

Interview

with

Melvin D. Bethel

June 1, 2006

by David Cline

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The Southern Oral History Program
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MELVIN BETHEL
June 1, 2006

DAVID CLINE: Okay, good morning. This is David Cline again in Louisville, it's June the 1st now. I'm meeting with Melvin Bethel again, and I wanted to pick up where we left off talking about HUD [Housing and Urban Development].

MELVIN BETHEL: Okay.

DC: Just after we stopped recording last time, you and I were just talking a little bit more.

MB: Right.

DC: And we were talking about really the influence that the HUD rules ended up having, the effect that it had.

MB: And the effect on communities. When I first started working at HUD I was in the Fair Housing and Equal Opportunity division, and I worked in that division for eight years, and we were charged with the responsibility of enforcing Title VI and Title VIII of the Civil Rights Act. Primarily what we did was, the emphasis had gone from revenue sharing to community development block grants. What the rules stated was that any portion of federal funds that a city received therefore invoked Title VI and Title VIII of the Civil Rights Act, Executive Order 11246, all of the so called civil rights applied to the community block grant program. So there were communities all over the state of Kentucky. Some were what were called "entitlement communities," and they got those funds through the fact that they were entitled based on their rate of poverty, unemployment, age of housing, the poverty of the community as it applied to sewer and water systems. And so as a result of that the larger cities like Louisville, Lexington, Hopkinsville, Orangeboro, Paducah, those large cities were entitle to a certain amount

each year. The smaller cities had to apply through grants to us, and therefore if they were awarded funding based on their program design then they would also get community development block grant funds. What happened though as a result of that prior to them receiving the funds [was] we, employees of HUD, would have to go in and review the community, talk to the city officials, but more than that talk to the people in the black community to find out what if anything had been done in the black community, and in most cases it had been neglect.

DC: In terms of what had been done there in the past?

MB: In the past, right, and in applying for and in receiving grants. And, of course, it was understandable because the cities being small, not having much of a tax base or economic development, did not or were not able to do anything in the black community. Not only that, besides that it was not something that they, I'm talking about the city officials, even thought about because we're talking coming out of the 50s, 60s, and talking about the 70s and 80s, and they did not have the resources to do it.

DC: Right, okay.

MB: So what happened as a result, once they began to get funding then it was my division's charge to go in and find out how that money was being spent.

DC: If I could just ask about that assessment phase?

MB: Sure.

DC: While you were deciding whether or not to give the grant, and you went and spoke with members of the black communities, how would you find folks? Did you go through leaders or what were your methods of doing that assessment?

MB: What we were trained to do, and I guess a lot of this had come out of the civil rights movement, was that we were trained by the regional office the first place you go is to the churches. We would go to the churches, talk to the minister. He would know who was head of the NAACP. A lot of times he might be the president, okay? We would go to the churches. We would go to any community centers if there were any, and we would go to city hall. And in most cases in city hall they may have one or two blacks working in city hall. It may not be a professional position. It may be a menial position, but at least there was somebody we could talk to. Of course, it was very surprising to the people in the smaller communities when they see these guys, being me and a couple of others, blacks in shirt and ties coming in and asking them questions. Of course, some of—.

DC: Did you have white colleagues as well, or was this a mostly black team from HUD that you were with?

MB: This was mostly a black team, unfortunately. The region, except for South Carolina, had a couple of white employees in their fair housing and equal opportunity. It primarily was a division staffed by blacks mostly, except when you got out west and moved further out, but of course, they were not in our region. But on a national level when we would go to Washington I would get a chance to meet, but for the most part it was mostly black employees in those divisions because we, and I'm saying we meaning blacks, had more of a commitment to make changes and to enforce those laws.

For some reason within the southern region, within region four which we were in which was comprised of Atlanta, Florida, South Carolina, North Carolina, Kentucky, Tennessee, and that was it. That was in the fourth region. So when they would see us

come in they would think, well, first of all, who are these guys? Secondly, are they going to cause trouble and then leave? What we would basically do is that we would schedule meetings later to discuss what they thought needed to be done in the black community. We would tour the area, look at the housing, and different things like that. We would also go by and talk to the people in public housing because public housing was a means of housing a lot of the minorities in these small communities because a lot of them had come up from the south, and they were living now in public housing.

DC: Would you go door to door or would you go through leaders?

