

James G. Banks, Oral History Interview – 12/14/1966
Administrative Information

Creator: James G. Banks
Interviewer: William McHugh
Date of Interview: December 14, 1966
Place of Interview: Washington, D.C.
Length: 28 pages

Biographical Note

Banks, Assistant Commissioner for Relocation and Community Organization in the Housing and Home Finance Agency from 1961 to 1962, discusses urban renewal programs during the Kennedy administration, low-income housing, and barriers to receiving welfare assistance, among other issues.

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James G. Banks, recorded interview by William McHugh, December 14, 1966, (page number), John F. Kennedy Library Oral History Program.

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Oral History Interview

with

James G. Banks

December 14, 1966
Washington, D.C.

By William McHugh

For the John F. Kennedy Library

McHUGH: Mr. Banks, could you give a thumb-nail description of your duties in relocation and community organization?

BANKS: Yes. My responsibility was to develop recommendations for policy regarding the relocation of both families and businesses from urban renewal sites throughout the country, as well as to develop programs for the organization of residents of urban renewal areas, to assist them both in getting the proper relocation and in making the kinds of adjustments which were required subsequent to relocation. We had regional offices throughout the country and my job was to provide the technical guidance to the staffs in the regional offices, who had the responsibility for relocation and community organization.

McHUGH: What were your thoughts about relocation before you accepted this position with the Kennedy [John F. Kennedy] Administration?

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BANKS: Well, of course, I had had ten years of experience in relocating families and businesses in the District of Columbia with the local urban renewal

agency, and I, of course, had been in the urban renewal program since its inception, and I knew there were several things that were important. First of all, as far as relocation is concerned, we had to emphasize more housing of low income families as a condition for proper relocation. Many cities had the same experiences as Washington, D.C.; that is, the housing supply for low income families was diminishing more rapidly than it was increasing, for a number of reasons, and I felt strongly that the Urban Renewal Administration had to insist that more housing had to be built, and this is one of the efforts that is being made. Secondly, I felt that there should be a social service component, which would work hand in hand with the relocation efforts; that is to say, that some responsibility on the part of the Urban Renewal Administration to assist families in making the kinds of social and economic adjustments which were required to make the best of the new home. And of course, as far as community organization is concerned, we were certain that community organization, in essence, is a kind of group therapy and that when people get together to share common interests and problems that they are likely to come out with better solutions and more personal strength and confidence than if they were trying to go it alone.

McHUGH: What were your initial conclusions after your first few weeks on the job?

BANKS: Well, I came into the job, there was an air of excitement, as you know, when the Kennedy Administration first came in, we were all imbued with a good deal of enthusiasm for the changes that could be made with the new President. And of course, after the first three weeks I still had that enthusiasm. It was soon after I got on the job, as a matter of fact, that I joined the team to go around the country explaining what the various programs were. I was to explain the urban renewal relocation community organization program, and I had a high sense of anticipation about the possibilities.

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McHUGH: What problem had the highest priority in your thinking at that time?

BANKS: The highest priority, in terms of my job assignment was....

McHUGH: Well, the one that seemed to occupy your attention the most.

BANKS: Well, the highest priority was the construction of more housing. This was the very basic requirement that I felt we needed in the Urban Renewal Administration in order to do our job well, and I spent an awful lot of hours on it. We conferred with the other components of the Housing Finance Agency, the FHA [Federal Housing Administration], the PHA [Public Housing Administration]. Then, I think, plans were pretty well along for a massive program in that direction.

McHUGH: At that time, were you disturbed, or was it a concern for the department about operations for relocation in different communities?

BANKS: Yes. We had had, and we had, while I was in office, a number of complaints from cities across the country. In some instances, it was alleged that cities were developing relocation data conditioned for receiving urban renewal assistance which were not valid. And in some instances, I can remember particularly in the Midwest, there were problems relating to families or businesses which were being misplaced with no alternate housing or location to move to. And our staff went out on a number of jaunts to examine the conditions under which families and businesses were being relocated, and in some instances, we found some justification for the complaints. In others we did not. But what we tried to do in the process was to sell the local officials on the importance of doing this job well; that the urban renewal program did depend in large measure on the effectiveness with which they handled the relocation requirement.

