Correspondence: Grossman, Howard J.,
1972 October - November

Flood

ECONOMIC DEVELOPMENT COUNCIL OF NORTHEASTERN PENNSYLVANIA

edcnp

P.O. BOX 777 • AVOCA, PA. 18641 • TEL. 717/457-7456

October 19, 1972

Mr. Theodore Robb
Regional Director
U. S. Department of Housing
and Urban Development
Curtis Building
6th and Walnut Streets
Philadelphia PA 19106

Dear Mr. Robb:

The Economic Development Council would appreciate receiving federal policy statements on the following items.

1. We have been informed that the Small Business Administration (SBA) will only issue loans to bring a property up to pre-flood conditions. This, in essense, means that in some cases these loans may not be sufficient to bring some structures up to present code standards.

We believe this decision (if true) to be unwise and not in the best interests of restoring the Wyoming Valley. Is there any way in which this decision may be changed to more fully protect the federal government's and taxpayers' investment in these properties?

2. It also is our understanding that the deadline for SBA loans has been extended to October 31, 1972. Although we appreciate this extension, we believe a more realistic deadline is December 31, 1972, with a possible further extension to June 1973. Many elderly persons on fixed incomes have not taken advantage of this program and many entrepreneurs have not been in a position to fully assess their losses.

3. The EDCNP is concerned about what may develop when the SBA loan program is phased out, since there is little or no 312 rehabilitation loan money available. It is our belief that a high level policy decision from HUD or OMB is required to develop a financial mechanism to complete the necessary rehabilitation programs in the proposed urban renewal areas after the SBA moves out. Furthermore, we believe that all rehabilitation loans, be they SBA or 312, should be at 1% interest. It is our interpretation of the law that HUD may charge "up to 3%." This, in our opinion, means there is sufficient administrative direction to set the interest rate at 1%. This is vital if some sense of equity is to be achieved.

Also, it is our opinion that some of "impounded appropriations" which are currently being held back from HUD and other federal agencies should be released by OMB to adequately cope with this situation.

4. It is also our understanding that only the planning money noted in the 14 survey and planning applications recently submitted to HUD will be financed at this point. The Council believes this action may jeopardize the implementation of these projects unless this commitment to fund the survey and planning money also includes a federal commitment to reserve the execution money for the projects noted in these 14 applications. Will you please get a clarification on this matter as soon as possible since we believe the federal government commitment to fund the "execution money" is vital to the expeditious completion of these projects.

Furthermore, we also recommend that these and other flood related projects be considered as "non-mandated grant projects" since it is conceivable that more funds may be required to complete these projects.

5. Based upon the Council's past experience with HUD, we are concerned that the "sub-surface subsidence issue" may be raised relative to some of the housing and urban renewal projects being proposed. Therefore, we believe this potential issue should be jointly resolved by the Department of the Interior, the Environmental Protection Agency, HUD, and EDCNP undertaking an overall subsidence study of the Wyoming Valley as soon as possible so that the execution of these programs are not unduly delayed or jeopardized.

6. It is our understanding that OEP can make payments-in-lieu grants for public facility projects. We need more documentation on what projects are in the pipeline and proposed which may be eligible for this option. Can you get us some clarification on this matter and the appropriate guidelines we or a municipality must follow to take advantage of this program.

7. Also, it is our understanding that some concensus of opinion has been reached between Pennsylvania and HUD on the definition and designation of "flood control projects" in the Wyoming Valley. To date, we have not received any interpretation or formal policy statement on this. Can you forward us your understanding of this matter?

8. Many local officials have voiced their concern to us that they are not being adequately advised or informed about federal programs being advanced in the Valley prior to their announcement in the news media. Can a mechanism be established whereby these officials will be kept more informed of any new programs, so that they (and EDCNP) may be in a position to help counsel those that may request our technical assistance.

9. It has been brought to our attention that several housing marketability studies are being undertaken in the Wyoming Valley. Please send us copies as they become available.

Done

10. Many local municipal officials and citizens in the Wyoming Valley are concerned (if not angry) that they have not been included in an "interim assistance program." The EDCNP bleieves that every community in the Wyoming Valley should be considered for any available federal program if it meets the program's criteria of eligibility. Your efforts to extend the "interim assistance program" to the entire Wyoming Valley will be greatly appreciated.

11. There has been considerable discussion on who will set and what will be the criteria to ascertain the economic feasibility of rehabilitating buildings. We would appreciate receiving any HUD guidelines on this and related matters so that appropriate steps can be taken to resolve the issue of which buildings should be razed or rehabilitated in the urban renewal areas.

Yours truly,

Howard J. Grossman
Executive Director

HJG:pf

cc: William Conner
Paul Cain
Robert Scalia
William Wilcox
A. Edward Simon
Judge Max Rosenn
Thomas Kiley
Andrew Shaw

November 22, 1972

Howard J. Grossman, Executive Director
Economic Development Council of N.E. Pa.
Post Office Box 777
Avocaa, Pennsylvania 18641

Dear Howard:

I have your recent letter concerning the North Valley Expressway. I thank you for writing to me and bringing the situation to my attention.

We had previously referred this whole problem following our Executive Committee meeting to Ed Schechter and his committee on transportation and roads. They have been on top of it and have been in touch with the relevant state and public officials. There appears to be some movement forward but the matter will require very close attention. Ed and his committee are doing this. I think at the moment nothing remains for any of us to do until we have a further status report from Ed.

Sincerely yours,

MAX ROSENN
Chairman

M R:cjr

ECONOMIC DEVELOPMENT COUNCIL OF NORTHEASTERN PENNSYLVANIA

P.O. BOX 777 • AVOCA, PA. 18641 • TEL. 717/457-7456

November 17, 1972

Mr. Ted Robb
Federal Regional Council
Sterling Hotel
Wilkes-Barre, Pa. 18701

Dear Ted:

At a recent meeting of the planning and development agencies in the Wyoming Valley a question came up concerning environmental impact statements for urban renewal projects. Can you clarify as to whether any requirement will exist to provide an environmental impact statement for urban renewal projects that are flood related and the specific time frame within which such statements, if required, will be reviewed by appropriate Federal agencies. Any information on this subject in relation to the urban renewal program will be greatly appreciated.

Having this information by the next meeting of the planning and development agencies, which is scheduled for Tuesday, November 28, at 2 P.M., in EDCNP offices, will be greatly appreciated.

Yours truly,

Howard

Howard J. Grossman
Executive Director

HJG:sma

CC: William Conner
Paul Cain
Robert Scalia
William Wilcox
A. Edward Simon
~~Judge~~ Max Rosenn
Thomas Kiley
Andrew Shaw