MB: Well, we would go through leaders, and the leaders would direct us to certain houses, give us the addresses or telephone numbers, and tell us that certain ones worked, and go see them after work and stuff like that. And we would spend two or three days in the community fact finding, gathering information, and getting an overall picture of what the community was like. So once they were funded -- and in their program design they would tell us what they were going to do, water and sewer lines, street lights, sidewalks, and different things like that, their award was based on the fact that they had a high rate of poverty, unemployment, aged housing, all of those things -- but a lot of times once the officials got the money they would divert the funds to downtown, and the regulations specifically stated that they could not do any kind of projects in the downtown area until they had put their money in the communities that were the worst off.

DC: Right.

MB: So we had very difficult times in the early and mid-70s trying to not *convince*, but to *make* the city officials understand that it wasn't business as usual. You can't do that any more. You can't put the money downtown for the street lights, and the

new sidewalks, and for the city hall. Money couldn't go in for that. You've got to put it out in the community. And so we ran into a lot of resistance because you can imagine the politicians would all know who the director was because in most cases if the Republican administration was in, then we had a director who was a Republican. When the democrats came in, then we got a director that was a Democrat. So they knew, the city officials in all these communities, knew the director because he was, or had probably been, a politician at some point when he was selected for that job. So we would run into a lot of resistance because the community development division and our division would have to meet to iron out any problems that we would submit to the director for a review, and we would say, this is what we found out, and then community development wanted to fund it, and then we would have to have in-house discussions about how we're going to work this out. They couldn't put money in the community unless we signed off. We had to sign off on all funds that were going out into the state.

DC: What was the name of your office?

MB: The U. S. Department of Housing and Urban Development, but our division was Fair Housing and Equal Opportunity. For short it's FH and EO. In every HUD office they have an FH and EO division, and if you encounter discrimination, if you're trying to buy a house, you can go to HUD FH and EO division and file a complaint. So it's in every office across the United States. There's a Community Development Division. There's a Housing Division. There's a Public Housing Division. Some of that may have changed, but I think it's still basically the same.

DC: Now did you have much to do with EEOC [Equal Employment Opportunity Commission] folks at all?

MB: No, not at that time. We had very little to do with EEOC. The only other division outside of HUD, the agency that we had some dealings with was the Transportation Department because the Transportation Department—which I found kind of odd—they would call us often and say they're getting ready to do a road down through, and they would name the cities, I-64 is going to be completed. We've got some information that they're not treating the blacks too well, and they're not getting the jobs. Can you all research that for us? So we would go and look at what the situation was in that part of the state and give them a report. But, other than that, that's the only two times that I really had any dealings with the EEOC or anybody like that.

DC: Now when you did fund these projects, and then Title VI and Title VIII kicked in, can you just tell me about that and what that meant for minority hires and then how you assessed that?

MB: What it meant was that in just about every community that we went to including Lexington, especially Lexington, and Louisville, all the minorities were confined to low level positions, garbage disposal, janitor in the city hall. Let me see, maybe a clerk or secretary. So probably very few, if any, in the police department and the fire department.

DC: Right.

MB: So around about '75, '76, '77, somewhere in there, mid-70s, affirmative action kicked in, so we had to get trained in affirmative action, and what it meant, and how it should be applied, and who should benefit. Before that the emphasis was not so much on gender as it was on race when it first came out. Basically what we did was—I'll just give you Lexington for an example.

When we went to Lexington, Lexington probably had a city force of maybe three hundred, that's in all of their departments including fireman, police, because Lexington is not really that big. It is big area wise, but as far as administratively it's not really that big, but the important thing was that there was only one black person in the whole administration. I'm talking about in the 70s.

So we first had a meeting with the community development director, and then we had a meeting with the mayor. We basically told them that the six or eight million dollars that they were getting for community development was going to be cut, or reduced, or withheld unless they increased their minorities in the fire department, and the police department, and in all administrative divisions within Lexington. Well, you would have thought that we shot the president. By the time we got back to Louisville they had called, and they wanted to know who are these guys, and what are they talking about, and blah, blah, blah, this and blah, blah, blah that, and the director just told them that you take this money you've got to do all of that, and they'll work with you and help you find people.