McHUGH: Did you find the magnitude of these problems different from what you had expected?

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BANKS: No, the truth is, in spite of a number of justifiable complaints, that generally families were being relocated in housing which was standard. The thing that began – struck me – and continues to be of concern to me is that there were no sustained and well conceived efforts to build new housing for low income families, and this caused problems.

McHUGH: At the beginning of his Administration, President Kennedy asked for a speedup in urban renewal. Did this put pressure on you for quicker approval of relocation plans?

BANKS: Oh yes, indeed. That was one of the major assignments that I had to facilitate the review of all the forms and the information which came in connection with urban renewal projects and to get the approvals or disapprovals, as the case may be, to perform in rapid order. As a matter of fact, we were able to reduce the time considerably in the first few months that it took to review the materials in connection with urban renewal application. We were also able in the early months of the Administration to give increased technical assistance to the localities. One of the problems was then and is now, to a certain extent, that there were few people that were technically competent in many areas of the country to provide the kind of data which was required to make sound judgments which the Urban Renewal Administration had to make in connection with the distribution of these funds.

McHUGH: Did you feel the primary problems was the one of technical competence rather than seeking to evade some of the requirements; for instance to certify that there was housing available for families who might be quite difficult to rehouse?

[-4-]

BANKS: Well, there was certainly some of that, and I am afraid that in the past this requirement of the urban renewal program had not been given the attention it should have been given. There was not an effort prior to Mr. Kennedy's Administration to look closely at the plans the communities developed and make certain that they were not glossing over the responsibility to provide housing and new accommodations for businesses. So we did find, of course, a number of cities that had developed a pattern for submitting information which was really not accurate and which could not serve to assure the government that families would be properly relocated.

McHUGH: At the time that Kennedy asked for the speedup, did you have to expand your staff?

BANKS: Yes, we did. When I joined the staff there, I think we had three employees, and we expanded it to about six within a year, and I think that seven was the top number when I left.

McHUGH: What about the regional offices, did they expand?

BANKS: The regional offices expanded also. As a matter of fact, they expanded somewhat more than we did. And the reason for this, of course, was that you had to have staff in order to look closely at the plans and the information that was being submitted and give them the type of technical assistance to cities and towns which was required. One of the things that apparently was done with regard to relocation was almost all of the review was confined to the office prior to the Kennedy Administration. There were very few field visits. When we got going here we found that we had to have more staff to go into the cities to explain the requirements, to assist in the development of some of the data so that when the plans were actually submitted they

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could go through without too much questioning. Then, of course, that was one of the reasons why the process of review had been so slow previously, because the staff had no prior knowledge of the data which had been submitted, and if they had question about it, of course, it was questions that had to be answered by correspondence, usually, and this took a lot of time. But with additional staff to work closely with the cities, we could decrease the time and get the reviews done quickly.

McHUGH: Were you involved at all in the passing of the Housing Act of 1961?

BANKS: Well, to the extent that we had submitted a number of programs to the federal agent.... Because in 1961, I was still with the urban

renewal program in Washington, D.C., and I joined the Kennedy Administration in July. My participation was entirely at the local level, at that point, and we had submitted some ideas which were considered in the preparation of that legislation.

McHUGH: What ideas did you submit?

BANKS: Well, one of the ideas, of course, we submitted was for the expansion of the housing supply for low income families, and this took a number of forms, as you know, in the '61 Act: public housing, as well as non-profit housing, and other kinds of FHA insured mortgages.

McHUGH: Did you have a realistic amount of independence in running your office?

