

A HISTORY OF CUED

By Ronald C. Kysiak



Dedicated to the memory of Ed deLuca and Andy Bennett, two men who left their mark on urban development professionals everywhere.

“A few weeks ago you expressed interest in the formation of the ‘HUB CLUB’, which we proposed as a concerted effort by cities to combat the loss of industry to suburbia. Please excuse the delay in answering you but a fire in the building next to us spread to our building and put us out of business for a time.”

These were the first two paragraphs of a letter dated February 10, 1966, which went to 20 big city mayors and their development professionals. The letter was written by Ed deLuca, the director of economic development for the city of Baltimore.

Little did deLuca know that this letter was the beginning of what was to become the National Council for Urban Economic Development, and little did he know that fires, both literal and figurative, were to be the watchword of urban economic development throughout the next 25 years.

For it was in the mid-sixties that people like Ed deLuca, Ken Fry, Tom Kelly, Paul Zimmerer, Mel Roebuck, and Andy Bennett realized that something was going very wrong with our nation's cities. DeLuca, Fry, Kelly, Zimmerer and Roebuck were responsible for public sector

economic development in Baltimore, Milwaukee, Jersey City, Chicago, and Cleveland respectively. Bennett was the chief of urban projects for the Economic Development Administration, a fledgling agency, concentrating primarily on rural economies, which grew from an agency originally formed to fight poverty in Appalachia.

What deLuca and Bennett brought to the attention of their professional peers was the rapidly rising incidence of industrial flight out of the central cities to the surrounding suburban ring. The HUB CLUB was deLuca's idea of forming a loose-knit group of like-minded big city development chiefs to trade information on how to keep industries expanding within cities.

And the “HUB CLUB?” It stood for *Helping Urban Business*, a function that was to take on even more serious overtones in the following months as the Watts ghetto exploded in frustration. The following year would be worse with Tampa, Newark, Detroit, Atlanta, Cincinnati and more than a dozen other cities struck with rioting, looting, and arson. Little did the urban professionals who were to meet later that spring in Baltimore know that an epidemic of violence was soon to set off panic among urban business and industrial centers. Within days of these “civil disturbances,” industries began looking for ways to get out of older, deteriorating cities, whether they were directly affected by the violence or not.

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Our Changing Cities, Our Changing Nation

The National Council for Urban Economic Development (CUED) was founded in 1967 by a handful of professionals testing a new approach to urban revitalization—using public resources to leverage investment in our nation's cities. Today, public-private partnerships are an essential part of the urban development picture and CUED is recognized as the leading national organization serving economic development practitioners. CUED is marking its 25th anniversary this year in serving the nation's most knowledgeable economic development professionals. This article celebrates CUED's origins and evolution throughout 25 years of service to the economic development field.

A year and a half later, in October 1968, deLuca was to write his fellow HUB members that his office was then brokering sales of businesses between those seeking to leave Baltimore's center and those wishing to buy in. There were far more offers to sell than there were takers.

HUB Council

That first letter, in early 1966, called those that had shown interest in such a club to a meeting in Baltimore in April. Some 15 cities had responded positively to deLuca's first request in fall 1965. Using the president of the Baltimore City Council, Don Schaeffer, as the official organizer, deLuca invited then secretary of HUD, Robert Weaver, as well as the Ford, Rockefeller, and Carnegie Foundations to the meeting. Don Schaeffer went on to become one of Baltimore's most celebrated mayors, and is now governor of Maryland.

Mel Roebuck remembers that first meeting in Baltimore: "I was working for the Greater Cleveland Growth Association, sort of a Chamber of Commerce, when I went to Baltimore at Andy Bennett's insistence. Cleveland was a tough town, but when I got to what was supposed to be the best hotel in Baltimore, I was floored. It was in terrible shape. But look at Baltimore now; look at the changes in its downtown and harbor." Roebuck is now senior vice president of Forest City Development and in charge of the Research Park at MIT in Cambridge, Massachusetts.