Well, you know, of course their thing [was,] well, they couldn't find different people, and this and that, so they claimed. They were not qualified. I would have to say that after maybe ten, twelve years the whole face of Lexington changed. In fact a young lady who used to be the finance officer of Community Development for the City of Lexington is now the director, and she is a black female. People who did not even have a chance at getting a job are now rehab specialists or different other things within the city government.

So that was one particular city that I was really proud of having worked with and seeing them change because of the fact that Lexington is probably wealthier than

Louisville in terms of the number of millionaires, the horse farms, so you've got that mentality. It changed quite a bit, and the blacks in Lexington were not as aggressive as the ones here in Louisville. They were kind of reluctant. I always said that they operated under the master/slave mentality, much different than it was here in Louisville. We saw a tremendous change there. I think they've even got now an assistant police chief and several blacks are on the fire department, so we saw a tremendous change in Lexington.

We saw a tremendous change in Orangeboro. Orangeboro is maybe 160,000 people, but when we first started going to Orangeboro in '73, '74 you couldn't even find a black in the whole of city hall, nowhere, nowhere. And then when they started getting the money, when I left a young lady was calling me from a little city north of Orangeboro called Hallsville, Kentucky. She was calling me about problems they were having in Hallsville and wanted us to come and look because they wanted to apply for a grant. We went down. I never will forget it because she worked for a company called Nescoway, the Nesco people that make chocolate, and the reason I remember her, her name—well, to make a long story short. She moved to Orangeboro. She's now the Director of Community Development for the City of Orangeboro. You will probably see her on TV. Her name is Alma. I can't remember her last name, but she sings with the Billy Grahams. I didn't know at the time that she could sing, but we've stayed in touch over the years. She eventually moved to Orangeboro, and worked in the community development department. She was the affirmative action officer, and then eventually she got to be the director. Those are the kinds of things that I saw and that I've come to realize that I did have some impact.

Even here in Louisville. Let me just tell you here in Louisville at that time when they submitted their affirmative action program to HUD most of their employees were in sanitation. They had maybe a few policemen, but none of them really had any rank. The same thing with the fire department. The same thing with just about any department, but once they began to receive the money, and they saw what this money could do—you're talking about millions of dollars, and we threatened to withhold it or cut it in half—then they quickly began to find people. I'll just tell you having eventually left HUD and then went and worked with the city that I can really see a difference in what I first saw in the early 70s and what I'm seeing there in 2000, that the whole thing has changed, and as a result of that community development block grant money it has really made things open up.

DC: In what ways do you mean?

MB: In terms of hiring minorities.

DC: Right.

MB: On the staff, and not only hiring them, but hiring them in positions that pay real money.

DC: Right.

MB: A living wage. Just last week, and I wish I had the paper but I may have thrown it away, the City of Louisville last year got 10.5 million [dollars in] community development. This year it's cut in half, 5.5 [million dollars]. So my question now would be who's going to be hurt the most in terms of those cuts? Because somebody's got to go. You can't very well slash a budget in half, especially five million dollars, 5.5, and not have to lay off quite a few people. So my question now would be who's going to be

hurt by that? Are we going to go back to those times prior to the 70s, because there's quite a few people that are working, not only in housing but in the finance department, in sanitation, police, fire, all the different departments within the City of Louisville, so it'll be interesting to see what happens. I hope that it's not the kind of thing that we saw the pre-70s when there were hardly any minorities represented in most departments. It will be interesting to see because the enforcement is not the same as it was when I was there as it is now. Now it is, "let's work with them and try to see if we can't give them a chance to see what they'll do." Before it was the long arm of the law. "We're here to help you, but if you don't do it here's what's going to happen so you might as well go on and do it." That was the message, but it's somewhat changed now so I don't know what it's going to be like.

DC: And what kinds of things were these community development, the grants, what kinds of programs did that support?

MB: What it was it basically created decent, safe, and sanitary communities. And when I say that, that was our phrase, our catch word, to create decent, safe, and sanitary communities. What it did was, first of all, you've got to realize, and I didn't realize it because having grown up in Virginia in the city, but as we got out into the hinterlands, out in the smaller communities, there was a lot of housing without bathrooms, sanitary sewers. What we did, we had a rehabilitation program, and we would help the cities set them up, and they would go into say a black community and upgrade. They would first put in sanitary sewers, and then they would upgrade the houses street by street and put in bathrooms, put in kitchens, raised a lot of the houses,

put them on a foundation, weatherize them, paint them, put in windows and doors, just rehab a house to the point that it was almost brand new.