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BANKS: Yes. I worked for Commissioner Slayton [William L. Slayton], who I knew for along time. We had worked together before in some informal relationships, and I think he had confidence in me, and I certainly had confidence in him. I was permitted to carry on this responsibility with a good deal of freedom. Of course, we were trying to get some new policies inaugurated, and it required a good deal of coordination on his part, as among the various components, including my own, that is, relocation and community organization. And so we had a very close working relationship, but we moved quite freely in getting the job done and visiting cities and making reports and changing the other requirements.

McHUGH: Some of the critics of urban renewal have said that relocation was not a very important function of urban renewal as it wasn't treated that way, compared with other functions of urban renewal. Where would you say that relocation ranked?

BANKS: Well, you know, prior to my joining the Urban Renewal Administration under Mr. Kennedy's Administration, the relocation phase of the program was directed by a person who worked for an assistant commissioner. When Mr. Kennedy became President and Mr. Slayton became the Commissioner of Urban Renewal, relocation and community organization was given the importance of an assistant commissionership, which indicates the kind of new emphasis which was placed on this responsibility in the Kennedy Administration.

McHUGH: Were your relationships with other departments expanded, with HEW [Health, Education and Welfare], for instance?

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BANKS: Oh, yes. We had a goodly number of joint planning committees. I remember working on a task force, which was created by the Department of Health, Education and Welfare and the Housing Home Finance Agency, for concerted services around the country in public housing units as well as urban renewal programs. We also had joined them in a number of instances in the development of demonstrations, trying to find new and better ways to handle some of the physical, economic, and social problems which were related to urban renewal.

McHUGH: Did you find that the demonstration housing that was done, for instance, rehabilitation, was it able to bring the rents down as low as people in these renewal areas needed, or what they had been paying?

BANKS: No, unfortunately not. I think we made some headway in rehabilitation during those first years, but I'm afraid we didn't solve the problem entirely. I wish that I could say that it is solved now, but I don't think it is yet. We're still faced with the cost problem and the fact that we have not developed the kind of technical improvements which permit the restoration of housing to any reasonable standard of condition at a low cost. We just have not been able to do that. Of course, it is closely connected with the business of wages and the cost of materials and also with the local building codes. It's a very complex business, and I'm hopeful that it'll be done because I think that it has to be done. But as yet, we have not found a good solution to it.

[-8-]

We tried. I remember we joined with the FHA in trying to do a job in Baltimore, and that had a good deal of immediate response from the local officials and federal officials, and a reasonably good job was done. But even with that experience, we did not find a real answer to the problem of providing rehabilitated houses for low income families.

McHUGH: Was it your feeling that code standards were too strict?

BANKS: Yes. In most instances or in many instances, I should say, local building codes have been established as a means of protecting certain – oh, protecting wages in certain skilled trades. If the codes were changed and a good deal more prefabricated materials could be used, a number of exciting new advances in electricity and plumbing, could be installed, which would cut the cost. But it would also cut the labor requirements, and this, of course, would have an impact. Of course, there are really two sides to this problem, and we have to face them both in order to answer the problem.

McHUGH: In other words, were you saying that partly unions resisted the use of materials and devices which would cut costs?

BANKS: Yes, that was generally true because they feel, and I think with some justification, that if these new materials are used, they're going to lose

their jobs. And of course, this is a concern we all have as we continuously make advances, technical advances, and do so much more with so much fewer people. The automobile industry, I guess, is a prime example, where they can produce many more automobiles with one third of the manpower today, than they could even ten years ago. The same thing is possible with housing, but there's so many decisions that have to be made along the way by government and quasi-government agencies that the changes have not come as quickly as they might have. So on the one hand, we have a disadvantage in not having good housing for people, and on the other hand, we continue to have a fairly good employment market for people with building skills.

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McHUGH: Was restrictive zoning a problem, to any extent, in relocation?

BANKS: Well, zoning, of course, is always a problem, but the problem varies from locality to locality. Some localities, as you know, have no zoning regulations at all; some of them have very strict zoning regulations; and others are so flexible as to be almost responsive completely to political considerations. And of course, in those instances particularly, zoning became a problem.

McHUGH: What did you mean when you said, referred to political considerations?

