

SENATOR EDWARD W. BROOKE

Massachusetts



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BROOKE SEEKS NEW HOUSING STRATEGY

Senator Edward W. Brooke (R-Mass.) and Senator Walter Mondale (D-Minn.) introduced Friday two bills which embody a six-point strategy to streamline, redirect and expand federal housing programs.

The strategy is to bring together various federal housing subsidy programs and to extend the 1969 Brooke amendment which now establishes a low income family's rent payments for public housing at 25 percent of the family's income, to families who live in non-public but federally subsidized housing.

The Brooke-Mondale bills provide for : 1) a standardization of occupancy and rent requirements in all federal housing programs; 2) a new uniform variable subsidy formula for housing projects; 3) a new program for neighborhood preservation through the refinancing of existing properties; 4) special incentives to encourage communities to provide low and middle income housing; 5) a new emphasis on Housing Emergency Areas; and 6) the development of state and local housing goals to aid in the implementation of new national housing goals.

The Brooke-Mondale bills would require all new federally-assisted housing projects to reserve at least 20 percent of their units for those families with very low incomes. In his introductory remarks, Brooke emphasized the need to remedy "the socially and economically undesirable impact of federally-sponsored income segregation through housing programs."

Various project subsidy programs of the Department of Housing and Urban Development (HUD) would be unified with a flexible subsidy formula based on the difference between total annual operating costs and total annual revenues. Brooke and Mondale also seek to save deteriorating neighborhoods with a new program in which existing housing units can be refinanced and rehabilitated. Brooke stressed the need for this program in his remarks on the Senate Floor. "For too long we have ignored the economic and social desirability of neighborhood preservation." Brooke said.

The bi-partisan housing strategy also includes strong incentives for communities to provide low and middle-income housing. The bills would establish a program of public service grants to offset the impact on the communities of new federally-assisted developments. These grants could range up to \$400 per family. In addition, in certain areas full local property taxes would be paid based on the values of the development.

Certain areas of the nation would eventually be designated as "Housing Emergency Areas" under the Brooke-Mondale proposals. These areas would be eligible for additional assistance.

The existence of such areas and the lack of national housing goals has led Brooke and Mondale to require housing goals from state and local governments so that HUD can assess needs and directions for housing and formulate national goals.

Reviewing the housing problems and the success and failures of existing HUD programs, Brooke concluded: "The problems that I have outlined are stark and unremitting, as they continue to restrict the most efficient and effective use of our resources. Commitment is not enough to see us through. We must move forward with confidence, based on a realistic assessment of the past."