DC: Right. These are private houses rather than public houses.

MB: Right. These were private houses, but these were federal funds. That was paid for by the tax payers so therefore it went right back to them. In some cases in the early years of the rehab program the home owners, based on their income, didn't have to pay anything back. Now they've changed it to in most cases you can get a five thousand dollar grant, and then anything over five thousand based on your income you have to pay a portion of it back.

DC: Right.

MB: But back then you didn't have to pay any of it back, and it was basically free, no charge to the home owner. Then they would put in new streets because a lot of times it was dirt roads, put in new streets, lighting, sidewalks so it would make the community a lot safer in terms of people being out at night. They weren't afraid. They could see. The thing that was interesting too, David, was that it wasn't just in the black community, it was in the poor white community as well. We got a chance to see—and in some communities there were hardly any blacks, like take Pikeville, Kentucky, for example, where maybe there were a hundred and some blacks living. Most of my dealings, well, I dealt some within the black community, they were substantially better off than the white community were, so most of my emphasis was going into the white community and making sure that they had sidewalks, sanitary sewers, that they had rehabilitated houses.

DC: When you went into the white communities, so two questions I guess. One is did you have different strategies or the same strategies for reaching people?

MB: No, it was the same strategy because what I found out was this: once the community, whether it was the black community or the white community, once they knew that we were from HUD, and that we were responsible for the city receiving a certain amount of money, both communities were astute enough to know that if we talked to this guy and he understands what they are doing to us or not doing for us we can get something done.

DC: Okay.

MB: So whenever I would go into town, and they would see me, or they knew I was in town, they would call my hotel and ask to meet with me.

DC: Right.

MB: And they would come and meet. We would meet, and we would talk, and I would take notes, and I would tell them, and they would say, "No, they didn't do this, and they were supposed to do this the last time." So the next morning when I'm meeting with the mayor I'd ask him all these things, and he would say, "We didn't do it, but we're going to do it next time. We're going to do it, and this is what we are planning to do." He would pull out all his maps, and he would show me, so when I would get back to the office I would write up my report and send it over to community development and let them know that they needed to send their people down who were in charge of that city, who had administrative oversight of that city and that grant, to review or look at these allegations raised by the citizens. If they went down and looked at it, community development, and they didn't see anything wrong or they didn't think it was worth

investigating then the people who had met with me then they would ask me, what should they do? I would say, well, you can file a complaint, and if you file a complaint then we have to send somebody down to investigate it. And they'd say, "That's what we're going to do. We're going to file a complaint because we don't think they did this, this, and this with the money like they said they would," and so then they would have to write it up, and we of course were there to help them write it up and everything, and they would file a complaint. In some cases we would halt the funds that were going into that community. In some cases we would let the funds still go, but we would not give them anything for the next year. It would all depend on what was most effective in getting that community to really do what was best or what they said they were going to do with those funds.

DC: Now, were you in charge of the investigation, too, responding to the complaints, or was that another—?

MB: There were two of us so not all the time would I be the person that would go back. It might be the other person, and I might go somewhere else because we had the state sort of cut up. I had a certain territory. He had certain territory, and then the other guy had certain territory, so it was based on that, and also based on the case load because also during that time we were actually investigating complaints in employment as well as housing discrimination. That was employment as it related to employment within a city that received community development block grant funds.

DC: Right. If they weren't complying.

MB: Right. If they weren't complying. Right. If certain people had applied for jobs, and they didn't hire them, and they would hire somebody else, and maybe you were more qualified than the person that they gave the job to we would investigate that. But

mostly we'd investigate housing discrimination complaints for people who were trying to move or buy a house in a certain neighborhood, then we would investigate those complaints.

DC: Did you work with realtors? Did you talk with realtors some?

MB: Oh, yes.

DC: Okay.

MB: We would have meetings yearly, monthly with the realtors, home builder's association. And also, David, the other thing was that when they would be building, when they would build projects with HUD assisted funds, federal assisted funds, then we would get complaints from the building trades, from black guys saying they went on the job site, and the man wouldn't hire me, and I'm qualified, and this is non-union, and then we would have to go to the job site and ask the man, "Let me see your affirmative action [records]."