The Baltimore meeting was a success though neither HUD Secretary Weaver nor the foundations attended, and additional cities were asked to join what then became named the HUB Council. DeLuca's office continued to finance and market the informal organization, and generated additional meetings that year in Washington, Pittsburgh, and Chicago. Finally, on April 20, 1967, almost a year to the day after that first HUB meeting in Baltimore, the Helping Urban Business Council was formally incorporated as a non-profit, professional economic development organization in Milwaukee, Wisconsin. Its first officers were deLuca as president, Fry, Zimmerer and Louis Thomson of Toledo as vice presidents, and Mel Roebuck as treasurer. They were in business.

As a distant echo of today, the original bylaws of the Council stated unequivocally that its number one objective was to "develop an urban policy for economic development." It restricted membership to cities of over 250,000 population, but reduced that requirement over the next few years as smaller cities sought to join. An article by deLuca in another organization's newsletter on the Council's formation said: "cities needed an organization to stand up and battle for them. . . . cities are where the action is, the contrast, the diversity, the appeal to every type of person, the excitement, the contacts, the services, the glamour spots, the markets, the top sports and educational facilities, the bustle and hustle (sic), the banks, the lawyers, the engineers."

Pretty strong stuff—but the early HUB members had one thing in common, they passionately loved cities. That first year saw some 15 cities join as HUB members. The HUB Council stated that its primary reason for existing

was "industrial and commercial problems of the central cities, with a major emphasis on industrial development." The organization did not then know that city economies would soon have to turn on a cog very much different from industry, yet industrial plants were the most visible indicator of economic health. The HUB Council wanted to retain and expand its presence within city borders.

In 1967, public sector urban economic development organizations were a rarity, though the fires in the central cities that summer generated the formation of many task forces and city line agencies with the responsibility of countering the damage done to business confidence by the disturbances. deLuca and others urged these new entities to join the Council and carry the urban message to business.

At that same time, Lyndon Johnson had announced that he would not run again. A Republican, Richard Nixon, was set to challenge the Democrats to undo the perceived mistakes of the Great Society. The founders of the HUB Council believed that unless they could impact federal policy, the cities were not going to get much help from Washington, especially if Richard Nixon won. And to impact policy you needed research and staff, and that meant money.

By summer 1967, at the urging of EDA official Andy Bennett, deLuca and others put together a proposal to EDA for funding of the Council. At that time, the Council also reduced its minimum population requirement per member to 100,000 as smaller cities asked to join. On October 20, 1967, the HUB Council met in Washington and developed a list of urban problems it wanted to tackle. The list included mass transportation, tax incentives, downtown, preserving industrial land, incubator industries, manpower, and "negro entrepreneurship." HUB began to grow.

In June 1968, EDA granted the Council \$151,530 over a two-year period to support "technical assistance, information, and research,"—the first of many EDA grants which grew in number and size throughout the 70s. HUB searched for and found its first executive director, John Johnson, director of the Delaware League of Governments. Johnson was paid the princely sum of \$17,500 and took space in Baltimore next door to deLuca. In the infancy of economic development funding, even the federal government did not know much about "local match." The total amount the Council had to come up with to match the \$151,000 was \$1,200. But deLuca had difficulty in even finding that amount as he dunned his colleagues with a series of memos seeking dues.

By early 1969, some 21 cities were HUB members, all with populations over 100,000. HUB's annual conference was held in Philadelphia that year; registration cost was \$25. deLuca was voted in for his third term.

In 1970, the Council elected Paul Zimmerer, Chicago Mayor Richard J. Daley's economic development head, as its second president. At the same time, the group hired a new executive director, Joe Oberman, a Philadelphia planner and economist, and moved the offices to Philly. It was the middle of Richard Nixon's first term and the end of Vietnam was only a year or two away. The cities were still simmering from the violence of the late 60s and the admin-

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Ed deLuca served as the first president of the HUB Council, when he was Baltimore's director of economic development. Incorporated on April 20, 1967, the Council was originally deLuca's idea of forming a loose-knit group of like-minded big city development chiefs to trade information on how to keep industries expanding within cities.

He felt that "cities needed an organization to stand up and battle for them. . . cities are where the action is, the contrast, the diversity, the appeal to every type of person, the excitement, the contacts, the services, the glamour spots, the markets, the top sports and educational facilities, the bustle and hustle, the banks, the lawyers, the engineers."

istration and Congress had developed a "Model Cities" program to pacify angry mayors and inner city residents.

