

Correspondence: Senator Scott, Hugh
1972 July - November

William W. Scranton
Scranton, Pennsylvania 18503

July 7, 1972

The Honorable Hugh Scott
United States Senate
Washington, D. C. 20510

Dear Hugh:

Needless to say, I was very sorry to miss you today but early this morning I was informed of a meeting here in Scranton that I had to attend at 11:30 and then got notice from Max's office that you were delayed in arriving. I hope the day went extremely well for you and that you saw the horrible damage which the O.E.P. and the American Red Cross now describe as "the greatest amount of damage to property in American history".

Max is doing a wonderful job, as he always does, and you know that I am ready and willing to help you and him at any time that is desired.

Deep thanks for all you are doing.

Most sincerely,

WWS

William W. Scranton

THE FIRST NATIONAL BANK

OF EASTERN PENNSYLVANIA

THOMAS H. KILEY
CHAIRMAN OF THE BOARD

11 WEST MARKET STREET
WILKES-BARRE, PA. 18701

July 18, 1972

The Honorable Hugh Scott
United States Senate
260 Senate Office Building
Washington, D. C. 20510

Dear Hugh:

We are disturbed with the pending flood relief legislation for the reason that it is inequitable, inadequate and will leave many people with unbearable financial problems. Under the proposed relief plan the family with a loss of \$5,000 comes out whole, while the retired couple a block away with \$40,000 damage is faced with a \$35,000 debt. Their married daughter can't help because she and her husband have \$25,000 damage to their \$40,000 home on which they have a \$30,000 mortgage. They get \$5,000 forgiven on their damage and finance the balance of \$20,000 with SBA. Now, they have a debt of \$50,000 on their \$40,000 home. Since, under the relief plan, many houses will not be restored, the neighborhood will deteriorate and their \$40,000 home is now worth \$25,000 with a \$50,000 debt.

We have proposed and still propose a fair, equitable, simple plan which will cost very little more and will let everyone survive financially. It is this. Forget about increasing the forgiveness. Leave it at \$2,500--a reasonable base. Reimburse home owners for 70% of their home and furnishings losses as determined by professional adjusters up to a maximum of, say, \$25,000 or \$30,000. Then SBA will grant a 30 year low interest mortgage for the remaining 30% of the damage. This plan will assure rebuilding of the stricken residential areas. The real estate tax base will be maintained and casualty loss deductions on income tax returns will be minimized. There will then be no need for complicated formulae for real estate and income tax relief.

The same simple plan should apply to businesses. Retailer and manufacturers have been particularly hard hit because of their investment in plant, equipment and inventory. In many cases the losses have exceeded their net worth and no amount of borrowed money can

The Honorable Hugh Scott

2

July 18, 1972

restore a viable operating basis for the business. This condition results in unemployment and loss of personal and business income and property taxes.

The solutions to these problems must be fair, reasonable, equitable and prompt. We believe that legislation providing for restoration of a uniform percentage of losses will accomplish that result. We are equally confident that the flat figure forgiveness, plus a loan will not. The people are bewildered and there are signs of despondency. We urge immediate enactment of equitable relief.

Sincerely,

Thomas H. Kiley
for the
Wyoming Valley Restoration Committee

THK:emn

Similar letter sent to The Honorable Daniel J. Flood

THE FIRST NATIONAL BANK

OF EASTERN PENNSYLVANIA

THOMAS H. KILEY
CHAIRMAN OF THE BOARD

11 WEST MARKET STREET
WILKES-BARRE, PA. 18701

July 18, 1972

The Honorable Daniel J. Flood
Congress of United States
House of Representatives
108 Cannon Building
Washington, D. C.

Dear Dan:

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Sincerely,

Thomas H. Kiley
for the
Wyoming Valley Restoration Committee

THK:emn

cc: The Honorable Daniel J. Flood
United Penn Bank Building
Wilkes-Barre, Pa. 18701

P.S. Similar letter sent to The Honorable Hugh Scott

August 4, 1972

Honorable Hugh Scott
United States Senator
Senate Office Building
Washington, D.C.

Dear Hugh:

You did a great job on your visit to Wilkes-Barre, and people are still looking to you to pull them through.

One thing has come to my attention that I have called to Dan Flood's attention in a letter also written today. This involves Modular Homes. The newspapers announced that HUD wanted to buy Modular Homes to provide permanent residence for some of the flood victims.

Hazleton has a Modular Homes Plant, Starrett Modular Construction, a Division of Starrett Modular Housing Corporation. The principal Starrett Company was the company that built the Empire State Building. These people have been selling hundreds of Modular Homes in New York State through the New York Redevelopment Authority. However, the Governor of New York has made certain that there is going to be employment in New York since he insists that Modular Homes used in New York be made in New York.