I remember going to Lexington. As I think about it I would say, man, I was crazy. I shouldn't have done that. But anyway, they were building a high rise, elderly apartments. I went on the site, and they guy gave me a hard hat, and he said, "Well, the super is upstairs," so I go upstairs. I told him, I said, "You sent in your affirmative action." He said, "Yeah. I got two American Indians." I said, "Oh, okay." I said, "Well where are they?" So he brought them to me. Now, David, they could have been American Indians, but I don't know if you're American Indian, but they looked just like you. I said, "Oh, these are American Indians. Okay." Before I could get back to Louisville from Lexington he had already called the office director. He wanted to know who was this guy coming on the job site, and this and that? I thought about it. I said,

well, I shouldn't have been up there on the tenth floor asking this guy. Anything could have happened.

We used to investigate a lot of complaints from building trade workers who were trying to get jobs on HUD-assisted projects where the general [contractor], when he was awarded the contract, he had to come to a preconstruction conference. At the preconstruction conference me or one of my associates would explain to him what he had to do, how many subs he had to have, how many minorities he had to have, and he would say he was going to comply with that. Well, we would call him and tell him we were coming up to look at the job. A lot of times the only guys that he would have would be the guys that were cleaning up, laborers. We would tell him, "No, that's not good enough. You promised that you would have some in every craft." And would say, "Well, the union didn't send me nobody."

DC: Was that a requirement that it be spread out over different crafts?

MB: Yes.

DC: That was required?

MB: That was a requirement. Right. Yeah. And in most cases it started out early at ten percent of the total job. We had a more difficult time, David, trying to enforce that because we didn't have the power to really stop a job that was in progress because too many things came into play from an economic standpoint.

DC: Right. That's why I would think the monitoring, you couldn't be on the ground in all these cities all the time.

MB: No, but on a weekly basis they have to send in their workforce [reports].

DC: Oh, okay.

MB: Okay. On a weekly basis they have to send in their workforce information, how much they are making an hour, and there was another division called Wage and Hour that looked at all of that that had to go to the Labor Department. When they looked at it then they sent it to us, and it would indicate on the form who was minority and who wasn't. That way we could look at it and see. A lot of times we would have the contractor come back in. He would come back in because they tried to really, I think, a lot would work with us primarily because it was a lot of money.

DC: Yeah.

MB: You've got millions of dollars on a high rise. And they didn't want to be sanctioned which meant they couldn't get any more federal [money] if they got debarred. They didn't want to be debarred, so they would say, "If you find somebody, and you sent him to us I'll hire him. I'll put him on the job." And we would. We would find people. Like in Lexington we were finding guys, and we'd send them on the job, and they would work throughout the job.

DC: Hum. Now would you go—?

MB: Our problem was that when that job closed then the guy was out of a job.

DC: Right.

MB: The man wouldn't pick them up. But that wasn't his fault. That's the building trades, and that's something I don't think in my lifetime we'll see it open up like it should. You know, it's father, son, father, nephew. It's just kept in the family, and it's hard to break that, and then on top of it we've sent guys, and they'd beat on the guy, and they'd run them off. They harassed them so. They'd come and say, "Man, I couldn't stay there. They were always messing with me, and the next thing you know I'm getting

ready to fight. I can't beat ten or twelve guys, so I just didn't go back, I was there alone." So whenever I would find somebody I would send two. We learned early, no, you can't just send one, you've got to send two. If you send two then you've got two guys that can go and eat lunch together. They can sit over there and eat lunch together because the other guys don't want them to eat lunch with them, and they've got each other's back. That was a difficult one.

We got some jobs on a temporary basis but not long term. The real issue was when the—what is now Fourth Street Live -- it used to be The Galleria, and it was a glass encased shopping center downtown. Now we were really able to institute affirmative action in that project. Like the lady who supplied all the glass was a minority lady. The guy, one of the electricians was a minority. One of the plumbers was a minority, so we got several minority subcontractors. That was a 125 million dollar project, so they got some really, really good contracts out of that.

DC: Um-hum. Now did you work directly with union officials at all, or was it mostly through the contactors?

MB: No, it was through the building trades union. They have, what is it called, an association of building trades. We worked directly with the president or his subordinate to try to get them.

DC: Okay.

MB: There's the lady that does the—.

MRS. BETHEL: Oh, I didn't know you had a visitor.

DC: Oh, you're the gardener.

MRS. BETHEL: Yes. I'm all messy.

DC: I've been telling your husband how much I admire your garden.

