

**REPORT
ON
URBAN RENEWAL PROGRAMS
AND THEIR EFFECTS ON
RACIAL MINORITY GROUP HOUSING
IN THREE IOWA CITIES**

**BY THE
IOWA STATE ADVISORY
COMMITTEE TO THE
UNITED STATES COMMISSION
ON CIVIL RIGHTS
JUNE 1964**

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UNITED STATES COMMISSION ON CIVIL RIGHTS

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Preface

This report was submitted to the United States Commission on Civil Rights by the Iowa State Advisory Committee. The Iowa State Committee is one of the 51 Committees established in every State and the District of Columbia by the Commission pursuant to section 105(c) of the Civil Rights Act of 1957. Its membership consists of interested citizens of standing who serve without compensation. Among the functions and responsibilities of the State Advisory Committees, under their mandate from the Commission on Civil Rights, are the following: (1) to advise the Commission of all information concerning legal developments constituting a denial of equal protection of the laws under the Constitution; (2) to advise the Commission as to the effect of the laws and policies of the Federal Government with respect to equal protection of the laws under the Constitution; and (3) to advise the Commission upon matters of mutual concern in the preparation of its final report. The Commission, in turn, has been charged by the Congress to investigate allegations, made in writing and under oath, that citizens are being deprived of the right to vote by reason of color, race, religion, or national origin; to study and collect information regarding legal developments constituting a denial of equal protection of the laws; to appraise Federal laws and policies with respect to equal protection; and to report to the President and to the Congress its activities, findings, and recommendations.

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Introduction

Iowa, traditionally and geographically the heart of the Nation's agricultural life, has seen the burgeoning of many towns into urban areas during the last two decades. In the wake of this development, new patterns in community structure have emerged and some of these have brought problems not yet totally resolved. One of the most visible is that of discrimination in housing against minority groups.

The large number of Negroes who, since the end of World War II have come to other Northern states, have not come to Iowa. Hence, of Iowa's approximately 3 million residents, less than 1 percent are Negroes.¹ However, they are not scattered throughout the 99 counties but are concentrated in the State's eight most heavily populated counties. In addition, a population of slightly more than 500 American Indians lives in Council Bluffs and Sioux City. This population increases seasonally.

Although Iowa does have several important State statutes which seek to assure equal rights for minority groups, it does not have a law which is designed to eliminate discrimination in housing. Its statute governing antidiscrimination in public accommodation goes back to the 1880's and is one of the oldest such statutes in the United States. It provides that all persons shall be entitled to:

the full and equal enjoyment of the accommodations, advantages, facilities and privileges of inns, restaurants, chophouses, eating houses, lunch counters, and all other places where refreshments are served, public conveyances, barber shops, bathhouses, theaters, and all other places of amusement.²

There is little evidence that this law was considered a dynamic tool in insuring the rights of racial minorities prior to World War II. Since that time, however, it has been utilized in the courts with singular success, and, particularly in the last decade, the statute's goals have been realized to a significant degree.

1. 1960 census.

2. Ch. 735.1, Code of Iowa.

The General Assembly of Iowa, in its 1963 session, enacted a fair employment practices act.³ By this act, it becomes a crime for any employer or labor union to refuse to employ an otherwise qualified person because of his race. Unlike most fair employment practices acts, this one provides no administrative agency or machinery for investigation and evaluation of complaints in this field. The initiative is left solely with the aggrieved party. Only the county attorney may determine whether or not a cause of action exists and only he may begin judicial procedure in the courts. It is, of course, too early to assess the effectiveness of this measure.

Not only does Iowa have no law designed to eliminate discrimination in housing but it does not contain any Federally supported public housing projects. Nevertheless, it is clear, even at a superficial glance at the State scene, that the absence of equal housing opportunities for racial minorities has long been one of the key problems in the field of human relations in Iowa.

It was logical, therefore, that when the Iowa State Advisory Committee to the U.S. Commission on Civil Rights was reconstituted in 1962, it should set itself the task of investigating problems of minority group housing. Because of the absence of any State law assuring equality in this area, the Committee felt it should generally restrict itself to studying the effects of Urban Renewal Programs upon minority group housing within the State. It was the consensus of the Committee that some positive action could result from this study if it were found that such nationally sponsored programs were promoting or even tolerating the continuation of segregated housing. The Federal Government has the necessary legal authority to correct abuses in Federal programs; the State lacks comparable authority to alleviate discrimination in housing generally throughout Iowa.

To enable it to evaluate the existing situation intelligently, the Committee held open meetings in Des Moines, Waterloo, and Sioux City. These localities were selected because the Urban Renewal Program has reached an advanced stage of development in each of them.