BANKS: Well, zoning has been used in some localities as a means of keeping out certain kinds of families, particularly Negro families, especially if it could be used to require houses to be built with certain values with minimum lot space. All these questions related to efforts made by a political body to achieve certain kinds of purposes.

McHUGH: Did relocation done under highway program increase your work-load substantially?

BANKS: Well, not the Urban Renewal Administration. We conferred with them extensively on the requirements for relocation because during my work with the Urban Renewal Administration legislation was passed requiring the Highway Department to provide certain kinds of relocation assistance. We helped them to develop some of their guidelines and regulations, but the responsibility for doing the relocation did not fall with us. In many instances, the actual relocation was done by urban renewal agencies in localities, but the guidance given for highway relocation was given by the Bureau of Public Roads.

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McHUGH: Were increased welfare caseloads, which sometimes came about as a result of needs uncovered through relocation, a problem for your office?

BANKS: Yes, they were a problem because – well, in two ways: First of all, welfare departments generally do not like to have anybody going around seeking out people who would be eligible for welfare payments, primarily because they have as many as they can handle. Usually, the other thing is that in some cities, particularly in a city like Washington, welfare regulations are so restrictive that you find a number of people who need welfare assistance very desperately but can't get it, because they don't qualify. For example, in many families where the family head was unemployed and living in an urban renewal area, in Washington such a family is not eligible for public assistance. Now that made it impossible to find housing for them because a man can't rent a new house unless he has a job. So relocation people across the country have had a real challenge in trying to find some of the answers to the social and economic problems of the families in connection with relocation. We have tried to work with the Department of Health, Education and Welfare on this. We encouraged our regional offices to work with state welfare departments and the like, and I think in some instances we made some fairly good headway.

McHUGH: You mentioned a reluctance of agencies to take on new cases. Do you think that in certain instances there was malice, even if unconscious?

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BANKS: Well, of course, I'm of the opinion that our general approach to the care for the poor has always been kind of punitive, that we have subconsciously thought of poor people almost in the same sense as we think of criminals. I remember a letter I received from a woman who was concerned with the problem who said something to the effect that poor people ought to be given the same kind of justice as other people before the bar, which was quite true, of course. But she was saying this because obviously they weren't, not only before the bar, but before the welfare department, because we have always considered – and I hope we're changing – but we've always considered that poor people were poor because they had failed personally, and that while something ought to be done for them, it was their own fault and they ought to be grateful for the assistance which was offered.

McHUGH: So that there was a rather punitive outlook overall, that the people who were on welfare, weren't really worthy of it.

BANKS: Right.

McHUGH: Did you find that agencies were reluctant to accept these people, even when they were eligible, or did they....

BANKS: No. When they were eligible, of course, in most instances, they almost had

to be accepted. This was a requirement. But I will say this, in most cases the eligibility was a long time in determination, so much so that in many instances people got terribly discouraged. And also, there was usually no effort on the part of welfare organizations to extend themselves, in the sense of trying to explain to applicants all of the benefits that could be theirs and all of the opportunities which they should take advantage of.

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McHUGH: Were the restrictions that you mentioned in the District of Columbia, let's say, unusual or were they – well, did they in any way compromise the federal standards?

BANKS: They were unusual because most states around the country provide welfare assistance to unemployed persons, and the fact that Washington didn't mean that Washington didn't qualify for certain kinds of federal assistance in connection with the payments to unemployed persons.

McHUGH: Was this the program that President Kennedy initiated to aid the families of the unemployed?

BANKS: Right.

McHUGH: Did social agencies, private or public, commonly contact your offices to ask you to check on relocation practices?

BANKS: Yes. We got a number of requests of that sort, especially from social work agencies. I was called upon many, many times to make reports to social welfare organizations, both local and national. We worked closely with some national organizations. I can remember working closely even with the Boy Scouts, which were trying, at that time, to develop an urban program which would include youngsters who lived in urban renewal projects. So we had a number of social welfare agencies which met, and some of them acted as advisers to us. We had regular daily meetings with them, both in Washington and other parts of the country.