MRS. BETHEL: Thank you. I love doing it.

DC: My soon-to-be wife would flip over this.

MRS. BETHEL: She likes gardening?

DC: Oh, yeah.

MRS. BETHEL: Fantastic. Good. It takes away stress. I'm a school teacher, and I've been out for almost a week, and my stress is almost gone.

DC: Oh, it's beautiful.

MB: Um-hum.

DC: So, I guess one question that comes to mind is, in your mind do you see this work, basically the impact that the HUD programs had in enforcing the civil rights acts, do you see it all as then part of the civil rights movement to some extent or as a legacy of it?

MB: Oh, most definitely. Most definitely. It was the impact, I guess you might call the silent impact, silent in that the average person didn't know that we had that kind of power to force cities to upgrade their workforce and to hire minorities and women, and that if they did not put the funds in the neighborhoods that were the most in need that they would get reduced or cut funding. That was a part of the civil rights movement [in] that once you got people ready to move into mainstream, that we provided the impetus for them to feel good about moving because now we have taken and provided decent, safe, and sanitary neighborhoods by putting in the sewers, putting in the sidewalks, putting in the lights, and rehabbing their houses. Once they could do that, once they had a decent house to live in, and we're providing the impetus for them to get a job maybe at

city hall or one of the departments through the city, then they could do stuff on their own to keep their house up and to prepare to get their kids to go to college. So it was a tremendous impact, tremendous.

I sit here sometimes and think about the things that we did in some of these communities when I first went in and then four or five years later and I went back. For example, the city that my wife is from, Mt. Sterling, Kentucky, probably in the 80s they got a grant to do some rehab on some houses, and her mother's house, although her mother was no longer living at the time but her brother was living in the house, her mother's house got rehabbed. It got raised, rehabbed, siding put in, new bathroom, new kitchen, the whole bit. Not only did her mother's house but the whole block, and they put in streets and sidewalks. They had had a creek that used to flood, and I mean flood really bad, and they got funding to fix that and to build a new bridge over it. The bridge was rickety, and it was at the mouth of the black community, so it got fixed. You wouldn't believe that it's the same bridge.

But the impact that it had in terms of the civil rights movement, I think it made a lot of people in these communities realize what a concerted effort would do if they all worked together and if they petitioned the city officials. And it also made them understand the power of the vote because people began to see that if we vote, and we vote in strong numbers, then we can eventually get people in office, but we can also elect them out of office.

DC: So it really helped to strengthen the community both physically and—?

MB: Right. Physically and psychologically. Right. It really did. It really did.

I'll just tell you for example, I had been married to Wilma maybe, let me see, maybe

eight years, and so when Mt. Sterling got a small city's grant to do rehab and to do sidewalks and also to do the creek, people knew of me working for HUD, but when they saw me during the week coming in they were like, oh, we're going to get some money, [Both laugh.]

MB: It was like they would start asking Wilma, "Why is Melvin coming in here?" She said, "He is coming because Mt. Sterling got a grant to do rehab, and they're going to be doing rehabilitation of Tenny Hill, and they're going to put in new sidewalks, and then they're going to rehabilitate the gym." The gym was a part of the school that had gotten burned down in a big fire prior to integration I think in the late 60s, and they did get money for that to be used as a recreational center for the black community.

So it had a tremendous impact, the HUD funding on community development block grants, and I think if you get an opportunity, probably in North Carolina, just go to some of those small cities that received community development block grants in the 80s or the 90s and you can just see some of the things that they were able to do with those funds. And probably some of those officials, who may or not be there now, will probably tell you the impact that it had.

Now when I left that division, which I did do, not because of any strife or anything like that, it was that I was trying to move up, trying to get a higher grade, and I was then later trained to be an economic development specialist, and I was an economic development specialist from the mid-80s until I retired in 92. To be an economic development specialist I had to go to Washington to train for a whole month. We were using a program called U-D-A-G, UDAG, Urban Development Action Grant Program. That was a program, David, I don't know if you know?

DC: No.

MB: It was a program where the city, if they wanted to do a major or a minor project, then the city had to solicit a developer, and with that developer work out a plan to do a particular project. They would then submit that project to us. We would review it. The developer had to promise so many jobs, and he had to promise to repay the money back to the city, not to HUD, to the city.

DC: Okay. Right.