Interested groups were invited to attend and to present pertinent data. They represented social work agencies, minority group spokesmen, labor unions, realtors, lending agencies, city officials, and representatives of the Urban Renewal Agency. All groups except the lending agencies were most helpful to the Committee by presenting their viewpoints. No representative of any lending agency appeared at any of the meetings.

3. Ch. 330, Act of the 60th General Assembly of Iowa (1963).

1. Des Moines

The Des Moines open meeting on October 16, 1962 was the first of its kind in Iowa to consider housing problems growing out of Urban Renewal. It was devoted to obtaining information from representatives of the Urban Renewal Office, the Council of Social Agencies, the NAACP, and from individuals not representing particular organizations. Although they had been invited, no representatives of the City Government were present, except for the staff of the Urban Renewal Office. Moreover, the city fathers had not indicated that they would be unable to attend.

The information from the Urban Renewal staff consisted of an explanation of the operation of the Urban Renewal Program in Des Moines. Staff members presented maps and charts to show the percentages of white and nonwhite families which had been relocated, where they had gone, and what services had been provided them. They reported that nonwhite families had not been restricted to particular neighborhoods, but were dispersed widely in middle-income neighborhoods.

Representatives of the Council of Social Agencies commented on the progress of Urban Renewal in Des Moines, a program with which it has cooperated almost from the beginning. They pointed out that a major obstacle in the effective operation of an Urban Renewal Program was to find adequate housing for all displaced families within the price range which the families could afford. They emphasized the fact that standard housing is required, not housing that is just as good as that from which some families had moved.

For the nonwhite family the problem is serious. Out of a listing of 212 vacancies submitted by the Real Estate Board, and on which detailed information was available, only one percent was available to nonwhite families. It was further pointed out that when Negroes did apply for rental property, the price went up, from, for example, \$65 per month to \$80 per month.

Information collected by the Council of Social Agencies supports the contention of the Urban Renewal staff that it did provide services to displaced nonwhite families. The following table was taken from a report made by the Council of Social Agencies.

| Status of Relocation For One Member Families | Total | White | Nonwhite |
|---|-------|-------|----------|
| | 404 | | |
| Moved without asking for help | 27 | ? | ? |
| Applied for help in relocation | 377 | 363 | 14 |
| Relocated in standard dwellings | 376 | 362 | 14 |
| Unknown | 1 | 1 | |

The representative of the NAACP protested that the houses into which nonwhite families moved were substandard, and that these families had moved into neighborhoods which were marked for renewal and that there had been little dispersal. He asserted that many families had moved before they could receive help from the Urban Renewal staff because of a lack of information as to their status. This situation was due to a lack of adequate communication between the Urban Renewal staff and the nonwhite families to be displaced.

There followed a discussion concerning the responsibility of Urban Renewal officials to inform families to be displaced of the plans, the timetable for implementing the plans, and of the responsibility of the Urban Renewal staff to help them secure standard housing. The Urban Renewal staff asserted that, under the circumstances, it had done an adequate job in informing people to be displaced of the development of the program. While the Council of Social Agencies representatives conceded that the lack of housing available to nonwhite families had made the relocation job difficult, they felt the Urban Renewal staff had not understood the people with whom they were dealing. They pointed out that holding neighborhood meetings and placing news releases in the local paper did not constitute an adequate effort at communication. This is an area in which a member of a minority group, a social worker, or an individual who was both, would have been of help in communicating with the people to be displaced.

The problem of whether the Urban Renewal staff had done an adequate job is complicated by the fact that sections of a freeway were started at about the same time the Urban Renewal Project began. Many of the people involved, particularly people renting houses and apartments, did not know which project was responsible for their being displaced. A great deal of hostility was expressed, and some is still being expressed, toward the concept of Urban Renewal. A lack of communication is responsible for this situation.

Several of the complaints made by Negroes were not explored during the meeting. The Committee has attempted to evaluate these complaints from press reports of the operation of the Urban Renewal Projects and other sources.

Complaint No. 1

Nonwhites were not adequately informed as to how Urban Renewal would affect them.

The representative of the NAACP contended that the Urban Renewal Staff did not contact and adequately explain to the people involved what the plans were for the area in which they lived. He was supported in this protest by one of the representatives of the Council of Social Agencies.

The following table of the River Hills Project was presented by the Urban Renewal staff to show the distribution of Negroes in this Urban Renewal area.

| | Urban Renewal Area | Total | Census | |
|---------------------------------|--------------------|-------|-----------|-----------------|
| | | | Tracts 23 | Tracts 24 |
| Heads of Households Nonwhite | 1,085 (43%) | 2,498 | 1,602 | 896 (108-12) |
| Head of Primary Family | 681 (43%) | 1,581 | 1,147 | 434 |
| Primary Individual | 404 (44%) | 917 | 455 | 462 |

It should be noted that the River Hills Project did not include all of Census Tract 23. Therefore, there are fewer families in the Urban Renewal area than there are in the total of the Census Tracts 23 and 24. This Urban Renewal Project contained 12 percent of the nonwhites living in houses.