Since buying the plant in Hazleton, this Company has never been able to get off the ground, despite the fact that their Modular Homes have been accepted elsewhere, because of the antipathy, apparently to Modular Homes, which has never been broken down here.

When HUD announced they wanted to buy Modular Homes, in the newspapers, I told these people to get in touch with the appropriate authorities. To date, they saw Mr. Tobin of OEP and Mr. Raub's Assistant of HUD. Both of these people insured them that they were trying to use Modular Homes but they hadn't worked out their many problems with the municipalities. Mr. Raub's Assistant pointed out that they had called a special meeting and sent out special invitations to 24 housing groups, and when they had the meeting, they only had 6 in attendance.

The net result, of course, is that the people are now beginning to "gripe" in the Wyoming Valley Area because of the lack of movement on housing. I understand and probably other people might understand, but many of them don't, that this is not the fault of HUD. HUD must eventually take the blame even though they are probably trying to do everything they can. However, what disturbs me is that each day that goes by three (3) Modular Homes can be built in the Hazleton Plant. Every day that is wasted means there are three (3) homes unbuilt, and thereby, stretching out the time the people will have homes.

Honorable Hugh Scott

Page 2

August 4, 1972

It would seem to be logical that if HUD would issue an order buying x number of Homes, then production could get under way, and I feel that with people knowing that Modular Homes were available and that HUD was ready to use them and finance them, some of this problem might be over much more quickly. Until somebody does something, all the manufacturing days are being lost.

If there is anything I can do to either assist or aid in this matter, please advise me.

My interest is two-fold: first of all, as you know, I was born and raised in the Wyoming Valley, and my old home was in the middle of the flood; secondly, I am very much interested to see Starrett get off the ground in this area, and of course, I am interested in employing people from the area.

Incidentally, Starrett is willing to employ people from the Wyoming Valley to the extent allowed by their Union. I would appreciate your comments.

With kindest personal regards and best wishes to both you and Mrs. Scott, I remain

Sincerely,

LOUIS G. FELDMANN

LGF:jk

CC: Mr. Robert Hetherington
Public Relations Officer
c/o Senator Hugh Scott
Senate Office Building
Washington, D.C.

Mr. Jack Sharr
STARRETT MODULAR CONSTRUCTION
P.O. Box 86
Hazleton, Pennsylvania 18201

Copy to Judge Rosen

200 Ind. Creek Drive
Wilkeswood Apts.
Wilkes Barre, Pa. 18702

October 17, 1972

Senator Hugh Scott
United States Senate
Washington, D.C. 20510

Dear Senator Scott:

My daughter cried bitterly for hours last night. We could not console her. Why? Because she lost her home, (the only one she ever knew); her precious possessions, is separated from her friends, goes to a school (for half a day) which is just as in bad condition as her home, and feels lost, isolated, and depressed. That is not a way a sixteen year old girl, who is a senior in high school, should feel.

Last Friday, I called your office in Washington, as I had written you several letters since the flood here in Wyoming Valley, trying to explain the situation, and my own in particular. Your letter to me, dated October 2, speaks of the SBA loans, with a \$5000 forgiveness feature, payable at 1% over a 30 year period. I do not know anyone who is getting a loan over a 30 year period. Ten or fifteen is most common.

When I spoke to the young man, a Mr. Quick, and another young man, who called me, yesterday, I tried to explain that this is not really what it seems. We still are left with an enormous debt -- in our case, we would have to pay \$250 a month, not to mention all the other expenses that go into maintaining a home. And most of all, there is no reference to the extent of damage the home has suffered -- as I suggested, people should be compensated according to the extent of damage suffered. ~~It~~ Surely, there are many who have suffered damage, but their homes are livable, and worthwhile refurbishing. In our case, our interior is completely gutted -- the cost to bring it back to the way it was before the flood would be prohibitive.

But the SBA, in calls to my husband, keep insisting that we make up our minds immediately about rebuilding our home -- while we are still in shock after this terrible experience. In my conversations with the young men from your office, they wanted to know: "What can we specifically do for you?" To this I would answer: get the SBA off our backs -- instruct them to be flexible, and treat each case differently -- according to the extent of the damage, situation in the family, and a multiple of problems that we suddenly encounter due to this disaster.

When I mention my daughter, I must also speak of my husband and myself. He works very hard -- is sixty years old, had a heart attack last April, and is still driving himself too hard. He does not have a comfortable place to relax in this apartment -- the tension of work, and of getting the problems of the house resolved are getting to be too much. As for myself, I find that I cannot conduct a normal life and keep house properly. There is just too much to do, and the change from our regular life style has been too great. Having to get up at 6 A M every morning to drive my daughter to school in unbelievable traffic does not help.

(continued on next page).....