MB: Over a period of time. Okay. So—

DC: And these were commercial developments like shopping malls?

MB: Right. That's correct. That's correct. You flew back this time, didn't you?

DC: Yeah.

MB: If you had driven I would direct you to some of the projects that I did throughout the state using the UDAG program. For example, in a place called Morgantown there was Japanese Sumatomo Electrical. They have a big bank in Japan. I think they've got one in New York, too, but Sumatomo wanted to build a wire harness plant in Morgantown to provide the wire harnesses for Honda, Toyota. Morgantown's mayor came to us and said, "Look, we've got this Japanese developer. They want to build a wire harness plant. We in Morgantown, Edmonson County, a three county area. We've got a high unemployment rate hovering around nine, ten percent. We need to do something." So we went down, talked to them, then later we met with the people from Sumatomo, the Japanese, and they told us what they were going to do. They needed, what was it, five million or whatever to build this plant, and it was a go. That was in probably around 1988. By 90 they were supposed to hire a hundred and twenty-five. By

90 they had hired two hundred and twenty-five people. They couldn't find enough from the three county area to fill all the jobs that they needed in the wire harness plant.

The mayor was just elated because—I never will forget it, Mayor Black -- he said that his community was dying, and he needed to do something. I went six months after they had the plant up, and then I went again in another six months. When I went after a year it was one of the most thriving towns. They had banks. They had car lots. They had stores that had been built for all the people that were coming from the three county area to work at that plant. And that was just one of the plants, one of the projects we did.

DC: Now do they fall under the same kinds of affirmative action guidelines?

MB: Right. Oh, yes. Right. They did.

DC: So you were doing similar kinds of work in that regard or not?

MB: Well, I didn't have to do as much because one of the things when I got to that phase of HUD programs, economic development, it seemed that the word had gotten around, and that all of the mayors knew that they had to adhere to affirmative action. They had to get minorities. When I went to that plant it looked like every one in four, there was a black person on the line. And when they would submit their statistics on how many people they hired they would list how many were minorities, how many were women, their salaries and all of that. From that particular point, the UDAG program, we didn't run into as much as we did, but, we're talking maybe thirteen, fourteen, fifteen years later.

DC: Right. But you were still monitoring it?

MB: Yeah, Right.

DC: But it has been effective?

MB: Yes. Right. Because the community development was still going on. This was just an offshoot of community development. The UDAG program, we did that one in Morgantown. We did another factory in Paducah. In Barbourville a millionaire went to the city and said he wanted to do a shopping center, so they came up for a discussion, and we all sat down, the millionaire, the mayor of Barbourville, and everybody, and they said they wanted to do a shopping center. So the first thing I ask, "Who's going to be your anchor tenant?" He said, "Wal-Mart." This was before Wal-Mart got to be the Wal-Mart it is now because we're talking maybe '88, '89.

DC: Right. Right.

MB: But anyway, it was still big to get Wal-Mart. So he said, "Wal-Mart's going to be the anchor tenant." I said, "Well, great." Anyway, sure enough, they approved the deal, my superiors approved the deal, and said, yeah, we'll go with this project. It was really, really interesting because everything that—I met the guy one day, and I haven't seen him any more, I mean the millionaire, because I started dealing with his associates.

DC: Sure.

MB: Every time I would meet with him, and I would tell him we need to do this and they need to do that, they did it. They did it. I would say, on the construction phase, we need to do this. He did it. I said, "You need to get some more minorities." Next thing I know when they send in [their forms], my boss said, "You'd better go down there and check this out." I got down there and look, and sure enough, they were there. I'm like, how did this guy do it? I mean everything that we asked of them they did it. In Barbourville, Kentucky, there's a Wal-Mart shopping center, but not only that, it just

opened it up, because there's Wal-Mart, Kroger, and maybe six or seven other stores. It was strange then because I think it was before Wal-Mart got into having their own food.

DC: Right.

MB: But there was a Wal-Mart, and a Kroger, and there were about eight or ten other little stores in there. But it opened up Barbourville. It really helped that community because it was another dying community.

DC: Looking back on these two different efforts that you were involved in under HUD, do you see any negative aspects that come to mind or things that you had hoped to accomplish that you had trouble—?