Two or More Member Families at Beginning of Project 1958

| Status of Relocation | Total | % | White | % | Nonwhite | % |
|---|---------|-----|-----------|-----|----------|----|
| | 681 | | 590 (87%) | | 91 (13%) | |
| Moved prior to land acquisition | 267 | 40 | 232 | 40 | 35 | 39 |
| Accounted for in relocation | 414 | 60 | 358 | 60 | 56 | 61 |
| Standard rentals | 103-25% | | 85-24% | | 18-33% | |
| Standard sales | 173-42% | | 146-41% | | 27-49% | |
| Standard rentals, supplementary rents paid | 40-10% | | 35-9% | | 5-9% | |
| Moved from city | 40 | 11% | 39 | 13% | 1 | 3% |
| No longer family status due to death, etc. | 7 | | 6 | | 1 | |
| Substandard rentals, refused aid | 8 | 4% | 7 | 4% | 1 | 3% |
| Substandard sales, refused aid | 9 | | 8 | | 1 | |
| Evicted from River Hills, able but did not pay rent | 9-2% | | 7-2% | | 2-3% | |
| Moved, whereabouts unknown | 23 | 6% | 23 | 7% | 0 | |
| Moved, refused inspection | 2 | | 2 | | | |

In a booklet published in 1959 in support of Urban Renewal for Des Moines, Iowa,⁴ a section called "Citizen Participation" reports on the subject of communication between the Urban Renewal Board and the public.

An essential ingredient of a successful Urban Renewal Program is public understanding and support . . .

During the past year, members of the Urban Renewal Board, who have responded to any requests to participate in conferences, meetings, and discussions on Urban Renewal activities and to deliver information on the program to interested local agencies and groups addressed during the past twelve months, are . . .

There followed a list of about 44 groups before whom members of the Board had spoken. About five of them can be identified as having Negro members. The NAACP, nevertheless, continues to protest that people in the socio-economic level represented in the River Hills Area are not adequately reached through the press and through groups such as those mentioned in the booklet.

The Iowa State Advisory Committee has also sought to document the nature of these complaints from the public utterances and reports of them in the press.

5

The Des Moines Tribune reported that some of the residents in the proposed Oakridge Project refused to permit appraisal of their properties. Walter T. Potts, Jr., of Iowa Appraisal and Research Corporation, said his firm, in some preliminary work in Oakridge, had difficulty with some residents who refused to permit inspection or measurement of their property.

"It's a matter of misunderstanding," he said, explaining that a number of residents believe that all Oakridge work has stopped because of the council's indication that the project will be delayed three or four years. It would appear that communication between the Urban Renewal staff and the residents of the area, most of whom are nonwhite, continues to be poor.

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4. Let There Be Light Instead of Blight: A Workable Program for Urban Renewal, Des Moines, Ia., Dept. of Redevelopment and Housing, Des Moines, Ia. 1959.
 5. Nov. 3, 1962.

Complaint No. 2

No nonwhites were on the staff of the Urban Renewal Office and thereby an effective means of communication between the office and the nonwhite community was not utilized.

Although Negroes have been on the Urban Renewal Board since its inception, no Negroes are on the Urban Renewal staff. Information on qualifications for such staff members was not secured but it seems to the Committee reasonable to assume that, out of the many trained Negro social and welfare workers in the city, some might have the necessary prerequisites. The Committee feels that utilization of Negro staff members would facilitate communication even in the proposed Oakridge Project where, although the socio-economic level is a bit higher than in the River Hills project, the majority of the residents will be Negroes. In any event, the question of the techniques of communication to be used with the people in the Oakridge Project is yet to be solved.

Complaint No. 3

Nonwhites were allowed to move out of the renewal area out of fear, which resulted from a lack of information, and they were not considered the responsibility of the Urban Renewal officials.

6

The Des Moines Tribune reported that the Director of the city's Urban Renewal Office had said:

. . . about 250 of the 708 families that originally lived in the River Hills urban renewal area moved from the area before they were forced to. Most of the 250 lived in substandard housing in River Hills and it's a natural assumption--because of their low income--that a substantial percentage still live in substandard housing.

Of those forced out of River Hills--and, therefore, the city's responsibility--18 families moved into substandard housing, and 12 others still are seeking standard. He /the Director/ called it a paradox: the city still has a relocation problem, but at the same time, virtually all families the city was legally responsible for have been moved into standard housing.