[-13-]

McHUGH: Did you find the criticisms generally well informed?

BANKS: Yes, I found them generally well informed, and I found that their suggestions were generally most constructive.

McHUGH: What was the most common complaint?

BANKS: Well, I guess the most common complaint was that housing was not built

and ready for families before relocation was actually started; that indeed, the pressure was on families to move before the families could be certain that they had a decent place to go. And this created a kind of panic which resulted in certain kinds of social disorganization, both within the family and in the community.

McHUGH: Did housing as a result of the scarcity increase substantially in cost?

BANKS: Yes. We enjoyed during those first two and a half years a considerable increase in the number of housing starts, which was certainly an advantage. We worked closely, as I said, with the Federal Housing Administration and the Public Housing Administration, and I think we were able to make some headway. I can remember visiting small towns around St. Louis, Missouri, assisting and encouraging local officials to build more housing, and they began to do it. There was no question about new housing being built for non-white families, for example, in places which it had not been contemplated before.

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McHUGH: I think I made my question a bit ambiguous. Did you feel that rents were being increased unreasonably in areas where relocation was taking place because of the demand for housing?

BANKS: In some cities, yes; in others, no. In Washington, this was certainly true. The increase in housing supply for low income families was not enough to meet the continued need, and therefore the cost of housing did go up. This is not true in all cities, however. For instance, relocation was accomplished with a reasonable increase, if any increase. In a few instances the cost of housing went down.

McHUGH: Were agencies making realistic attempts to stage relocation over a reasonable period?

BANKS: Well, of course, a general statement about that would be hard to make. Some of them were.... [Interruption]

McHUGH: We were discussing the staging of the....

BANKS: Yes, it's hard to generalize. Some cities, of course, did an excellent job.

McHUGH: Which cities had the best record?

BANKS: Well, Philadelphia was doing a relatively good job. San Francisco had done a relatively good job. There were some small towns in Texas, I recall, that did good jobs. New Haven, Connecticut had done a good job.

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McHUGH: What were some of the cities that caused most of your problems in this respect?

BANKS: One, St. Louis, Missouri and some of the towns around St. Louis. New York city, for example, was a very difficult problem. The same thing with Chicago.

McHUGH: Were agencies planning with social agencies and community groups from the beginning, rather than simply asking them to agree to a final plan which might take very little account of relocation needs?

BANKS: Some were and some weren't. Of course, again it depends on the leadership which is given locally. Some of the persons who weren't responsible for relocation did not understand or have much sympathy for the job other than as a real estate job and as simply a matter of finding housing for people. In some other areas, the leadership was more sensitive and more expansive, and they developed very good plans with social agencies prior to submission to the funding agency. Now one of the things we did was to require more and more of this during the beginning days of the Kennedy Administration.

McHUGH: Was it ever considered to have the actual relocation done by social workers, as a matter of law?

[-16-]

BANKS: Yes, we considered that, but rejected it as an idea, because we didn't feel.... [Interruption] We rejected the idea of having this job done exclusively by social workers. In a few instances – I remember in Portland, Maine the job was turned over to the social agency, but the feeling was that while social work had a lot to contribute to the relocation process, there was much more to it and that there were a combination of skills that were required and that we had some responsibility to develop those. We encouraged the employment of social workers as members of relocation staffs, but not the job to be done as a social work job.

McHUGH: How far did your authority extend to make the agencies meet relocation standards?

BANKS: Well, it extended as far as legislation would permit us. We were able to develop a number of new requirements for localities which were intended to protect the interest of the people who were being displaced and to get most of them approved. The approval had to be made alternately by the Administrator of the Housing Home Finance Agency. of course, this had to be responsive to certain kinds of political realities, but I think, on the whole, it was pretty successful.

McHUGH: Was recertification denied because of pooling location practices, to an extent?

