building, subdivision, and zoning codes in metropolitan areas; amendments to Federal and State housing statutes to diversify and disperse low-income housing, including more frequent use of existing units for public housing, subsidies of rents in existing housing, and financial aids to private nonprofit organizations for provisions of low-rent housing; encouragement of State-Federal cooperation in administering laws banning discrimination in housing; and State enactment of legislation authorizing counties in metropolitan areas to provide urban renewal and public housing services to unincorporated areas and small municipalities. These measures for a general increase in housing opportunities in metropolitan areas would contribute measurably to meeting the basic relocation problem—adequate housing.

A more basic approach would seek to moderate the interlocal competition that restricts housing opportunities by removing financial incentives for communities to exclude the poor. This approach would attempt to equalize local governmental finances and thus to alleviate tax burdens for communities where the poor are located. For these purposes, the Commission has recommended that States review their present systems of grants, shared taxes, and local tax authorizations to remove features that aggravate differences in local fiscal capacity to deal with service requirements; that States finance at least half the cost of general assistance welfare programs; that States consider using grant funds to equalize local property tax loads among local jurisdictions in metropolitan areas; and that the Federal Government recognize variations in local fiscal capacity in making grants to local governments.

In the area of Federal policy, the Commission has supported measures now before Congress, S. 1681, the "Uniform Relocation Act of 1965" and similar provisions included as title VII of the Intergovernmental Cooperation Act of 1966. These bills would close an important gap by requiring heads of Federal agencies to make relocation payments and to provide advisory assistance in direct Federal programs that cause displacement, such as those of GSA, the Post Office Department, and the Defense Department. The same set of requirements for payments and assistance would apply to federally assisted programs conducted by State and local governments. Further, the bills would require State and local governments administering Federal grant-in-aid programs and Federal agencies undertaking projects to assure the availability of standard relocation housing before proceeding with any property acquisition that displaces people, thus extending a statutory requirement that now applies only to urban renewal and public housing. The bill also provides full Federal reimbursement for State and local relocation payments up to $25,000 in federally aided programs, and on a formula cost-sharing basis for any expenses above $25,000 per displacement.

Specific recommendations to achieve greater uniformity in relocation policy are presented in chapter VII, pages 149–154, within the context of the Commission's overall program for equipping governments to deal with urban development problems.