6. Nov. 13, 1962.

The Des Moines Register reported an interview with the Urban Renewal Relocation Director after he had met with the Mayor's Housing Action Committee as follows:

He said 256 families were relocated from the River Hills urban renewal area, but half moved to substandard housing and want better homes. [He] said there are still four families to be relocated from River Hills. He added that several hundred families will be displaced next year by the freeway and by housing code enforcement.

. . . the families involved have low incomes, are large, are from minority groups, and often are aged. Rentals for these people just aren't available. The real estate people haven't got a dozen vacancies they will rent to large families. They don't have them now and they haven't had them for five years. They just don't want to rent to large families or to colored people.

The problem of relocating displaced families was intensified in 1961 when the voters in Des Moines defeated a proposal to establish a federal low-rent housing program. The city then established:

The Mayor's Housing Action Committee to develop low-rent housing under private enterprise. The committee's major assignment was to be sure there were homes available for families displaced by urban renewal projects and by the Des Moines Freeway.

The Committee Chairman . . . a real estate man, told the [city] council this week "many members of our committee feel that the urgent needs of relocation are accomplished" But the council's current housing code enforcement program has convinced some councilmen that help is needed to relocate families now living in substandard housing.⁸

7. Nov. 16, 1962.

8. Ibid.

Despite the comments of the Chairman of the Mayor's Housing Committee, the evidence strongly suggests that the problem of relocating families living in substandard housing is still acute in Des Moines.

Complaint No. 4

Effective communication between the city officials and the nonwhite community is still lacking. Negroes point to what they are calling the "Cleveland Heights Fiasco" as evidence. Negroes contend that they tried to tell the city officials that they suspected the outcome, if not the intent, of establishing this particular housing area.

Cleveland Heights is an area in the northern part of Des Moines, which was purchased by the city several years ago for the purpose of developing a low-cost housing project. The Negroes protested at that time that it was designed to become another "Negro Ghetto", and that it was undesirable because it was virtually surrounded by substandard houses.

At the present time the project is anything but a success because the city council is faced with the problem of repaying the loan with which the area was purchased. Only a few families, all Negro, have purchased homes or lots in the development, and the money which was to have come from the sale of the lots is totally insufficient to pay the loan. Charges have been made that the Negro community has "boycotted" the project.

Ironically, the lenders earned the money to make this financing possible by renting houses to veterans. The housing was built by the Federal Government, used during World War II, and later given to the city. Negroes lived in this housing, although not without experiencing difficulty in gaining admittance from the project management. Once in the project, no difficulties were experienced by the Negroes at the hands of the other residents.

Complaint No. 5

City officials are indifferent to the plight of minority groups affected by Urban Renewal and the Freeway.

Except for two representatives of the Urban Renewal staff, city officials failed to respond to the invitation to attend the open meeting held in Des Moines. It appears that to date, no effective means of providing housing for the large family and the nonwhite family has been found in Des Moines.

It seems to the Committee that the Mayor's Housing Action Committee is more interested in discovering ways in which local builders can make money than in meeting the problem presented by families who cannot afford the current rents. The statements made by the Mayor's Housing Committee, as quoted to the press, and the kind of projects it has suggested, seem to indicate little concern for the minority and low income groups affected by urban renewal. The actions of this group seem to indicate a hope that if the actual provision of houses for these families can be delayed long enough, the problem will go away or that something will happen to solve it.

Having fought and helped to defeat the public housing referendum for Des Moines in 1962, which might have solved the problem of housing for low-income families, the realtors and builders fought a proposed open-occupancy municipal ordinance which also might have helped to provide housing for these families. An open-occupancy ordinance was drawn up at the direction of the City Council. It came up for action by the Council during the 1963 campaign for election to the Council. Each of the four successful candidates took a stand against an open-occupancy housing ordinance as did those who were defeated.

The open-occupancy ordinance was rejected by the Council in spite of the fact that it had accepted an open-occupancy provision in 1959 in the city's Urban Renewal tracts.⁹ It rejected open-occupancy in spite of widespread backing by such groups as the Board of the Junior Chamber of Commerce, the League of Women Voters, the Greater Des Moines Ministerial Association, and a group of prominent lawyers who sought to answer the City Council's concern about the legality of the ordinance. Some members of the Council even asserted that Negroes did not want open-occupancy.

The failure of passage of the open-occupancy ordinance leaves the people who are less able to find housing still in need.