BANKS: Well, it was. Let's say it was held up in a number of cases until the communities met certain fundamental requirements. I don't know of any cases where it was denied continuously, but certainly conditions were placed on the approval of new programs which communities had to meet prior to the approval of funds.

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McHUGH: Did you find that an effective instrument?

BANKS: Yes. Of course, I must say that we had not perfected it, we were improving it, and I would say it still has to be perfected.

McHUGH: Did many of the congressmen bring pressure to have relocation plans approved if they were unacceptable to you.

BANKS: In some instances, yes. We got some calls from congressmen and a few from mayors. We had visits from mayors on behalf of programs. I would say that with a few exceptions, when we were able to sit with an official, whether it was a mayor or a congressman or urban renewal director and talk candidly about what we were trying to do and what our interests were, they became much more cooperative, much more understanding of how important it was to do these things the way we were suggesting.

McHUGH: Was it your impression that relocation was creating segregated communities?

BANKS: In some parts of the country, yes. I would say in certain parts of the South it was creating segregated communities. In other parts of the country, it was introducing integration, whereas it had not been before. I remember this was true in Erie, Pennsylvania. We worked out a plan up there where housing in the entire city was made available to the Negro displacees. Prior to this, all the Negroes had lived in one area. The same thing happened in some other cities, if I recall.

[-18-]

McHUGH: In the South where this happened was it a very widespread problem?

BANKS: Yes. One of the things that happened there.... And of course, the South in some instances was able to do a better physical relocation job because they put many of their families, a whole group of families of an urban renewal area, into a public housing project. And of course, they

were meeting the basic requirements of producing decent, safe, and sanitary housing, but invariably the housing projects in the South were segregated, so in that way segregation increased.

McHUGH: How about other than public housing? Was there....

BANKS: Other than public housing? There wasn't much other than public housing in the South.

McHUGH: I see, as a relocation resource....

BANKS: Public housing was widely used in the South. In other cities— Washington, D.C., I think, is a prime example. I think the urban renewal program introduced integrated living in Southwest Washington officially for the first time in this city, and since that time it's expanded in many, many areas throughout the metropolitan area.

McHUGH: In those instance where you received unreliable data, how is this handled?

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BANKS: Well, if it was obvious that the data was faulty when we reviewed it, we would send it back to the city and ask for clarification or additional information, or we would point out certain obvious errors and ask for additional studies. We had a field staff, as I indicated, which also went to the cities, and if they determined on their visits that there were certain conditions which existed there which were not reflected in the reports given us by the city, then we raised that kind of question. But ordinarily, it was a matter of going back to the city, either by letter or by visit, and explaining the problems, inaccuracies, and asking for additional or more accurate information. Sometimes, of course, this discouraged a city which didn't have the capacity to handle the relocation. In some instances, rather than to have the application turned down, they did not resubmit.

McHUGH: What was the point of that? In other words, they didn't want to have it on their record that an application had been turned down?

BANKS: Yes, I would presume that's it. Or they could not get a political decision made in a locality that the relocation had to be done according to the standards of the Urban Renewal Administration, which was a requirement.

[-20-]

McHUGH: Did citizen advisory councils have any important effect on relocation?

BANKS: In some instances they did, and in others they didn't. This was another thing that we were working on during the early days of the Kennedy Administration with some success. But here again, it depended in large measure on the kind of leadership which was given locally. In those cities where it was emphasized and given importance, we had pretty good success with it; in others we had little success. When I left the Urban Renewal Administration, as a matter of fact, we were just developing a new kind of program for the involvement of residents in the decision-making process in connection with urban renewal. I think in many cities around the country this is now in affect, and this is helping to improve the acceptance of urban renewal and the quality of the work that's done.

McHUGH: Are you referring to the residents in the actual renewal neighborhood?

BANKS: Yes.

McHUGH: I see. Was it the function of your office to see that these citizen advisory councils functioned or were available under the workable program?

BANKS: Well, the workable program requirement was not under our office.

McHUGH: The citizen participation had no necessary relation?

