

use of this market for residential relocation requires a metropolitan perspective in planning for relocation as well as cooperation among local government units to provide needed relocation housing throughout the area. In practice, metropolitan approaches to relocation and cooperation in housing policies are usually lacking.

A recent study of metropolitan planning has noted the need for metropolitan approaches to relocation planning:

Local renewal authorities must furnish evidence that decent housing is available for relocation within the metropolitan area, but the reports of local authorities are often poor substitutes for a study of the metropolitanwide housing market. Various local agencies may each lay claim to the same vacancies as resources for relocation; vacant units within one locality may be counted as relocation reserves in the reports of several different renewal authorities. In addition, unless the total metropolitan housing demand is taken into consideration, a simple count of vacancies may fail to reveal that families other than those to be displaced by urban renewal are likely to occupy them. \* \* \* Metropolitan housing studies, which should be conducted as part of the work program of a metropolitan planning agency, would make possible a more realistic overall assessment of an area's housing resources, and would furnish the basis for a comprehensive attack on the problems of slums. Particular renewal projects could be reviewed in the light of such studies, and modifications could be indicated where the metropolitan picture reveals inadequacies in the supply of relocation housing.<sup>49</sup>

Metropolitan planning agencies can appropriately undertake such studies, and Federal aid is available to them for this purpose. In addition, localities undertaking community renewal programs are required to include consideration of metropolitan factors related to relocation.

The problem of securing cooperation with neighboring localities is still more fundamental and reveals serious obstacles to effective relocation. The structure of local government and finance in metropolitan areas tends to penalize communities where poor people live. Low-income families need many services; yet they contribute relatively little in the way of local taxes. In particular, low-income housing generally does not yield sufficient property taxes to cover the cost of educating school children who live there and providing other necessary public services. Since local property taxes continue to serve as the mainstay of municipal finance, many communities attempt to use land development controls (zoning, subdivision regulations, building codes) to discourage the construction of low-cost housing. Instead, they compete for "clean" industry, shopping centers, and high-value housing, all of which typically yield a property tax surplus over the service expenses they necessitate. These local policies tend to raise the cost of new housing, contrary to Federal housing policy which has long attempted to stimulate the production of moderate-cost housing. Further, localities pursuing these policies are not likely to make much use of public housing and similar programs to produce housing at moderate cost.

<sup>49</sup> Joint Center for Urban Studies of Massachusetts Institute of Technology and Harvard University, *The Effectiveness of Metropolitan Planning*, prepared in cooperation with the Subcommittee on Intergovernmental Relations of the Committee on Government Operations, U.S. Senate (Washington: Government Printing Office, 1964), p. 13.