Around the first of November 1962,¹⁰

9. Editorial, Des Moines Tribune, Sept. 25, 1963.

10. Des Moines Tribune, Nov. 2, 1962.

the Chicago office of the Federal Housing and Home Finance Agency called on Des Moines city officials to work for public housing. [The letter] said the city should stimulate the interest of the community in the use of public housing as a valuable aid to relocation.

These comments of the Chicago office of the Federal Housing and Home Finance Agency were one of several contained in a letter filed with the City Council and referred to the city's Urban Renewal Board telling Des Moines to improve its urban renewal program in three main ways: housing for families displaced by urban renewal, the Des Moines Freeway, and other public projects; housing code enforcement over the entire city; participation of more citizens in advisory committees involved in urban renewal. The letter did not list any deadlines, but indicated that Des Moines must improve in these areas within the next year.

A responsible local official should see that the needed planning is done so that standard housing will be available when required to house all families displaced by public action.

Since there is opposition on the part of local business leaders to public housing, they should take the lead in working with this official to see that private housing is provided at prices the displaced families can afford through rehabilitation . . .

They should also see that some means is provided to finance rehabilitation for those owners who cannot secure financing through normal channels.¹¹

In all areas where housing is made available by Federal funds it is provided on a nondiscriminatory basis and is available to nonwhite families if they can afford to rent. The City Council has gone on record as requiring open-occupancy in housing constructed in this area. On the other hand, the rental costs are higher than most families displaced by the clearing of the area can afford. They are reported to run from \$80 to \$100 a month. Max W. Krumrey, then the assistant director of the Urban Renewal office, was quoted by the Des Moines Sunday Register¹² as saying, "The big criticism of urban renewal is that developers build houses for the rich and tear down ones for the poor." This is the lowest-cost housing being built by private industry.

11. Ibid.

12. Oct. 6, 1963.

2. Waterloo

Work on the Logan Avenue Renewal project in Waterloo, Iowa, began on April 17, 1961. It embraced an area of 103.5 acres and its prime goal was the removal of

blighted, deteriorated and substandard structures to install various public improvements designed to remove blighting influences and upgrade the area, and then to install confidence and hope in those families remaining so that they think it is worthwhile to contribute to the improvement of their resources.¹³

By August 13, 1963, this relocation project had been completed. It had involved the relocation of 220 families, 38 individuals, and 20 businesses.

Of the families affected by the Urban Renewal program approximately 75 percent were Negro; a few were Mexican.

The relocation aspects of the Logan Avenue Urban Renewal project were handled by the United Services of Black Hawk County on a contract basis. This organization is a federation of health and welfare agencies with a responsibility for social planning in the community. The agency handled a list of available properties outside of the Urban Renewal limits which are available to displaced persons.

At the hearing held in Waterloo on December 6, 1962, the Committee heard conflicting testimony on the matter of how minority groups fared in the relocation process.

Waterloo Mayor Ed Jochumsen declared "No wall has been built around our Negroes." Representatives of the United Services declared that displaced Negroes "have been pretty well spread out" in the community. Furthermore, some officials declared that they found cooperation of real estate dealers excellent insofar as finding new housing was concerned. Other witnesses, however, declared that Negroes were dealing in a "closed" market when they

13. From Work Plan, Logan Avenue Urban Renewal Project, Urban Renewal Board, Waterloo, Ia., 1961.

sought housing, that no one would show a Negro a home in certain areas and that there was "a definite discrimination against Negroes" in many instances.

James Harrington, who said he was the first person to be connected with Urban Renewal programs in the Waterloo area through his work with United Services, reported that real estate men in Waterloo wanted United Services to designate displaced persons by race. He said that United Services refused to do this. He reported that at one time a list of 36 rental properties available for displaced persons contained only 2 listings which did not place restrictions on prospective renters by race. He said there were "precious few opportunities available to nonwhites wanting or needing to rent."

Subsequently Harrington resigned his job as assistant director with United Services after that agency as well as Urban Renewal both failed, he declared, to take a stand favoring equal opportunity in housing. He subsequently stated that

in many ways the suggestion of discrimination in our Urban Renewal project is more in the way of acts of omission than commission. But in either event precious little, if any, responsibility has been taken in the Waterloo Urban Renewal programs to insure that the rights of all citizens are protected.

Eugene Speller of the National Urban League said that the Urban Renewal program had "amplified" the existing discrimination problem in the city. He told of personal experience with attempting to buy a home and said that he had "almost" bought homes by telephone before property owners found out that he was a Negro. He claimed that Negroes found it impossible to meet with other citizens to bring about a change in the situation.