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BANKS: That's right. Our interest was primarily with the development of organizations within urban renewal projects to facilitate that work. The workable program advisory committee requirement had to do with the total city and its participation in this federal program.

McHUGH: Was there ever considered a mechanism for determining just what – well, in actual numbers – what portion of a neighborhood was actually for or against the plan? There seemed to be a lot of confusion.

BANKS: No, I don't think that ever occurred, I can't recall that it occurred. I think that it would be difficult anyway. It would take a good deal of training to have people understand some of these very complex programs. I think it's a worthwhile undertaking. This is one of the things we were trying to do while we were there, but the few instances that I've heard of since then, where the communities had indicated their acceptance or rejection of the plan.... I know this has been true in Charlestown, in Boston. It's been done, I think, in several other places. But this is something that has to grow. The sophistication among

people who live in impoverished areas has got to be increased in order to make this an effective tool.

McHUGH: In many instances, though, didn't neighborhood groups indicate their strong disapproval at a public hearing and then find that the city administration had approved the plan anyway?

[-22-]

BANKS: Yes, yes, that was true. And one of the problems there was, of course, that many thousands of dollars had been spent by the city in preparation of a plan without consulting the residents, and then it was sent to the city head for review or a public hearing, and by that time the city officials felt that they had such a commitment financially in the thing that they couldn't turn it down, even though the citizens rejected it. Of course, this is one of the things we were trying to get at, and I think, we have arrived at it now, which is that citizens have the right and the responsibility to participate in the plans for urban renewal from its inception, so that when public hearings come, people are heard that are knowledgeable in these matters and who have had some participation in the development of the official documents.

McHUGH: To what extent was Administrator Weaver [Robert C. Weaver] involved with the problems of relocation?

BANKS: Well, he was very much interested in this business. I remember that when we first began to increase the requirements on relocation, it was done with some urging from his office. I remember he personally, in many instances, reviewed our new plans. We had a number of discussions about this, but it was my impression that the relocation problem was one of his own personal interests, which was evidenced throughout my association with the Urban Renewal Administration.

McHUGH: Could we return to the matter of citizen participation? Was it your impression that in cities where there was a definite attempt to plan with the community that they selected mainly property owners or people who had middle class interests. Was there any effective attempt to involve the poor in the planning?

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BANKS: Well, in the beginning, of course, most of the people who were involved were home owners because they are the ones who fought to have the primary interest in the business. But the involvement of poor people did begin in the urban renewal program, and I – part of my own Washington experience led me to develop some programs in the Urban Renewal Administration around this issue. I recall the last project that I did in Washington, D.C. for the local urban renewal agency, we involved the poor in the development of

the program and the success of the thing was so outstanding that people around the city began to identify former residents of this urban renewal project because of the enthusiasm with which they participated in community affairs and their new neighborhoods. This encouraged me to believe that this could be done nationally, and so we did develop some new programs along that line.

McHUGH: What about the problems of business relocation, did they have much of an impact on your office?

BANKS: Yes. We handled business relocation as well. Now one of the problems we had with business relocation was that small businesses were in many instances adversely affected; that if they did not have the capital to reestablish themselves or if they were operating on a shoestring, urban renewal was really responsible for them going out of business. Now of course, there are two sides to this question. On one hand, the question is should a man be in business who either does not have the know-how or the capital to give a good service to the public? On the other hand, should we not have a means by which we encourage individual businessmen to establish commercial concerns consonant with the best traditions of our system? I think that during that period, also, we got some good legislation in connection with Small Business Administration, which encouraged the formation of new small businesses and provided loans and then increasingly would provide loans of an emergency nature through SBA for business displaced by urban renewal. I think our increasing knowledge of the problem led the Administration under Mr. Kennedy to provide the kind of assistance which appeared to be required.

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McHUGH: Did the increases in payments which were allowed at that time make renewal much more acceptable to these people, or was this their problem?

