

HIGHWAY RELOCATION ASSISTANCE

Remarks by Francis C. Turner, Federal Highway Administrator, U.S. Department of Transportation, at the 60th Annual Meeting of the Mississippi Valley Conference of State Highway Departments, Chicago, March 20, 1969

It is a pleasure, as always, to meet with the Mississippi Valley Conference. It is a particular pleasure to bring you the personal greetings and best wishes of Secretary Volpe, who is known to many of you and who worked closely with your highway departments as the first Federal Highway Administrator.

I want to discuss this morning a subject of the utmost importance to all of us in the highway community. It is the matter of highway relocation assistance which has become a subject of increasing concern in the Congress and at all levels of government.

According to our estimates, the Federal-State highway program will be responsible for 50,000 displacements annually for the next several years at least. Approximately one-quarter of these will be in rural areas, and the other three-quarters in urban areas. About 87 percent of the annual total will involve residences, 10 percent will involve businesses and nonprofit organizations, and the remaining 3 percent will affect farms. Over half of all displacements will be necessary because of Interstate projects. The greater number of projected residential displacements will involve middle range or lower cost housing.

Our interest in this matter dates back many years. Long before the enactment of the 1962 Federal-aid Highway Act, the Bureau of Public Roads and the State highway departments were interested in the relocation of tenants and owners. As far back as August 1947, the Bureau published a booklet

titled, Relocation of Tenants to Expedite Construction of Arterial Routes.

It advocated attention to this problem and set forth current experiences and techniques used in Los Angeles, Chicago, New York City, and elsewhere.

As you know, a limited program of specific relocation assistance was authorized in 1962. In the Federal-Aid Highway Act of 1968, the Congress has provided legislative authority and funding unprecedented among public works programs for the compensation of highway displacees of all kinds.

Chapter V of the new 1968 Act has many far-reaching provisions.

It contains a new declaration of legislative policy with respect to highway relocation assistance;

It provides for assurances to be given by the State highway departments in connection with specific project proposals;

It increases the level of moving cost payments of all sorts, without a ceiling but with certain limitations;

It provides for 100 percent Federal share of the first \$25,000 of such payments to any person, until July 1, 1970;

It authorizes an additive to fair market value of property acquired, in the form of a replacement housing payment up to \$5,000;

It provides for a similar additive in the form of a rent supplement for tenants up to \$1,500;

It sanctions the payment of expenses to the property owner incidental to the transfer of his property to the State;

It requires an expanded level of relocation assistance services to displacees; and

It defines several real property acquisition policies which are mandatory on all Federal-aid highway acquisitions.

The legal capacity of the States to comply fully with the payment provisions of the 1968 Act is the key to its early implementation, even with 100 percent Federal reimbursement as the Act provides to July 1, 1970. Two types of assurances must be given by the States. One involves real property acquisition policies; in this connection, the States indicate no substantial legal obstacles to providing the required assurances. The second relates to the adequacy of the relocation assistance program, including assurance of an available supply of decent, safe, and sanitary housing.

In response, 10 jurisdictions have indicated they can comply unconditionally; 39 indicate ability to comply only partially; and one State has indicated inability to comply at all. Responses are awaited from two States. Most States of the group of 39 indicate they can achieve full compliance through statutory enactment; an opportunity for new enactments will be provided in most States during their 1969 legislative sessions.

I'm well aware that all of the provisions and implications of the enlarged highway relocation assistance program are not easy to grasp. As an aid to the States, drafts of model and suggested legislation have been made available to the State highway departments, through the Bureau of Public Roads and the Highway Research Board, for legislative consideration. I earnestly urge every State highway department to obtain copies of these materials and to seek to obtain qualifying State legislation as soon as possible. July 1, 1970 is barely 15 months away, and each State will need enabling legislation to carry on its highway program after that key date. The Federal-aid Highway Act of 1968 has made the provision of relocation assistance a condition precedent to the issuance of letters of authority by the Bureau of Public

according to a set of specifications of decent, safe, and sanitary housing which will not be easy to fulfill.

Procedures have been devised to implement the relocation assistance and payment provisions of the 1968 Act. These were reviewed by an ad hoc committee of State highway officials prior to their issuance. A number of meetings, conferences, workshops, and similar group discussions have been held at the Federal, regional, State, and local levels, to translate the legislation into an effective operating program at the earliest possible time.

Decent, safe, and sanitary housing has been defined to include the following: Conformity with all local building and occupancy codes; a continuing and adequate supply of potable water; adequate kitchen facilities, including a refrigerator, hot and cold running water, and drains and, where customary, a sink and stove; a heating system adequate to provide 70 degree minimum temperatures; toilet and bath facilities; artificial lighting for each room; a structure that is sound and in reasonably good repair; two means of egress; a space allotment of 150 square feet for the first person and 100 square feet for each additional inhabitant of the unit; and other elements.

Comparable dwelling (as required by the Act) is defined as one which is substantially equal and functionally equivalent with respect to: The number of rooms; the area of living space; the type of construction (wood frame, stucco, etc.); its age; the state of repair; accessibility to public services and places of employment; and the type of neighborhood.

