



Twenty Five Years of Service to America



U.S.
DEPARTMENT
OF HOUSING AND
URBAN DEVELOPMENT

**TWENTY FIFTH
ANNIVERSARY**





I am delighted to congratulate the staff of the United States Department of Housing and Urban Development as you celebrate its 25th anniversary.

During the past quarter of a century, HUD programs have aided millions of people with low- and middle-incomes in realizing the American Dream of homeownership. Today, we are committed to building on HUD's

success by expanding homeownership and job opportunities for people in need.

Our efforts to bring prosperity to those who have not shared fully in our Nation's economic growth can be summed up in one word: empowerment. We must empower people to make choices that will liberate them from dependency and enable them to join the mainstream of American life. To help those with low-incomes to help themselves, we are expanding resident management and ownership initiatives in public housing communities throughout the United States. To revitalize our inner cities, we will establish Enterprise Zones in the most distressed neighborhoods. These Enterprise Zones — designed to encourage entrepreneurship, risk-taking, and investment — will not only be instrumental in creating new job opportunities but also help in promoting civic pride. In addition, we are also working to combine basic shelter with special services in order to assist homeless Americans become self-sufficient.

I salute the dedicated men and women of HUD for your leadership and hard work in these vital areas. Your efforts are enabling us to fulfill America's promise as a land of opportunity for all.

Barbara joins me in sending best wishes for an enjoyable 25th anniversary celebration and for every future success.

George Bush



The Department of Housing and Urban Development was founded twenty-five years ago, charged with a bold and awesome mandate: expanding the ranks of private homeowners and helping rebuild the Nation's inner cities. Not an easy challenge in 1965, this is even more challenging today. But we have boundless confidence and high expectations for the American Dream and, modeling ourselves after Nehemiah of ancient Jerusalem, we must be builders.

HUD has met its challenges by helping to provide shelter, fair housing and economic development for people in cities and towns throughout the Nation. HUD's highest and noblest goals, and its 25-year record of assistance, exemplify the democratic ideals bequeathed us by our Founding Fathers, dating back to Thomas Jefferson and the Declaration of Independence, Abraham Lincoln and the Emancipation Proclamation, and Dr. King and the civil rights revolution.

Of course, HUD is more than the programs and funds that help communities and people; it is the dedicated men and women working to breathe life into our Nation's best intentions, who help extend the "blessings of liberty" to those in our poorest urban and rural areas. President Bush has said that government service is a noble calling and a public trust, that there is no greater honor than to serve our Nation under the American flag. I share that sentiment, and I consider it a privilege to work beside the dedicated men and women of HUD, whose competence and compassion help enhance the quality of life of our fellow citizens.

But our mission—both grand in size and audacious in purpose—is far from accomplished. There is a vast reservoir of human potential, constrained by poverty and despair, just waiting to be tapped and unleashed. We must bring to the poor and low-income among us the scope of opportunity, the access to private property assets, already enjoyed by millions of homeowners. We'll reach this goal not by redistributing income but by strengthening the link between effort and reward, encouraging economic development and entrepreneurship that leads to jobs and helps recapture the American Dream for the urban and rural poor.

It is with pride that I join you in beginning the next 25 years, honor-bound to this commitment. Together, building on what we've learned from the past, we must help make tomorrow, next year, and the next quarter century an era of empowerment for low-income families, a golden age of decent and affordable housing and homeownership for all Americans. Our goal must be what President Bush called for in his remarks to HUD employees at my swearing-in ceremony: thriving communities filled with jobs and homeownership opportunities and proud people confident in the future of our Nation's experiment in justice, equality, and democratic freedoms.

Jack Kemp
Secretary of Housing
and Urban Development

A Brief History of HUD

The U.S. Department of Housing and Urban Development came into existence on November 8, 1965. On January 13, 1966, President Lyndon B. Johnson named Robert C. Weaver, the Director of the Housing and Home Finance Agency (HHFA), to be the first Secretary of HUD. With this appointment, Secretary Weaver also became the first African-American in U.S. history to serve in the Cabinet.

An initiative of President John F. Kennedy, completed by President Johnson, HUD consolidated five existing independent Federal housing and community development agencies then loosely organized under the HHFA. The purpose of creating a new Cabinet-level department consisting of these agencies was to allow the Federal Government to more aggressively address urban problems, as well as substandard and deteriorating housing.