Though HUB had a grant from EDA, it was never able to gain any HUD funding until almost 10 years later. Model Cities was not designed as an economic development program and few practitioners got to apply those funds to development strategies. In some cases, Model Cities funds financed neighborhood organizations which used their new found financial and political muscle to oppose city economic development projects as being racist and doing little to help the plight of the ghetto.

Zimmerer remembers those days as raw and exciting. "We were joined together by our need to stop businesses from leaving the cities. We had to band together, we had no one else to talk to. The midwesterners among us deferred to our East Coast brethren, but we all believed in the same gospel. CUED made economic development a true profession in those days and we were rapidly being recognized as a force in urban areas."

CUED—A Move to Washington

As the 1971 elections brought Richard Nixon back for a second term, the HUB Council realized its name was too limiting, since smaller cities and some urbanized counties had recently joined its ranks. On December 16, 1971, the HUB Council became the Council for Urban Economic Development and was immediately christened Que-Ed, much to the distress of its future executive directors and staff. The name was agreed upon in the offices of New York Mayor John Lindsay's development czar, Ken Patton.

The CUED board also decided that it needed to have a strong presence in Washington if it was to continue to speak for the cities. Federal policies had already developed Model Cities, with little CUED input, and the organization felt it needed to get its ideas across to the administration. Unfortunately its current executive director chose not to make the move. In November 1972 CUED got one of its founding members, Ken Fry, commissioner of city development for Milwaukee, to agree to take the job.

Fry was an early proponent of the need for a federal urban policy. As one of the nation's first public sector directors of economic development, Fry had worked with

his mayor, Henry Maier, to lobby for direct federal funding of urban programs, especially those aimed at the still smoldering ghettos of most major cities. In working for one of the most powerful and articulate big city mayors of that time, Fry was a logical choice to head up the fledgling urban organization. "It gave me a chance to articulate the beliefs I had. We were a group of 'true believers' in those days; my only regret is that we didn't stay with our national urban initiative long enough to do the job."

With its new location, name, and new executive director, CUED landed its second EDA grant of \$60,000 in 1972, which paid for new offices and some staff support. In those days, CUED had about 150 members, but only some 30 of them were paying dues. After all, it had a federal grant to handle their money problems, didn't it? With yearly EDA technical assistance grants, mostly through the direct intervention of Mort Bail, EDA's technical assistance head, CUED began to make its presence known in Congress. It began generating technical reports, newsletters, on site case studies, and direct technical assistance to specific cities like Detroit; St. Louis; Allentown, Pennsylvania; and Xenia, Ohio, which had two CUED members on the scene two days after it was devastated by a killer tornado.

Attacking Urban Problems

As CUED's role grew in advising Congress on urban economic development strategies, so too did its sophistication in attacking urban problems. No longer was industrial retention, attraction, and development the first and foremost issue of concern. Real estate oriented development issues gave way to creative financing, small business development, commercial revitalization, and renewal of central business districts.

CUED also began its current tradition of putting on a major, yearly conference in Washington, recruiting high ranking federal officials and urban academics as featured speakers—a risky event in those days. Its first big meeting in 1973 generated almost \$20,000 in profit. CUED was starting to roll.

During these early years in Washington, CUED took advantage of office space and administrative services of a sister organization, the National League of Cities (NLC). The executive director of this organization, as well as that of the U.S. Conference of Mayors, sat on CUED's board. This arrangement continued until 1976 when CUED won a grant competition over NLC, resulting in CUED's breaking free of both entities and going it alone.

Members of CUED's board testified regularly before the House Public Works Committee and its key member, Rep. Bob Roe, and its Economic Development sub committee chaired by Rep. John Blatnik. CUED worked closely with congressional staff to develop new, creative legislation to help America's cities. Some legislation, like the National Development Bank, was torpedoed by agency jealousies; others were more successful, like EDA's Title I and Title X public works initiatives, Title IX revolving loan funds, and 302A planning grants, which helped build economic development staffs in cities throughout the country.

In 1974 CUED, for the first time, received a foundation grant. The Ford Foundation provided \$50,000 for general support, with no strings attached. EDA's grant jumped to almost \$300,000 in that year as CUED hired more staff, generated white papers, provided on site technical assistance, and worked with government departments and congressional staff on newer and more creative urban legislation.

