

structure, \$34 million worth of new construction was in process or being planned in the immediate vicinity within 2 years of the Plaza's opening—in addition to modernization and expansion projects. Private investment totaled \$25 million. The city of Rochester invested \$9 million in parking facilities and expects this to be amortized in 30 years. From announcement to dedication, the development took 3½ years; actual construction took 38 months. And the property never left the tax rolls during that period.

Of the four federally aided urban renewal projects in Rochester, none had been completed by early spring of 1964. One of these, Genesee Crossroads, is supposed to redevelop a commercial property not far from Midtown Plaza. A Federal planning grant was awarded in 1961, but it has been estimated that 10 years may pass before the project is completed. A motel chain, interested in the location, has gone elsewhere. However, there does seem to be assurance of a Federal office building and courthouse in the project.¹

In Pittsburgh, the redevelopment of the "Golden Triangle" area was privately financed. There have been eight renewal projects, with a private investment of \$256 million, which cost the local government only \$2 million and increased tax revenues. Five federally aided projects have, to date, involved a public cost of \$77 million.

The breakdown for Federal and local public cost, as well as private investment, in Pittsburgh was presented in the fall of 1963.² The following tabulation presents some of the most pertinent data:

	5 federally aided projects	8 private projects
Federal cost.....	\$52,200,000	-----
Local public cost.....	\$24,900,000	\$2,000,000
Estimated private investment (actual and pending in 1963).....	\$211,500,000	\$256,900,000
Number of acres.....	439	236
Per acre:		
Federal cost.....	\$118,907	-----
Local public cost.....	\$56,720	\$8,475
Private investment.....	\$481,776	\$1,064,322

It is obvious that nonpassage of the proposed Demonstration Cities Act of 1966 would not leave a vacuum of inaction. Although federally subsidized urban renewal projects can involve billions of dollars of taxpayers' money, the amount of construction and rehabilitation that results is very small compared with that achieved through private effort unrelated to Federal projects. As Dr. Martin Anderson stated in the winter 1965 issue of *Law and Contemporary Problems* of Duke University School of Law:

"The economic system of free enterprise has moved powerfully and swiftly toward achieving better housing conditions for all Americans. From 1950 to 1960, over 18 million standard homes were added to the housing supply. The total number of standard homes increased from 29.1 to 47.7 million, an overall increase of 64 percent.

"And these gains were possible to all Americans. For example, the non-white population of the United States enjoyed a substantial increase in the quality of its housing. From 1950 to 1960 there was an increase of 1,813,000 standard units occupied by nonwhites, accompanied by a decrease of 537,000 substandard units.

"Virtually all of this was accomplished by private construction, rehabilitation, and demolition efforts financed by massive amounts of private funds. These activities were in no way connected with the FURP."

CONCLUSION

It is concluded that, although the proposed act reflects recognition of the shortcomings and failures of previous and present programs, it contains nothing desirable that would insure against a repetition of those same failures. As a superprogram to be superimposed upon existing programs, a superstructure to be erected upon a superstructure, it must be viewed as highly unnecessary.

¹ Nation's Business, May 1964.

² From data presented at the hearings on urban renewal before the Subcommittee on Housing, Committee on Banking and Currency, U.S. House of Representatives, 88th Cong., 1st sess., October 1963, pp. 45-46, pt. I of printed hearings.