The five agencies brought together under HUD were:

- The Federal Housing Administration, which already had made homeownership possible for 8.1 million low- and moderate-income families and first-time homeowners since its creation by the National Housing Act in 1934. One of the most successful programs in the history of the Government, FHA had transformed housing in America by pioneering home loans under which buyers pay both principal and interest amortized over a long, fixed term. As a result, in the 33 years before FHA became part of HUD, the rate of homeownership rose from 46 percent to 62 percent and equity in a home became Americans' most common form of personal wealth.



1968: President Johnson signs the 1968 Housing Bill at HUD Headquarters Building.

- The Public Housing Administration, which had created about 118,000 units of public housing and served an estimated two million Americans since its establishment by the United States Housing Act of 1937.
- The Federal National Mortgage Association, set up by the 1934 National Housing Act, which had created a secondary market in home mortgages.
- The Urban Renewal Administration, authorized by the Housing Act of 1949, which had been involved in nearly 1,700 slum clearance projects in almost 800 communities.
- The Community Facilities Administration, which included a variety of community development programs, such as city planning grants, student and employee housing aid for hospitals and colleges, and mass transit grants.

The most arresting fact of HUD's first 25 years is not an instance of genius, a breakthrough of history-making proportions, or even some civic improvement of unusual beauty and usefulness. The most important fact about that quarter-century is numbers — numbers that stand for families whom HUD has helped to become homeowners; low-income families helped with public and assisted rental housing; low-income, minority, and disadvantaged families delivered from wretched housing conditions; individuals and families given justice under the Nation's fair housing and equal opportunity commitment; communities that have been aided. Here are those numbers today:

Homeownership: The total of FHA-insured mortgages issued has surpassed 20 million with a value of \$562.8 billion. In addition, the Government National Mortgage Association, created by the Housing and Urban Development Act of 1968 to operate a secondary market replenishing funds for FHA and Veterans Administration mortgages, has helped make homeownership possible for an estimated 11 million families. GNMA issued its first securities in 1970.

Public and Assisted Housing: About 4.4 million families are receiving HUD rental assistance — 1.4 million in public housing and the remainder to rent privately-owned units. Additionally, nearly 1 million low-income homeowners receive help with their mortgages. In 1965, the number of families assisted was fewer than 800,000, including about 600,000 in public housing. HUD has also disbursed more than \$13 billion for physical and management improvements in public housing. These improvements have included prevention of deterioration, making units accessible for physically handicapped residents, and resident training for management and job opportunities.

Indian Housing: When HUD was formed, the Indian Housing program, only four years old, had just started to deal with the severe housing problems experienced by Indian and Alaska native families. An estimated 12 percent of their housing lacked all plumbing and, of the rest, about 80 percent had severe deficiencies in plumbing, contributing substantially to high incidence of preventable diseases among Native Americans, especially children. Over the past 25 years, HUD has helped start 2,400 projects to provide decent, sanitary housing for 76,000 families. Before this program, the death rate from gastrointestinal disease for Indians and Alaska Natives was 4.3 times the rate for non-Indians. Improvements in shelter and living conditions slashed that rate 86 percent by 1985.

Communities: The Urban Renewal Administration disbursed more than \$13 billion for slum clearance and revitalization before it was superseded by the Community Development Block Grant (CDBG) program in 1974. Since then, CDBG has distributed almost \$50 billion to cities and States for neighborhood revitalization, housing rehabilitation, community facilities, and economic development. Another \$4.6 billion has been channeled into cities to leverage funds for special projects. HUD also has provided another \$1.7 billion in grants and loans to States, communities, and individual



Over the years, HUD has helped millions of families achieve the American Dream of homeownership.

property owners to rehabilitate more than 180,000 housing units.

Fair Housing: At the time of its creation in 1965, HUD was responsible — under a 1962 Executive Order by President John Kennedy and the Civil Rights Act of 1964 — for preventing discrimination based on race, religion, and national origin in HUD-assisted programs, including public housing and FHA-insured housing.

In 1968, in the wake of Martin Luther King's assassination, Congress passed the Fair Housing Act, which entrusted HUD with the far-reaching role of preventing housing discrimination in most housing, not only in HUD programs. It empowered HUD to conciliate but provided little other enforcement authority. In 1969, with limited powers, HUD received fewer than 1,000 complaints and could do little for complainants.