"I was astonished at the inroads we made in urban federal policy," said Fry. "Hubert Humphrey was our champion and we had friends on both sides of the aisle." CUED soon became known as the organization that could get you into the grantsmanship business, and membership began to grow. Ken Patton became CUED president in 1972. He worked the Hill relentlessly, hammering committees on the need for even more federal programs aimed at helping cities weather the economic storms begun by the urban riots of the late 60s.

Patton remembers: "We actually wrote a national urban policy which became the Carter economic program when he came into office. We believed that the way to save cities was to rebuild the urban economies. In 1971, using our friends in Congress, we finally got an amendment through which allowed EDA to work with urban areas."

"After Carter took over," recalls Patton, "he hired a number of CUED staff people to help run his development agencies. One irony of our efforts was how much of the real growth in urban policy happened in the Nixon years. I have to attribute that to our motto of teaching a man to be a fisherman, rather than giving him fish—a strategy which sounded very Republican. In essence, we believed that it was better to deal with the consequences of unemployment at the front end by keeping it from happening, than by waiting to deal with its effects."

By 1976, CUED was receiving over \$500,000 per year in grants, primarily from EDA. It was the preeminent urban economic development organization in the U.S. and boasted nearly a thousand members. It held regular receptions in congressional caucus rooms and had powerful congressmen and senators as regular guests, as well as urban celebrities such as Bella Abzug. Jimmy Carter had become President and he had a commitment to cities that ran deep. Tom Kelly, New Jersey development chief, had been named CUED president a year earlier and sought to keep the administration's feet to the fire of urban revitalization.

"I remember meeting with President Ford's newest nominee for the head of EDA, Vinegar Bend Mizell, a former major league ballplayer. He came from a rural background and didn't know a lot about cities. But when we talked, I told him it didn't make any difference if you were poor and out of a job in Hoboken or rural Georgia; it was the same thing. He never forgot that discussion and he became a strong supporter of CUED."

It was in 1976 that Fry, his health failing, left CUED, creating a vacuum that caused EDA to express concern. At risk was most of CUED's federal support, and there was no unanimity on the board as to the kind of executive director the organization needed. Some wanted an academic who

would provide CUED with instant credibility in Congress and could help set the "big picture" goals of the organization. Others wanted someone more versed in the grantsmanship business, since CUED members had come to depend upon the organization to help them access the new federal programs.

In summer 1976, Jim Peterson, then EDA Midwest Regional Director in Chicago and a former Republican legislator from Illinois, was named to the post by a narrow margin of the board. The split vote did not give Peterson much comfort, but he resigned his federal post and took over CUED's reins in September after having been assured by Kelly that everything would be resolved.

Impact on Federal Funding and Policies

It was during the late 1970s that CUED, working with the Carter administration, had its greatest impact on federal funding and policies. It also expanded its training and community advisory services, visiting over 20 cities to provide help and advice. It embarked on an ambitious research agenda, including finishing up its first major study, begun under Fry in 1975, for HUD. This study, entitled the "Community Economic and Manpower Development Linkages Study," pointed up the need to integrate the newly fashioned Community Development Block Grant program (CDBG) and the Comprehensive Employment and Training Act (CETA) legislation.

A year later, HUD funded CUED to undertake a seminal work in economic development research, a 21-case-study book called "Coordinated Urban Economic Development," which documented successful local economic development strategies, programs, and projects throughout the country. This study helped establish economic development as a legitimate function of local governments in conjunction with the private sector and earned CUED a respected place in the economic development research community.

Jim Peterson remembers that "when Carter's new deputy assistant secretary for economic development, Bob Hall, took office, he spent three days at CUED getting

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1974—Senator Hubert Humphrey calls for an "Agenda for Economic Action"



1984—Then Vice-President George Bush addresses CUED's Awards Lunch.

briefed on the condition of urban economies and existing federal, state, and local programs." Briefed by a CUED staff experienced in the ways of Washington grantsmanship, Hall soon approved a three-year grant for CUED, giving it, for the first time, the luxury of long range planning and programming."

Says Peterson. "During that time we formed advisory groups to HUD, EDA, and even the White House relative to program development and evaluation. CUED met regularly with the secretaries of Commerce and HUD, and had close relationships with Carter's two special assistants for domestic policy and state and local relations, Stu Eisenstadt and Jack Watson. We were perfectly positioned," remembered Peterson, "to become the urban spokesman with Carter coming in. CUED had a hand in every urban economic development program to come out of HUD or EDA at that time."