May I advise you, as seriously as I know how, that it is going to

take some doing, to deliver on these elements of the relocation assistance program, without regard to some other administrative difficulties that are anticipated.

Pending State legislation permitting full implementation of the payment provisions, possible Federal disallowances (for technical reasons) of relocation payments made by the States under the provisions of the 1968 Act constitute a real difficulty. We are trying our best to find the best solutions to these problems.

Both the Federal Highway Administration and the State highway department headquarters and field offices are having to adjust their organizations and staffing to execute the enlarged relocation assistance program. A reservoir of trained persons in this field is presently nonexistent and intensive training programs are absolutely essential.

You will probably need to add substantially to the personnel of your right-of-way division, if that is where the relocation assistance function is lodged, in order to do the kind of a job that is now required. You cannot start soon enough to do so. In this connection, AASHO and the Bureau of Public Roads are teaming up to hold a comprehensive 4-day seminar on highway relocation assistance, beginning April 21, 1969 in New Orleans. I urge every State in the Mississippi Valley region (and elsewhere too, of course) to send appropriate representation to this important workshop.

The Federal Highway Administration has been seeking to arrange for highway relocatees to have preference in securing decent, safe, and sanitary housing that becomes available under existing public housing programs. The Veterans Administration and the Federal Housing Administration have initiated

procedures to this end. Discussions are continuing with other agencies of the Department of Housing and Urban Development and with the Farm Home Loan Administration.

Differences in State approach to the provision of highway relocation assistance are already apparent. Maryland and California enacted new relocation assistance laws prior to the passage of the 1968 Act. The principal difference between their laws is that the Maryland approach is to compensate the owner for the equivalent of replacement housing, whereas the California approach is more comprehensive and can involve the provision of the replacement housing itself if that is necessary. It is being suggested that the broadest possible authority to deal with the highway relocation assistance problem be obtained at the State level.

Since advance acquisition of lands for highway rights-of-way provides additional and often critically needed lead time prior to construction, the relocation of persons and businesses can be accommodated with much more deliberation and far less friction -- and perhaps less cost -- than otherwise would be possible. Advance acquisition is now authorized and funded under the new 1968 Act. An apportionment of \$100 million of advance acquisition funds was made for fiscal year 1970. Both the Federal Highway Administration and the State highway departments will seek to execute this program so that it will augment the relocation assistance effort.

Incidentally, in this connection, our proposed procedures for the use of advance acquisition funds have been sent to all of you and to the Governors, for review and comment. We hope to put these procedures in final form just as soon as your comments and suggestions have been received and evaluated.

In connection with highway relocation assistance, a difficult problem is the need to equate the supply and demand for relocation housing, in particular places and at specific times when highway projects mature. The demand for relocation housing accommodations will substantially exceed the supply of such facilities in particular areas of the Nation. The generous level of relocation payments and additives beyond current market value, provided in the 1968 Act, will not, in and of themselves, solve this problem. This condition stems partly from the 1968 Act's specific requirement of decent, safe, and sanitary housing---a social goal which it is desirable to achieve.

Now that an adequate level of relocation payments and assistance has been authorized and funded in the 1968 Act, a principal area of concern is how best to equate the supply of decent, safe, and sanitary housing with the demand for such accommodations which results from displacements of all kinds. Such a supply must be made available at time intervals which at least approximately coincide with the orderly programing and construction sequence of highway and other public works projects. Unless the supply of decent, safe, and sanitary housing is appropriately augmented to meet this demand, highway and other public works projects will be delayed unreasonably.

The Federal Highway Administration is seeking the ways and means of equating supply and demand of decent, safe, and sanitary replacement housing, on a time grid that will coincide with project construction. To this end, a series of discussions has been arranged with officials of the Department of Housing and Urban Development and with others.

As a basis for discussions, it is suggested that HUD be given the immediate responsibility (by administrative or legislative authority) of determining what the relocation housing demand will be, on an annual basis,

over the next ten years; and similarly to determine the supply that is likely to be available over the same time period. HUD would then seek the authority and funds to bridge any gap which is likely to exist between such supply and demand. This effort would form a part of the continuing responsibility with respect to national housing goals required by the Congress of HUD under Title XVI of Sections 1601-1603 and Title II of Section 202 of the Housing and Urban Development Act of 1968.

An alternative to the above approach would be for the States themselves to provide the necessary replacement housing. This would involve the passage of necessary State enabling legislation, probably similar to the new 1968 California statute. Or better yet, the State highway department, if it needs to, could arrange for and stimulate appropriately, the provision of the necessary housing by local housing agencies or private enterprise. It is essential that these approaches, and others, be seriously and immediately considered.

Some State highway departments are responding with insight and understanding to the enlarged relocation assistance program. In the short period of time since the Act of 1968 became effective, several States have adopted forward-looking procedures designed to implement its provisions. I know that in the end, all States will respond with characteristic competence and understanding.

We have a problem here to solve, one of first-rate importance. Unless we solve it and do so quickly and adequately, we run the risk of having our highway program come to a halt, and I'm sure that nobody wants that to happen except possibly some of our more hidebound opponents. I urge you to put

this subject at the top of your priority list, for legal and management attention. It is another challenge to the Federal-State partnership and one requiring our best efforts.