The law has been amended twice — in 1974, to forbid sex discrimination and, most recently, by the Fair Housing Amendments Act of 1988, which charged HUD with fighting bias in housing on account of familial status and handicap and gave HUD authority to try cases administratively when it believes the Fair Housing Act has been violated. HUD's annual complaint volume increased seven-fold by 1989. In the first nine months of hearings, HUD administrative law judges ordered more

than \$150,000 in damages to victims. But many cases never reached hearings: in 1989 there were more than 1,700 successful conciliations, resulting in more than \$2 million and 400 homes for complainants.

HUD achieved this record of accomplishment without a clear mandate to guide it. A strong national vision of HUD's mission had proved elusive when the Department was created. In Congress, with American homeownership and the quality of housing at an all-time high, the focus was on bettering an already positive Federal housing record and improving the liveability of cities. However, disagreements dogged the legislative process, with conflict not only between local and Federal agencies, but between Federal entities and their respective interest groups.

As a result, the legislation reorganized the Nation's housing and urban programs and left HUD's mission to be spelled out by the President — who had earlier appointed an eight member task force that, according to *The New York Times*, would make recommendations "to revamp the entire Federal effort on housing, urban poverty and mass transportation." By the end of 1965, word leaked that the task force would strongly recommend that the President transfer to HUD the community programs of the War on Poverty, then under the White House Office of Equal Opportunity. But the idea found "a chilly reception" at the White House, according to the *Times* on January 14, 1966, and the task force disbanded, its report never published.

President Johnson's reluctance to grant HUD a major role in the War on Poverty left the new department exposed to a perception that it was a building and finance agency, having something less than a driving moral and social purpose. Though later legislation would add to HUD's anti-poverty activity, HUD settled in a middling position on the national scale of values, where there was plenty of room for commerce and politics to become a potent influence in Department affairs and, by the

end of the 1980's, a source of scandal and disgrace.

The current Secretary, Jack Kemp, presided over reforms in 1989 and was credited by Chairman Tom Lantos and the House Government Operations Committee for bringing leadership and change—and for "...reacting swiftly and decisively... to clean up the mess at HUD." Secretary Kemp called the HUD scandals a "blessing in disguise." They were all the more reason, he said, to aggressively re-cast HUD's programs as President George Bush and he envisioned, on a strong base of solid moral public purpose — to re-cast them, in fact, on the people being helped themselves.

The new President and Secretary perceived in HUD the ideal agency to lead a new war on poverty. The cardinal principle of that war — empowerment of poor and disadvantaged citizens, living up to the Nation's solemn duty to ensure that the blessings of democracy extend to every person — was the mandate, the connective tissue lacking in all previous views of HUD's objectives.

The plan, which the President and Secretary named "Recapturing the American Dream," established six priorities designed to increase homeownership, affordable housing, and economic opportunity, as well as to deal expeditiously with homelessness and drugs — two of the most desperate challenges facing the Nation today.

In November 1989, President Bush unveiled his legislative proposal, "HOPE — Homeownership and Opportunity for People Everywhere." The \$7 billion proposal, centerpiece of the new war against poverty, called for more than \$1 billion in grants to help residents of public housing become managers and owners of their housing communities; housing and supportive services for the homeless; preservation of low-income housing; extension of the Low Income Housing Tax Credit to create new low-income housing; creation of urban and rural Enterprise Zones; and penalty-free withdrawal from

IRA's to expand homeownership opportunities for first-time homebuyers. By the Spring of 1990, Secretary Kemp had set a goal for one million low-income families and first-time homebuyers to reach the goal of homeownership by 1992.

But perhaps the most significant aspect of HOPE was its underlying philosophy of incentives. While the original War on Poverty had been well-intentioned and done much good, benefits were structured so that personal effort and initiative were out of place, and, in fact, put assistance at risk. Over time, it had fostered dependence and despair for individuals, families, and communities. HOPE reversed that, offering a system in which effort would produce the logical, hoped-for rewards and growth of self-confidence and capability to ultimately achieve independence and a better life.

Major elements of the new war on poverty won Congressional approval just as HUD prepared to celebrate its 25th Anniversary. Thus, the year HUD became 25, it obtained the mandate that would make it capable of fulfilling the hopes diligently sought by its supporters, leaders, and thousands of employees over the previous quarter-century.