Walt D'Alessio, then head of the Philadelphia Industrial Development Corporation, became CUED president in 1978. D'Alessio brought with him an urbane smoothness matched with big city savvy and represented CUED before dozens of congressional hearings, national conferences, and federal briefing sessions. Now President of Latimer and Buck, a Philadelphia mortgage brokerage house, D'Alessio remembers the late 1970s as "a time of innovation . . . it was almost a competitive situation between HUD and EDA as to who could deliver the best economic development programs to cities."

"In fact," says D'Alessio, "there was one CUED conference I remember when Bob Embry of HUD, in his laid back and laconic way, explained a new HUD development initiative, and George Karras of EDA went bananas. George rushed back to EDA, burnt the midnight oil, and reappeared the next day with a new EDA program to top that of HUD. This was also a time when big city mayors like Henry Maier of Milwaukee, Tom Moody of Columbus, and Don Schaeffer of Baltimore would sit with us to work out our federal urban strategies."

"But the greatest value of CUED in those days was that

it was a meeting place; its members were always willing to share information on how to get things done."

Working Effectively With the New Policies

But all of CUED's federal access was about to end. Ronald Reagan took over the White House in 1980. At that time, CUED had a membership in excess of 1,200, many of whom joined during the previous three years as CUED's effectiveness in dealing with grants, providing training, and assisting local development entities became well known. The new administration immediately targeted EDA for termination and prohibited public funding to Private Interest Groups (PIGS), such as CUED, without top level review. Though there was great political pressure, CUED stayed out of the storm of protests made by other national organizations over the EDA decision, and attempted to find a way to work with the new policies.

In 1980, CUED elected Ron Kysiak to succeed D'Alessio. Kysiak, formerly economic development director of Milwaukee, had moved to New Haven, Connecticut, in the same capacity. He and a core of board members held firm against getting into a major confrontation with the new administration. Rather, they recommended a professional detachment from the politics and a hard push to retain what funding they could to cities, and to CUED itself.

CUED's quiet discussions with the new administration paid off as EDA continued to receive congressional support which allowed it to fund CUED, though on a slowly diminishing basis. But CUED's days of access to the White House were over, as well as its preeminent role as *the* designer of urban economic development policy. With the administration's efforts to get out of the economic development business and shift development assistance back to the states, CUED began looking to form state chapters to help its members more effectively lobby for state-wide programs. It also directed its staff to seek other forms of support to replace anticipated federal funding cuts, such as increased community advisory services.

Interestingly enough, while many urban development practitioners were bemoaning the withdrawal of the federal government from direct economic development funding, the administration and Congress unintentionally created the most effective urban development program to come out of Washington since the New Deal. Faced with a deepening recession and climbing interest rates, Congress passed the tax act of 1981 which created accelerated depreciation schedules for rehabilitated buildings, doubling tax write-offs in some cases, such as historical structures.

Urban centers were filled with old, underused or empty buildings in those days. It didn't take long for developers to find them. With the newly created Urban Development Action Grant Program (UDAG) to provide additional equity through grants, central cities witnessed a massive physical renewal. This renewal was tied to leveraged public dollars, private investment, and a proliferation of tax shelter syndications which built everything from hotels, to festival marketplaces, to convention centers—whether the market

needed them or not. Bob Embry, who under Carter had created the UDAG program, was no longer in HUD, but his successor, Steve Bollinger, operated the program efficiently as Congress continued to fund it over the objections of the administration.

Jim Hankla, elected CUED president in 1982, brought with him a background in public service in Long Beach and private development with the Virginia Peninsula Development Corporation in Virginia. Hankla, along with Kysiak, had been a major architect of CUED's strategy to remain neutral in the fight between the Reagan administration and Congress over EDA.

"We needed to get over the hump of the administration and become more self sufficient," said Hankla. In those days almost 70 percent of CUED's funding came from federal sources." Now City Manager of Long Beach, Hankla recalls how he tried to sensitize CUED staff and others to the coming market driven realities of urban redevelopment. "I was really gung ho on asset management; cities had all kinds of properties which could be creatively leveraged to provide sources of funding and new development. UDAG was not the answer; it was a subsidy, not market driven."

