

(2) Land development insurance programs for large-scale building and land development operations. The beginnings of this program have been incorporated into the 1965 act. This approach would involve private land acquisition and the development of sites with backup support in the form of credit risk insurance through standard Federal Housing Administration sources.

(3) Eminent domain procedure involving public acquisition by local authority and improvement, followed by subsequent disposition to developers for final construction operations. Fundamentally, this is an urban renewal type of operation. Precursor of this approach is the open land-arrested development feature in earlier acts.

(4) Direct action by State agency to undertake new communities development, with or without eminent domain procedures. A variant of this approach would be direct action by another specially created public or quasi-public development corporation, which would perform similar new community development tasks.

Each of these four proposals has some merit in specific situations. On a national basis, a combination of these approaches could conceivably work effectively to accomplish a new communities policy for metropolitan development. Even within a particular metropolitan region a combination of these approaches might work on a simultaneous basis. I would emphasize, however, that without direct, programed action that can mobilize private enterprise as well as Federal, State, and local government, neither a new communities policy nor its objectives will be realized for the Nation.

In addition to the approaches outlined, one other can be added. This would be to involve the central city actively in the new community process. This approach could reverse central city concern for compatibility of its interests with new community development. In some senses, this would adapt the "mother city" concept from Greek city-states to a modern urban situation.

The central city has both capabilities and needs that could be effectively served under this approach. Capabilities include substantial know-how in the "business" of city operation derived directly from experience with municipal activities. Specific capabilities related to new community requirements include financial resources and financial know-how; experienced staff in the operation and construction of utilities distribution and treatment facilities; design, construction, and maintenance of street and highway facilities; an array of services in general administration, planning and zoning, urban renewal and redevelopment, public housing and community economic development.

Some central city needs could be met by new community development. These include expansion and modernization of its tax base; the addition of selected new types of development to the city; availability of relocation sites for families and businesses displaced by redevelopment; highway construction; as well as normal land-use shifts.

Of course, there are some problems inherent in this approach to new community development. Particularly critical perhaps would be problems of local and regional government arrangements; city-to-city relationships as well as county-to-city; and legal factors related to application of public funds and other governmental powers. In most cases, I understand changes in State law would generally accommodate such an approach. Some States would already permit this type of program. In some areas, sites—Federal "surplus" landholdings—could be made available.

THE OUTLOOK

The problem of creating sound policies and programs to guide outlying metropolitan development areas is complex. I would like to stress again that the fact of the Nation's urban growth is not arguable. The only issue is how this urban growth will occur. The most serious mistake we can make is to shrug off the difficult problems in these issues by oversimplified answers or naive solutions. At stake here is no less than the pattern for the stupendous growth forecast in U.S. urban areas during the period ahead.

To focus this problem, we can recall the points made in President Johnson's March 2, 1965, message to Congress—"Problems and future of the Central City and Its Suburbs"—which pointed out that during "the next 15 years, 30 million people will be added to our cities—equivalent to the combined populations of New York, Chicago, Los Angeles, Philadelphia, Detroit, and Baltimore. Each year, in the coming generation, we will add the equivalent of 15 cities of 200,000 each. At the end of the century—in less than 40 years—urban population will double, city land will double, and we will have to build in our cities as much as