

New Tool for New Towns

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pg. 42

Although the proposed legislation is one real answer for new towns, it will not work either if they are not planned as open communities for a full range of low-to high-income housing. Thus conceived and built, they hold great promise for the beleaguered cities.

The Federal Government may yet be providing an essential economic tool and badly needed perspective for those who confuse the *status quo* with destiny. Success may yet come from the Reston defeat.

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The movement to ease urban problems by developing new towns has won an influential convert in former President Eisenhower. In a Reader's Digest article, he calls such towns "the first essential" in any realistic plan to eliminate the slums.

Yet one of the outstanding international attempts at new town development, Reston, Va., went down the real estate drain last year when its founder, Robert E. Simon Jr., was licked by the economics of a system that has no place for this kind of farsighted environmental plan. When payment could not be met on the large capital loans required for the long-term design and comprehensive facilities that are the backbone of any genuine new town effort, the venture was taken over by its chief investor, Gulf Oil, which promptly set its sights on a more conventionally marketable product.

At no time in that critical initial stage when capital must be plowed in and profits are a long way off was Federal aid available. But now, spurred by a failure that this country can ill afford, Federal legislation is being planned to make this type of new town possible by vastly expanding the resources of private development. A major new financing device known as the "Federally guaranteed cash-flow debenture" would authorize Federally guaranteed bonds large enough to cover heavy preliminary costs and to insure repayment of interest charges on loans, a factor of particular importance during the early, generative period when "patient" money is needed.

To most city specialists the fate of the Reston experiment was the great American planning tragedy of the sixties. But an even greater tragedy lies in the answer that so many members of the building and financial community gave to the question: What went wrong? Variations of "This just proves that the Reston idea won't work" added up to a smug acceptance of the normal commercial subdivision, in spite of its proven inadequacies in land planning and community design, because it repeats acceptable profit formulas. This standardized building process relentlessly reinforces the country's racial and economic ills.

What really doesn't work is present practice. The evidence is overwhelming in both cities and suburbs.