The Reverend I. V. Talbert, Pastor of the Payne Memorial A.M.E. Church, said there was "widespread dissatisfaction among my own people" with the Urban Renewal program. He blamed a lack of information about the program for much of the discontent. This same complaint was voiced by others who declared that residents in the area affected were ill-informed with regard to the program and this lack of information led to needless concern, uneasiness, and hasty and, therefore, ill-advised moves on the part of many. The complaint was also voiced that, although the project was to extend over a three-year period, the general attitude of the administration was that "the sooner the families move the better." As a result many families moved in a relatively short period of time whereas they could well have had up to a year or two to do this.

Thus a larger number of families were competing at the same time for very limited housing opportunities, especially nonwhites looking for rentals.

Complaints were also voiced regarding the equity of settlements. A study was reported which purported to show that prices paid by the city to Urban Renewal property holders were at the rate of about 2.6 times the assessed tax value while houses sold on the open market at the same time brought approximately 3.8 times the assessed tax valuation.

Statements were also made to the Committee which declared that the Waterloo Real Estate Board did a preliminary survey to determine availability of housing for those to be displaced. In order to secure acceptance of the Urban Renewal plan it was charged that the Board indicated that there would be "hundreds of rental units" available to nonwhites. Mr. Harrington declared that "this was complete fabrication." He declared that "on a day-to-day basis we were lucky to have one or two that were anywhere near close to decent."

Writing to the Secretary of the Iowa State Advisory Committee nearly one year after the Committee hearing in Waterloo, the Reverend Mr. Talbert stated:

While I do not have any specific instances of discrimination to submit to you at this time, I know there has been a general outcry on the part of the people affected by Urban Renewal. The whole program has left a bad taste in the minds of the people because they feel that they were paid unreasonably low prices for their homes, and were restricted in their choice of relocation. For instance, one man in my parish appealed his case because he was paid a lower price for his lots while a white man with adjoining lots was paid a higher price.

When the Advisory Committee of the Commission on Civil Rights met here last year, some documentary evidence of alleged discrimination was submitted; yet, nothing came of it.

Frankly, I do not know of any change in policy or procedure in the Urban Renewal program in Waterloo since the meeting last December.

3. Sioux City

Slightly more than two percent of Sioux City's approximate population of 89,000 are members of minority racial groups. According to the 1960 census, there were 1,221 Negroes, 533 American Indians, and 96 members of other nonwhite races (chiefly Orientals) in this city. But the percentage of nonwhite population affected by urban renewal projects is much higher than the percentage of the population as a whole. In fact, nearly 50 percent of the families displaced or to be displaced by urban renewal and similar projects are members of minority racial groups.

When the Iowa Advisory Committee held its meeting in Sioux City in May of 1963, the city already had been involved in two projects that had entailed considerable dislocation of peoples, and was preparing to become involved in a third. The construction of Interstate Highway No. 29 in late 1958 along the Waterfront Route through the city involved the displacement of approximately 139 families. No breakdown of this figure into white and nonwhite families is available. Whatever assistance was provided for the displaced families was nongovernmental in character--chiefly through social welfare agencies.

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14. Information for this section of the report was gathered from minutes of the Advisory Committee meeting and from the following documents prepared in connection with the Mary Tregalia Project:

Sioux City Reports on Relocation, City of Sioux City, Ia., City Council, 1951. 10 pp.

Sioux City Reports on Relocation. Second Annual Report. Urban Renewal Division, Department of Building and Development, 1963. 17 pp.

Report on Minority Group Considerations, Relocation Program, and Relocation Report R 223. Urban Renewal Division, Department of Building and Development, 1962. 47 pp.

The next major public project involving family displacement on a large scale was the Floyd River Flood Control Project in which approximately 230 families were relocated over a two-year period. Of the 119 families that moved as a result of Phase One of this project (1961), more than one-half were nonwhite. The relocation supervisor of Sioux City has estimated that about 12 percent of the city's nonwhite population was relocated. Seventy-seven of the 119 families displaced by Phase One relocated without public (city) assistance while 52 were assisted by the city. In the summer of 1961 when relocation became absolutely necessary in order that work on the project might proceed, the city manager assigned a member of the city staff to relocation. This person worked with nonpublic agencies in attempting to find adequate housing for relocation. The task was especially difficult because of shortness of time, the presence of several low-income families, the relative scarcity of suitable rental property, and the racial factor. When the "chips were down", that is, when families had to be moved, some were moved with city help into "interim housing" and in some cases the city even paid the first month's rent. In 1962 the city assisted in the relocation of 72 families displaced by Phase Two of the Floyd River Project while 18 families were "self-relocated."

It seems reasonable to conclude that the public officials and citizens of Sioux City learned something of value as a result of their experience with these two public projects. The story of relocation in connection with these projects was not "a success story," as the relocation supervisor has indicated. Reactions of displaced families were not always favorable. Relocations frequently involved substandard housing. Members of minority groups were commonly forced to move into other ghetto-type areas where crowded and unsanitary conditions were frequently the rule rather than the exception.