1990: Secretary Jack Kemp turns over the keys of ownership to Kimi Gray and the Kenilworth/Parkside Management Corporation.

Secretaries of the Department of Housing and Urban Development

Robert C. Weaver
George W. Romney
James T. Lynn
Carla A. Hills
Patricia R. Harris
Moon Landrieu
Samuel R. Pierce, Jr.
Jack F. Kemp

Swearing-in Date

January 18, 1966
January 22, 1969
February 2, 1973
March 10, 1975
January 23, 1977
September 24, 1979
January 23, 1981
February 13, 1989

**HUD Headquarters Employees with
25 years or more service with the
Department and its predecessor agencies**

Adams, Paul A.
Adams, Gladys M.
Addison, Montee R.
Alexander, Mildred C.
Allen, Leonard J.
Ashley, Janie
Auerbach, June W.

Bacon, David
Bailey, Barbara
Ball, George W.
Ballanger, Maxwell D.
Banks, Phyllis L.
Banks, Priscilla S.
Baucum, William R.
Baugham, Dorothy T.
Bedo, Gerard W.
Bell, Sharon A.
Belton, Barbara
Berry, Melvin E.
Bess, Stone S.
Bonkoski, John E.
Borrell, Betty F.
Bovens, Annie W.
Braner, Roger
Bredeck, Brenda
Brennan, Nancy A.
Broadnax, Gene E.
Brodén, Yvonne R.
Brown, David S.
Brown, Frank D.
Brown, Margaret G.
Brown, Walter
Browne, Shirley J.
Buchanan, Thomas P.
Buchheit, Gloria
Burdwise, Maxine
Butler, Richard J.

Callaghan, Brenda K.
Campbell, Florence
Campbell, Gloria J.
Campbell, Jacqueline B.
Capino, James E.
Carter, Norma L.
Chinn, Donald O.
Clark, Mary T.
Clayton, Eloise
Conn, Jacquelyn Spence
Conrad, Phyllis S.

Conway, Barbara C.
Conway, Thomas P.
Cory, Alphonse P.
Coutu, Claire M.
Coveleski, Frank L.
Coward, Felix
Crim, Eunice N.
Cuffie, Mattie J.
Curbean, Thomas B.
Curseen, Willie D.

Daffin, Gloria B.
Davis, Christine W.
Davis, Ingrid L.
Davis, Richard T.
Demitros, Donald C.
Denbow, Betty C.
Dent, William R.
Dispanet, Donald C.
Dosier, Kenneth L.
Dotson, Gloria H.
Dougherty, Patricia A.
Dragon, Stanley A.
Duffitt, Barbara J.
Dunn, Grether
Durham, Hilda D.
Dwyer, Robert M.

Easter, Jean L.
Eden, Donna
Edwards, Malvie
Ellington, Mary A.
Ellison, Ethel C.
Emmi, Jean
Englethaler, William

Feagan, Joseph
Feingold, William
Finch, John W.
Finks, Mark P.
Firor, Mary Ellen
Flanagan, Virginia W.
Fogel, Eugene R.
Foy, Sandra J.
Friedman, Alouise
Fulner, Albert J.
Fye, James T.

Gaye, Robert F.
Geffner, Melvin J.

Germany, Mary F.
Graham, Leslie H.
Graham, Randall
Greenwood, George
Gross, Authella S.
Gross, Patricia J.

Hall, Brenda J.
Hall, Brian P.
Hamilton, Raymond W.
Hamm, Joyce
Harbaugh, Charles H.
Hardy, Beverly B.
Hardy, Marcella
Harrigan, Robert
Harris, Doris B.
Harris, Marion H.
Harris, Paul R.
Hastings, Madeline
Haynes, Harold
Hebb, Joseph L.
Hedman, Frederick A.
Henchy, Raymond J.
Higgins, Julie L.
Hill, Dora J.
Hillard, De Ossie W.
Hinds, Shirley
Hoye, Kathryn L.
Hunt, Robert G.
Hunter, Barbara D.
Hutten, Henry

Jackson, Lucretia A.
Jackson, Sarah
Jackson, Theresa
Janis, Michael B.
Janisch, Charles V.
Jenkins, Ida
Johnson, Ernestine
Johnson, Lavern L.
Johnson, Wait C.
Jones, Bobbie R.
Jones, Buell B.
Jones, Julia
Jones, Lena M.
Jones, Marian L.
Jones, Willard M.