The Practitioner's Changing Role

That first four years of the Reagan presidency did not impact urban economic development as much as had been feared since many programs had multiple-year funding and a great deal of inertia in Congressional support. In addition, many cities were feeling a strong current of renewal because of the administration's real estate tax policies.

But as 1984 saw Reagan's reelection and an amended tax law, favored urban programs began to be totally dismantled or reduced to a shadow of their past size: CDBG was funded at smaller and smaller annual amounts; CETA became JTPA and moved training and employment funds out of local political control to the private sector and the states; UDAG diminished yearly; EDA was restricted to maintenance grants and no new initiatives; revenue bonding was cut back and made subject to sunset provisions; and public works grants became more difficult to get and required greater local congressional pressure than ever before.

Gary Conley, development director for Mayor Voinovich in Cleveland, took over CUED's presidency in 1984 and felt like the boy on the burning deck. "We knew we had a huge problem as an organization. We were losing our members as federal funds dried up."

The board decided to have a retreat in 1986; it was an attempt to come to grips with the way the practitioner's job had changed, and how to best support him or her. Recalls Conley, "Once we disposed of our eternal argument—that being whether CUED should keep the U for urban—we got down to business and developed a game plan. It was plain; we were going to have to move toward becoming much more of a membership driven organization."

During this period the CUED board decided to create a joint research arm with Northwestern University to undertake basic research in economic development. This new entity, called NCI Research, was to look at long-term

economic development issues and provide continuous information for practitioners. Jim Peterson asked to head up this new, Illinois-based entity which began to research basic economic development questions on the underclass, the agglomeration of regional economies, and other broad based economic issues.

Peterson left CUED at this time to head up NCI and the board launched a search for a new executive director to carry out its new mandate.

The board was still looking in June 1986 when Tom Blanchard, executive director of the Greater Norfolk Corporation, was elected CUED's president. Membership continued to drop as CUED staff was downsized to match its shrinking federal support. Blanchard had joined CUED in 1976 under an EDA 302 planning grant. Like many others, the EDA 302 program provided new practitioners with access to CUED and its array of publications and peer support.

Blanchard remembers, "Our newly elected mayor, Vince Thomas, was a great fan of CUED. He told me he used the ideas he found in CUED literature to devise his development policy for Norfolk."

"By the time I came on board as president," says Blanchard, "CUED had still not fully adjusted to becoming a member-supported organization. At least two-thirds of our budget was still federal money. We were trying, but we just couldn't downsize fast enough." That summer the board hired Jeff Finkle, current CUED executive director, and former HUD official in the Reagan administration, involved with managing the CDBG and UDAG programs.

"In 1986-1987 we made a major change in CUED's orientation, away from federal program advocacy and more towards a market driven organization. We livened up our conferences and tried to respond more to what members wanted. Jeff Finkle brought his background in marketing with him and it helped a lot."

By 1988 most of what the Nixon and Carter administrations had put in place to nurture urban economic development had been downsized or dismantled. CUED quietly opposed each reduction, but at the same time tried to work with administration professionals in EDA, HUD, Labor, and Transportation, commenting on legislation where it could, effecting meetings between its members and federal bureaucrats when possible.

Finkle moved to reduce CUED's expenditures as federal grants continued to shrink. Just as cities had to tighten their belts, so too did CUED. Its board continued its series of retreats, trying to clarify CUED's role in a substantially changed world. Those retreats were led by Marilyn Swartz Lloyd, head of the Boston Industrial Development Corporation and soon to be elected CUED's first woman president in 1988.

Out of these retreats came a clearer idea of CUED's mission: Continued liaison with federal agencies, enhanced training for CUED members, access to and distribution of published information affecting development professionals, less advocacy, more practitioner support through an increased number of technical conferences, and an orientation toward public/private partnerships.

In 1989, CUED and NCI parted ways as board members

Looking back to 1967 when Ed deLuca was too busy fighting fires, both figuratively and literally, to get his invitation letter out the door, CUED has had a major impact on the way our nation's cities have developed.

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of CUED felt that the research being generated did not have enough practical applications for development professionals faced with day to day program management.