Perhaps now the city was prepared to handle the third major public project involving considerable family displacement, the Mary Tregalia Urban Renewal Project, with more foresight, greater ease, and fuller justice to the families involved. At any rate, the city endeavored to gird its loins properly to meet the requirements of the Housing and Home Finance Agency, the Federal agency charged with approving urban renewal projects for Federal aid.

The Mary Tregalia Project involves the displacement of an estimated 111 families in late 1963 and 1964. The City Council of Sioux City, acting as the Local Public Agency, will assume the responsibility for carrying out the relocation of families and individuals in connection with this project. The Urban Renewal Division and the city will employ a relocation staff consisting of a relocation supervisor, a field inspector, a relocation interviewer, and a clerk. Among other duties, this staff is to assist

families in securing adequate housing, chiefly through making available to these families lists of available sale and rental properties. The city has also entered in an agreement with a non-profit corporation in an effort to secure adequate rental property for low-income, large, and racial minority families. In cases where this procedure proves inadequate, the city has agreed to a rent supplementation program. The city has endeavored to inform fully and properly all families involved, to assist them by offering referral to legal advice, social services, as well as real estate agencies and listings, and by inspecting, certifying and referring to good quarters. Actual moving costs will also be paid.

Nonwhite families make up 37 percent of the total involved in relocation under the Mary Tregalia Project. In an effort to cope with special problems involved in relocating members of minority groups, a subcommittee for Housing and Relocation was appointed in February of 1962. This committee is made up of five citizens, including one representative of the minority group. The subcommittee has decided to involve other representatives of minority groups, including "representatives of the NAACP, Negro church ministers, a member of the nonwhite community house, and an active leader in Indian affairs." The Advisory Committee did not get a clear picture of the activities of this subcommittee up to the time of the May meeting. It has been estimated by the relocation supervisor that over two-thirds of the nonwhite families can be relocated into existing sales and rental properties. This estimate may be a bit optimistic in view of the fact that no more than ten percent of the rental properties listed as available by real estate agents are available to nonwhites. In any case, the primary consideration of the relocation staff is and will be directed toward the one-third of the minority families (a total of 8) and the 13 white families regarded by that staff as being without feasible rehousing resources because of low income, large families, or other reasons. The staff anticipates having the assistance of a private nonprofit corporation, known as Urban Homes, Incorporated, in accomplishing the relocation of this group of families.

Urban Homes, Incorporated, appears to be Sioux City's major answer to problems incurred in relocating minority-group and low-income families. Formed in October 1962, under the provisions of Chapter 504 of the Code of Iowa, 1962, this corporation proposes:

1. To engage in the buying and selling of real estate for the purpose of constructing and erecting homes, for the relocation of houses onto, or for the rehabilitation of used housing thereon, for rent or for resale to such person or persons as the directors of this corporation shall determine; and

2. to enter into agreement with, or be allowed to subcontract with individuals, property managers, social welfare agencies or their representatives, the city of Sioux City and others . . . for the purpose of property management, education and welfare of families, property acquisition, and the selection and referrals of families hereto.

Basically it is the purpose of the corporation, then, to purchase and/or relocate housing which can be made available on a low-rental basis. This corporation proposes to commence business when \$15,000 in stock has been subscribed and paid for. This money is to be raised from public-minded citizens and businesses.

The subcommittee for Housing and Relocation of the city has recommended that the city sell to the nonprofit corporation for a nominal sum "good and usable standard houses from within the Mary Tregalia Urban Renewal Project Area," that the city also sell to said corporation for a nominal sum "existing city-owned lots that the corporation determines to be buildable and suitable for the relocation of the housing units," and that the city be allowed

to refer eligible, displaced families and individuals to said corporation for rehousing, after the families have been screened and certified to be eligible for relocation housing at rentals determined to be within the means of the families to pay, and without discrimination or restrictions because of race, creed, or family composition.

The city has placed considerable confidence in the corporation and the proposed arrangements involving the corporation and the city as the primary means of handling the displaced families unable to secure adequate sale or rental property on their own. But the city has also indicated that in the event that the nonprofit corporation should fail in its proposals, the city will undertake to provide a rent-supplementation program to assist such families.