Kalish, Robert P.
Katz, Harlan L.

Kaul, Sushila
Kenison, Robert S.
Knouse, Carol I.
Kochis, Andrew L.
Kuzava, John L.

Lantz, Eva J.
Lee, Marjorie F.
Lemeschewsky, Judith L.
Lensler, Karl J.
Ligon, Janice H.
Lindsay, Walter L.
Logan, Janice D.
Love, Miriam
Loving, Sybil J.
Lyons, Dolores S.

Mainhart, Gloria L.
Mark, Mary
Massey, Joyce
Maultsby, Florence L.
Mayes, William H.
McGill, William S.
McGough, Duane
McKee, Gloria L.
McKenney, Lemuel
McLaurin, Lorraine H.
McMullen, Mary G.
McMullen, Paul
McQuarrie, James E.
Mincemoyer, Robert F.
Mitchell, Carolyn Sue
Mitchell, James B.
Mizell, Sharon
Montgomery, Gloria
Moore, Janice

Neal, Juanita
Norris, Grady J.
Nyitrai, Janos

Paige, Bertha L.
Palmer, Cynthia H.
Park, Betty B.
Patch, Don I.
Patton, David H.
Pearl, Lawrence D.
Penn, Ruby C.
Perry, Viola E.
Persil, Herbert G.

Peterson, James H.
Pinizzotto, Mario P.
Pinsky, David E.
Plummer, Frances T.
Price, Carolyn J.
Prophet, Annie Mae

Rankin, Robert
Ratcliff, Maria B.
Rattley, Janice D.
Riddick, Pauline G.
Rieberman, Stewart Barry
Robinson, Vernelle
Rossillo, Chris N.
Rouamba, Janet H.
Roye, Lynda
Royston, Linda
Rue, George J.
Rutledge, Marvella J.

Sanders, Ruby D.
Savage, Michael
Scott, Betty
Scott, Junius W.
Seltzer, Murray
Sens, Joseph H.
Shaw, Kitty
Shaw, William F.
Shenk, David E.
Sherling, James D.
Sherman, Thomas
Simmons, Sam
Simons, Earl N.
Smith, Martha F.
Snead, Billie
Sollars, Judith A.
Southerland, Constance B.
Sowell, Vernia L.
Stailey, Alan R.
Stanton, Jo Ann W.
Staton, Nellie R.
Stevens, Doris J.
Stewart, Thomas J.
Stone, Hazel L.
Sullivan, Barbara E.
Swanson, Donald A.
Swift, Peggy B.
Swiger, Robert C.

Taylor, Valerie P.
Taylor, Zera B.
Terish, Hinda S.
Terrell, Jeraldine Blount
Terry, Diane M.
Thomas, Alice P.
Thomas, Henry A.
Thompson, Alton L.
Timbrook, Sandra
Toler, Larry D.
Townsend, Shirley M.
Tran, Thi Thu-Hue
Tydings, Emily M.

Underhill, Jack A.

Van Camp, Sue
Vincent, Howell B.

Wallace, Barton E.
Warzel, Edward T.
Washington, Raymond
Wastie, Warren E.
Weaver, Kay
Wells, John C.
Wesoloski, Robert J.
West, Alvin A.
Whipple, Edward C.
White, Nadine B.
White, Patty A.
White, Thomas E.
Williams, Dorothy D.
Williams, Kenton C.
Williams, Sylvia D.
Willoby, Edward
Winiarski, Edward M.
Witsil, John P.
Worthy, Mary T.
Wright, Georgia M.
Wright, Herman R.
Wright, James S.
Wright, Lloyd A.
Wright, Lucille S.

Yuille, Brenda

Priorities of HUD

**Under President George Bush
and Secretary Jack Kemp**

Recapturing the American Dream

- Expand Homeownership and Affordable Housing Opportunities
- Create Jobs and Economic Development through Enterprise Zones
- Empower the Poor through Resident Management and Homesteading
- Enforce Fair Housing for All
- Help Make Public Housing Drug Free
- Help End the Tragedy of Homelessness