Swartz-Lloyd had been chairman of CUED's Policies and Issues Committee, a position most CUED presidents held before being elected to the top post. Her interest in policy never waned, even when it was obvious that CUED had to reconcile itself to operating more like a business. "We were at a crossroads," says Swartz-Lloyd. "We had grown up with CUED's policy orientation but now we had to spend most of our time on marketing and conferences in order to generate operating revenue. In the past our federal grants had allowed us to evaluate policy issues without risk of financial difficulty. Those days were over."

Swartz-Lloyd, now President of Beacon Management Company of Boston, put it succinctly, "We were thinking policy, but we were doing business." And Swartz-Lloyd still feels strongly about ideas, "presidents of CUED have been chosen because they were excited by ideas and the possibility of turning those ideas into action. Our board believed we had a role to play in making the world a better place, a place where the idea leads."

At that same time, on a more mundane level, a special CUED board committee met with board members of the American Economic Development Council (AEDC) to discuss possible merger options, yet another response to the tightening level of financial support for such organizations. Ironically enough it was Ed deLuca's confrontation with AEDC's parent organization, the American Industrial Development Council (AIDC) back in the mid-sixties which generated the idea of the HUB Club. At that time deLuca and other urban development practitioners approached AIDC's board of directors, with a request for an urban sub-group within the organization. They were rebuffed, and so generated the seed that became CUED.

The 1989 discussions were a replay of similar feelers sent out by CUED in 1984—the organizations were just too different in culture and orientation to exist as a single animal. All discussions were dropped by 1990 when Victor Grgas of Forest City Enterprises was elected to the presidency—CUED's second California president and its first private sector head.

Looking Ahead

Today, CUED has about half the number of staff it had in the early 1980s—and it's had to reorient its resources. "CUED has been able to continue to maintain a high level of services to its members while experiencing shrinking resources," says Grgas. "We now spend much of our time on focussing on the cutting edge of development issues and then bringing them to the forefront in our publications, conferences, and technical reports. Issues such as the structural underclass, the effect of the global economy on local economies, technology transfer, and university/business linkages are all examples of issues CUED brought to its members in advance of anyone else."

And what of CUED's future? Says Grgas, "CUED will always have a strong future in communicating information needed by its members to do their jobs in a more professional manner. But what I would like to see CUED spending more time on are the issues just over the horizon, the kind that come and hit you square in the face before you know it. Some of these are telecommunications and its impact on the global economy; technology transfer and development and its effect on job generation and location; changes in the work force, such as increased longevity; and, other urban dynamics which will require a federal policy response. When that time comes, CUED should be ready to give our counsel, whether its listened to or not."

Working closely with other organizations, CUED continues to speak for the urban economic development practitioner—though a number of its members are now from rural areas. And it continues to talk with Congress and federal officials, most recently on the benefits of CDBG funds in supporting economic development projects. CUED continues to work for legislation which can help its members do their jobs quicker, smarter, and more efficiently. And CUED still is partners with EDA on a number of fronts.

But CUED today spends most of its time and resources in providing its members with the latest information on techniques and programs dealing with bread and butter economic development issues such as business retention, organizing for development, strategic planning and creative financing. It produces an expanded *Developments* newsletter, a quality journal in *Commentary*, and an international economic development report. It also continues to publish technical reports and surveys, such as a salary survey for development professionals, and a major organizational survey of 35 metropolitan areas. Says Jeff Finkle, "Our greatest asset is our stockpile of publications going back 20 years on almost any subject dealing with economic development."

Looking back to 1967 when Ed deLuca was too busy fighting fires, both figuratively and literally, to get his invitation letter out the door, CUED has had a major impact on the way our nation's cities have developed. This includes the legislative and professional programs practitioners find in their toolboxes today: CDBG, HUD 108, SBA 503, 504 development corporations, EDA revolving loan funds, industrial revenue bonding, public-private partnerships, business incubators, OEDPs, community development corporations, MESBICS, enterprise zones, and other private and public programs now known by many different names.

It was CUED that made the case for public intervention in the development process back in the late 60s and established the professionalism of the economic development practitioner. And it is CUED today that is still helping practitioners to learn what they need to know in order to do their jobs better.

It is probably no accident that the most recent CUED Members Survey lists business retention as its highest priority. That's something Ed deLuca would have understood only too well.