BANKS: Well, it did in some instances, yes; in others, no. Of course, one thing that we have to meet head on is that change is going to be somewhat traumatic to anybody, whether it's a family or a business. If it's a required change--I mean if it's voluntary, they can take it in their stride; but if it's mandatory, it's psychologically difficult. So we had a good deal--the reaction from businessmen was continuously kind of difficult, but I'm sure that on the basis of the data which I have seen that the increased benefits to businessmen through urban renewal, that is, in payments, relocation payments, and the like, assured their continued operation and in many instances, increased success.

McHUGH: What about the problems of skid row? It seemed easy for a lot of agencies to ignore skid row people, and actually the law didn't require you to aid single individuals. Is that correct? Was legislation ever considered to include individuals as such?

BANKS: Yes. As a matter of fact, we did require consideration of individuals administratively while I was with Urban Renewal Administration. We called them single person families if they were living in what we defined as a household...

McHUGH: I see.

BANKS: ... where they had kitchen and bath and living room. It was the roomers, the people who did not have households, as it were, who were not considered.

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McHUGH: Did you know of any way that some of the problems of large numbers — some cities have large numbers of these people, might have two or three thousand of these people, mostly men, who in some cases, well, didn't have the skills or the intelligence to be employed, in a lot of cases they were just too old to be employed and didn't want to go to nursing homes, we'll say, wanted their freedom. Was there anything being considered to provide for these people in the way of housing?

BANKS: Yes, a number of considerations were made. The Urban Renewal Administration, I recall, made several grants of funds to demonstrate the ways to handle the problem. I remember, one was made to Philadelphia for study and one was made to Chicago. I remember we had a long consideration of the problem in San Francisco. I don't think there was any one answer that came out of these efforts. I think a combination solution was found, including nursing homes, including hospitals, in some instances, including rooming houses, including special kinds of dormitory arrangements, which we were to build.

McHUGH: Some of the critics of relocation said that moving low income people out of the slum created new slums. Do you think there was substance to this?

BANKS: No, I think that — well, I would say that that's a cliché which is not substantiated by information that's been gathered. I know the Health and Welfare Council here in Washington just recently made a study of the relocation of families from the Southwest Urban Renewal Project and found that of the sample that they looked at, the families were living in good housing, even five years after they had moved, and that the housing was fairly well kept.

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McHUGH: Another criticism that was sometimes made was that the standards used to judge housing that people moved into were much less strict than the ones they were asked to move out of, or that the standard was a very subjective one. Was this a problem that you....

BANKS: I would say, generally, that was not a problem. In some isolated instances, it was a problem.

McHUGH: Was there any attempt to work up an objective standard? For instance, you could have, say, running water and hot and cold water and a good heating system in the building that was actually in a state of deterioration, generally.

BANKS: Yes, we spent long hours working on standards for the identification of slum areas qualifying for urban renewal assistance and also for the standards to be used in qualifying housing for the relocation of new families, and I think it worked out pretty well, as I remember.

McHUGH: Can you say what the overall goal was during the Kennedy Administration? In retrospect, do you think that the expectations that you had when you took the job you were able to fulfill pretty much?

BANKS: The role, as I saw it, in terms of my own responsibility, and in terms of the responsibility of the Agency for which I worked, was to give more and more emphasis to the requirements of human beings, of persons, in the administration of the program; to deemphasize some of the physical aspects of the economic aspects; and to reemphasize or to give more emphasis to people and their needs. And I think this, fundamentally, was accomplished, and I think a whole new focus of governmental attention to human problems came into being during that period?

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McHUGH: Do you have any other comments you wish to make on events or issues during this period?

BANKS: Well, I would like to say that in the program with which I am involved now, this United Planning Organization program.... It began with a juvenile delinquency prevention and control program, which was a result of legislation introduced by President Kennedy. It provides the groundwork for much of what we are doing in the poverty program. So again, some of the emphasis on human problems which was initiated during the Kennedy Administration, even carries through today to the program for which I'm presently responsible.

McHUGH: Thank you very much, Mr. Banks.

[END OF INTERVIEW]

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