes we have Section 236 housing, since I've lived in it 19 years, we never had Section 8 to begin with. Roosevelt Island, I think, is one of the most successful social communities in the City of New York. I don't know elsewhere. It has 10,000 people now. We all don't agree on everything, that's for sure, but I really think that this group of people [here] should come to Roosevelt Island and see it. Everyone's an expert here, but you have to come back and see it 30 years later. It is a real community. It is the opposite of Manhattan completely, Yes, this is Michelle who is featured in the exhibit, and I've known her for 20 years and Jerome Belson, who is my landlord, I know for many years. So, I really would encourage everyone to come and see each UDC development years and years later, and not just from pictures, but from a real life experience, and then you get a free, you get a free tram ride also.

STEVE: Roosevelt Island is probably unique in terms of what UDC is; unique in the City of New York. It is its own special island and its own separate island, and it's not in the middle of another neighborhood. It's not in the midst of a sea of difficulty and problems. It was one blank slate basically. And it was planned as I recall--one interesting thing which I think is a useful comment about Ed--there was a big debate in the office about what kind of housing would be built there, and I know that Ed was advised by some people that it had to start with just market rate housing because otherwise, it could never get started. It would never be successful and Ed absolutely insisted that there had to be affordable housing, low-income housing there from the start. He said, if we don't do it, if we just start with market rate housing, the people that are living there, will never permit low-income people to come on that island. Therefore we have to start in an integrated way. And that was pure Ed. And I really think that is a good reflection of the way he felt and the way he acted.

ALAN: OK, more questions of comments?

AUDIENCE: Bradley Cohen, I worked with UDC after 1976, so I pretty much was involved with a lot of the issues and cleaning up after a lot of the problems that were created in that time. But I can mimic the comments about Roosevelt Island and also Raddison and Audubon, the Amherst Projects, they also did very, very well, and have succeeded to this day because of, not that they were perfect per se, because they were entities unto themselves, outside of the centers. And, it was sort of an anomaly of trying, some of the buildings in which were developed by UDC. And putting almost a fish out of water in certain neighborhoods. Granted they were almost a highlight of the neighborhood, and in some cases the oasis of certain neighborhoods and they still are to this day. But I just also wanted to mention the fast tracking aspect of things, and I was very proud to work for an agency that had developed 35,000 units of housing in such a short period of time. It was a major accomplishment and the question came up, can it be done again. I think

not in today's environment. Now I'm involved with management of many of these buildings. and I manage many of the buildings that are around this area, and there were a couple things that got lost in the shuffle: electric heat; Maybe the buildings were electric heat because I believe that Con Edison gave an incentive to the UDC in order to put in electric heat, which was wonderful for the first four months. And then it has been a nightmare, especially today. A couple of other minor issues: Coney Island, the buildings are really quite beautiful, but you had the corridors, open corridors in which you have to shovel every third floor in a driving snow storm. Some other things like the fast tracking in which Ed and many of the people working with him, were great and wonderful innovations, some of the defensible space, some of the the people, the sensation of neighborhood within their building, within their corridors, within the courtyards of their building, but some of the things they didn't, wouldn't, think of like air conditioners sleeves , just the fast-tracking did lead to some problems

ALAN: Yes, please tell us who you are?

AUDIENCE: Yes, I'm Susan Saegert of the CUNY Graduate Center and my students did the research on Marcus Garvey and I had the pleasure of working with the committee and one of the things I want to raise is how much of the issues that particularly Frank was bringing up, had to do with UDC, and how much had them to do with the fact that UDC was part of a larger national commitment. Ron Shiffman brought up to me that in fact Marcus Garvey was part of Model Cities program that never got implemented, so were the schools, the day care centers, the job training centers, and the rest of the physical fabric of the community did not occur. So, looking at UDC, I think, we can't really look at it very effectively without looking at the bigger national commitment. Thank you.

FRANK: I'm glad you said that Susan because I neglected to say that. I mean to a large degree some of the problems at UDC were due to a very large part, a victim of circumstances. I mean who could have predicted the energy crisis, you know the rising interest rates, the inflation and the moratorium, the federal moratorium on housing construction of the Nixon Administration. There must have been at least a dozen of that kind of a perfect storm issues that hit, and it certainly was not only structural issues within the UDC that caused the difference.

ALAN: And I have a quick comment to add to that. The history of the UDC could be written as a negotiation that involved the UDC in these early days taking on whatever the city, let's stay with New York for a minute, whatever the city threw at it, as a price to do well for the island, and if we missed the boat and we sure did in dealing with the issues of wide-spread abandonment in the South Bronx and other places, its not only because we missed the ball, it's because everybody missed the ball. It's my view that we couldn't do anything in New York that Albert Walsh particularly wouldn't let us do. Al Walsh at that time was at the HDA. OK, any other questions?

AUDIENCE: I have to rise and take exception with some of the remarks that Frank made about HUDC. I think he was on track pretty much with the comments that he made about the UDC in general, but having worked at UDC and having spent seven years at HUDC, when UDC was revamped, I don't think Frank that you had a chance to really understand the programs that were going on after UDC stopped. As a community based organization, which HUDC was, with a board

of directors and so on, we were able to negotiate an arrangement where housing production could continue at HUDC for the Harlem community. At the same time, UDC was forbidden to do any more housing. So, that here's an example of a community based organization lobbying, using persuasion or arm twisting or whatever you want to call it, to continue its mission in a way that made it better for the community. Over a thousand units of Section 8 housing was built in a relatively short period of time without State assistance, only with federal assistance, we were able to do a 312 program, which was a home ownership program. Most of the Section units were done in rehabs, so there weren't large grandiose projects. We did very little new construction. So I think that you need to sit down with me and others perhaps and get a background as to what was going on, before you so quickly imply and say that HUDC was a complete failure.

FRANK: Yeah, I'd like to clear up what I meant. I think that some of these kind of projects that you describe, which were small scale, less glamorous, and less sexy than the other UDC projects, were actually on the right track, as I was suggesting in that maybe the subsidiaries should have been given more attention and more assistance in executing those, less glamorous and perhaps more important projects.

TED: I'm going to end the first half of this evening. The second half of this evening is the opening of our great exhibit, but let me tell you tomorrow morning, as you can see this brief history of UDC was without controversy (laughter), and a really dull point of our own histories and therefore you can imagine tomorrow, when you go through the elements of how UDC developed, what it did, the politics involved, and looking to the future, to how we can create something of a conscience again, one for public service and one for public action, will be, might be something you want to come to at the Graduate Center, CUNY, 34th and 5th. And now I would like to thank our distinguished panel and really wonderful people who have lived this and commented on it and done it very well, and I'm delighted to see Margaret and Kathy Logue here, and to see friends that I haven't seen for 30 to 35 years sitting in the audience, who were part of that great, great experiment. Thank you so much. Now we're going to open up the exhibit. (applause)

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