I need not go on describing the problems of a family in this post-flood area. I would be glad to escort one of your representatives through my home in Kingston, my daughter's school, follow my fountaine for an average day - and then he can decide if we are in a position to make decisions which will tie up our money for the rest of our lives.

It is no comfort to me to know that Wilkes College, and others, have received millions. Surely they suffered also -- but without the average family functioning normally, this area will never get back on its feet --. For the first time in my life, I was unable to send a contribution to the United Fund. This is a de-meaning and humiliating experience for me. There are too many necessities of life I must replace.

I think it is vitally important to restore children like my daughter, and thousands of others, to a semblance of normality. There is not a child who can remember this tragedy, even as young as two years old, who will ever forget the terror of the evacuation, the first days of the flood, and the experience of being wrenched from their homes, not being able to return, and forced to live like gypsies.

With due respect to Mr. Frank Carlucci, who is doing a good job in his way, the human element has been neglected. His statement that homeowners can better afford to stand the loss because we are more "affluent" was not very well taken. I would humbly suggest that this be corrected -- and when a letter is sent to a flood victim listing all the large amounts of money so far spent on this disaster is no comfort. He wants to know if it will be safe to rebuild his home, if another flood will not wash it away again -- where he will get the money to repay a mortgage on a destroyed home, rent or buy another one -- and pay to maintain his family at today's inflated prices.

In closing, I must // reiterate, do not throw all of us into one bag -- there are those who suffered slight damage, those to whom a trailer is a palace and love it, those who lost everything, and those of us confronted with the dilemma of whether to rebuild, with the SBA breathing down our necks, forcing us to make a quick decision, which we may regret later.

I do not think I can take much more of seeing my daughter suffer. None of this was her fault.

With // best wishes for your kind attention and interest, I am,

Sincerely yours,

Becky Frier

MRS. JACK FRIER

Temporary address:

200 Indian Creek Drive
Wilkeswood Apts.
Wilkes Barre, Pa. 18702

Telephone: 717 - 823 - 6652

Hand Col

JUDGES' CHAMBERS
TWENTY-FIFTH JUDICIAL DISTRICT
OF PENNSYLVANIA

ABRAHAM H. LIPEZ
PRESIDENT JUDGE

LOCK HAVEN, PA. 17745

August 22, 1972.

C
O
P
Y

The Honorable Hugh Scott
United States Senator
United States Senate
Washington, D. C. 20510

Dear Senator:

I just finished talking by telephone with our mutual friend, Judge Max Rosenn, who told me of your herculean efforts in piloting through Congress the Agnes Recovery Act. The citizenry of Pennsylvania and indeed of the whole country owe you an enormous debt of gratitude for your successful action in helping to ameliorate the effects of this disaster. And our community in particular is indebted to you for your action in introducing and following through on the Bill granting Piper Aircraft Company tax relief for their heavy losses in the flood. I need not tell you how dependent this community and the surrounding areas are on the continued operation of this company.

With my kindest personal regards and best wishes, I
am

Sincerely yours,

AHL:B

cc: The Honorable Max Rosenn
U. S. Court House
Wilkes-Barre, Pa.

November 21, 1972

Dear Governor,

Enclosed you will find Xerox copy of a letter from Senator Scott. I am delighted to see that he is on the job.

Tragically, we lost a member of our court this weekend. It was Judge James Rosen of North Bergen, New Jersey. He was a New Jersey appointment and his sudden and untimely death is a great loss to the court.

The reports I get about Bill's job with the Dallas Post are excellent. The paper is apparently having an expanded and growing impact on the community. I am delighted to know this.

I hope you and the family have a fine holiday weekend.

Warmest regards and best wishes.

Sincerely,

MAX ROSENN

HUGH SCOTT
PENNSYLVANIA

MARTIN G. HAMBERGER
ADMINISTRATIVE ASSISTANT

EDITH V. SKINNER
EXECUTIVE ASSISTANT

United States Senate

WASHINGTON, D.C. 20510

November 15, 1972

Honorable Max Rosenn
Chairman, Flood Recovery
Task Force, Inc.
Hotel Sterling
Wilkes-Barre, Pennsylvania 18701

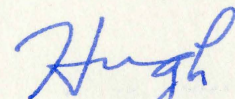
Dear Max:

Thank you very much for forwarding a copy of your resolution recommending to the Federal Committee on Standard Metropolitan Statistical Areas of the Office of Management and Budget that a marketing area be created and named the Northeastern Pennsylvania SMSA.

I supported this proposal before and shall continue to do so for it might go a long way in revitalizing the entire area. It was my pleasure to express my interest in your resolution with the Office of Management and Budget.

Best personal wishes,

Sincerely Yours,


Hugh Scott
U. S. Senator

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