As of May 9, 1963, when the State Advisory Committee held its meeting in Sioux City, the \$15,000 to get the corporation underway had not been raised nor had the details been worked out for the selection of families and the matching of family with house. The Advisory Committee could not discover who would make final decisions regarding location of such housing, selection of families for particular houses, and similar matters. The relocation supervisor did indicate that the attitude of neighbors would be taken

into account in selecting the family to go into the relocated home. The Committee was never able to learn finally who would make the decision regarding this matter--whether it would be the city, the Urban Renewal Office or the Non-Profit Corporation. The relocation supervisor and his associates felt that this would be no problem. The Committee members, on the contrary, felt it might be a grave problem.

While it would appear that Sioux City has made considerable progress in the past five years in preparing itself for a major relocation project, some of the hard-core details remain to be worked out. Perhaps the most serious obstacle is the fact that rental properties are just not available in sufficient quantity for members of minority racial groups. The laudable effort to create a nonprofit corporation which might help to ease this problem also raises questions. Not the least of these questions is the one raised by the suggestion that the desires of neighbors would be consulted before families would be relocated into a particular area. If this becomes standard policy, it would obviously lead in no other direction than the creation of new ghettos.

During the course of the hearing, Mr. Louis Garland, president of the Sioux City Chapter of the NAACP, charged that there was a "conspiracy" among the real estate operators not to rent to Negroes in Sioux City and not to be associated with the sale of any property to Negroes in that city. He cited his own experience as a case in point, indicating that he was unable to purchase the same house from a realtor that he was later able to purchase directly from the owner. He also maintained that Negroes found it more difficult to borrow money to buy homes in certain areas than in others.

4. Summary And Conclusions

One fact clear to the Iowa Advisory Committee as a result of its studies was that there exists massive racial discrimination in housing in Iowa. For example, in the three cities in which the Advisory Committee held meetings, urban renewal officials agreed that, of available rental property, between 90 percent and 95 percent of the owners of such property refused to rent to Negroes.

Moreover, it appeared to the Committee that racial discrimination in housing in Iowa, as in the Nation, has at least three facets. The first concerns the homeowner who, because of personal prejudice or neighborhood pressures, is unwilling to sell his home to a minority group member. The second concerns information which came to the Committee of instances in which the owner was willing to sell his home to a minority group member but where his realtor, for reasons best known to himself, told the prospective buyer that the house was not for sale to a member of a racial minority. Finally, the Committee was told of cases where the homeowner and the realtor were both willing to consummate the sale, but where lending agencies refused to provide the necessary finances to purchase a home in a "white" neighborhood, although the prospective buyer was offered the same amount of mortgage money to purchase a home in a "Negro" neighborhood. A number of variations on these three themes were also presented.

The absence of city officials, with the exception of two members of the Urban Renewal staff, from the Des Moines meeting, indicated to some members of the Advisory Committee the extent of official municipal indifference or antipathy to the problems of urban renewal and relocation. The Committee feels that this attitude is unlikely to improve in the near future since, in a recent election in Des Moines, each of the four successful candidates took a stand against a proposed open-occupancy housing ordinance in his campaign.

The Committee recognizes that the problems inherent in non-discriminatory Urban Renewal and Relocation carry with them a two-fold responsibility vested in both the Federal and local governments. Although final responsibility for the solution of these problems rests with the Federal Government, local governments must assume their own responsibilities in the matter within their communities. Indeed, the Committee feels that the city should not be content with token compliance with Federal law but, representing an

integral part of democratic society, should take the initiative in guaranteeing that none of its citizens will be denied a right given them under the Constitution of the United States.

The lack of communication noted between Urban Renewal staff members and families involved in the procedures is seen by the Committee as a major factor in the failure of the relocation program to achieve maximum effectiveness and is further seen as the result of faulty municipal policy.

5. Recommendations

The Iowa State Advisory Committee Recommends:

1. That in determining availability of housing in a relocation area, local governments evaluate the situation realistically and accurately according to Federal law which specifies that such housing must actually be available for sale or rent to the minority groups displaced by an urban renewal program.

2. That greater efforts be made toward communication between the Urban Renewal staff and persons to be relocated, that wherever feasible Negro staff members be utilized to expedite the program, and that such activities as special meetings be planned to which Negroes are encouraged to come and ask questions.

3. That local governments in the State accept for purposes of relocation only those vacancies that are available on a nondiscriminatory basis.

4. That, if necessary, the Federal government require these policies to be enforced.

5. That local governments seek to fulfill the letter and spirit of President Kennedy's statement when he issued the Executive Order of November 20, 1962.¹⁵

It is neither proper nor equitable that Americans should be denied the benefits of housing owned by the Federal Government or financed through Federal assistance on the basis of their race, color, creed, or national origin. Our national policy is equal opportunity for all and the Federal Government will continue to take such legal and proper steps as it may to achieve the realization of that goal.

15. Exec. Order No. 11063, 27 Fed. Reg. 11527(1962).