MB: No, David, because you've got to understand that at that time I was young and naïve in a sense. I had been successful in a lot of things that I had tried, and so a lot of things I went into thinking that just because it was written as the law that it was going to happen like that, but it didn't. But I didn't get discouraged. I just persevered and tried to work with people, and tried to be nice with people because there was one thing my father always told me. You can catch more flies with honey than you can with vinegar. So I tried to be nice with people, and work with them, and try to make them understand that it was going to benefit everybody, and that things were changing, and people just have to accept change whether they like it or not. I don't know whether I could have done more. I don't think so. I think I did what I was capable or able to do under the circumstances, and under the circumstances based on what I had to work with which was the law, Title VI, Title VIII, and that kind of thing. I worked hard in trying to get some projects funded that were not funded. I feel kind of bad about that.

There were some guys in London, two guys in London that wanted to open up a shopping center. I did everything I could to get them a grant, but they just did not have the financial backing. The bank was going to loan them so much, but they didn't have the money, and Washington wouldn't go along with the project. They tried, and they tried, and they were really nice. But other than that most of the projects that are brought to the table that had the financial backing of the bank and the people were going to put up their portion of the funds, most of them got funded.

There were some that got funded that maybe shouldn't have that eventually ended up in court. In Lexington two brothers called the Well brothers. They had become millionaires, and if you go to downtown Lexington you'll see they've got one shopping center and a parking garage in town, and the Well brothers were the ones who came to the City of Lexington, told them what they wanted to do. They took a whole block, a whole block, that was an old furniture store and some other stuff, and turned it into a shopping mall. It's in downtown Lexington. What street is it on? Is it on Broadway? But anyway, across the street they built a parking garage, and then next to it they built a Radisson Hotel. They were supposed to provide three hundred and some jobs and pay back something like six million over a fifteen year period. But later what happened was they got caught in some controversy with a big insurance executive, and they ended up in court. But the good thing about it was that they continued to pay the city back that money. That was the good thing.

Now, David, one other good thing about that money that the developers pay back to the cities, we would insist a lot of times that that money go for programs or assistance to help minority contractors.

DC: Oh, okay. So you could—?

MB: Right. Yes. Right. Right. And also monies to do different other things like provide money for day care so that low income women could go back to school, or to finish their GED, or to go to work, those kinds of things. So the impact of those programs were tremendous. Plus the city, you know, you can get six million back over a ten year period or fifteen year period, you've got money that you can use to do other programs and do other stuff. That was one program that I really hated to see them cut out, but I can understand why they cut it out because unlike Kentucky, and maybe Tennessee, North Carolina, something or other, when we got to New York and California and those larger cities there was corruption, and mismanagement, and developers [would] take the money and start on the project, and then file bankruptcy, all kinds of things. So after about eight years they cut it out.

DC: That whole program?

MB: That whole program. It was a tremendous program for this state. When you—let me see, is it still, is the glassed area? Yeah, it's still there. When you go downtown [to] Fourth Street Live you still see the glass that they've got. That was the Galleria. That was a shopping center. Did a project out on Sixth Street out by the University of Louisville, an apartment complex called Stationhouse Square right across from the fire station. That's where the name came from, Stationhouse Square. I did that project. At 2100 Chestnut Street I did that project. That was housing.

DC: Now, were you able to get any shopping centers or those kinds of projects done out in the west end, or was that more difficult?

MB: No. No. No. That was more difficult because, first of all, you've got to have a developer, and he's got to commit, come hell or high water, I'm going to put up two million, or three million, or four million, whatever it takes, and I have a commitment from the bank. Here it is. Here's my letter, and they said they're going to loan me four million dollars. So it was difficult.

DC: And that was the hard part, the banks?

MB: That was the hard part, yes, the banks. Yes. Right. The bank says we'll loan you two-and-half [million], and we say, no, it's got to be four. A lot of times a developer would, after he got all his assets together, it wouldn't be four. It may be three million, two hundred and fifty thousand. Well, Washington would say, no. He's got to come with four. So until you get a developer who's committed to do a project, and he can see where he can get a return on his investment, and that he can create the jobs, and that he'll be able to pay the money back, then he's not going to very well invest his time and money. And most of the developers when they came to a city and said, we want to do this kind of project, and I have a commitment from the bank, then it was almost certain that the project was going to succeed, and most of them did.

DC: Right. Going from this logic, the shopping center-type projects then for the most part probably were not in the poorer parts of the community, or is that not true?

MB: No. No. No, you're correct. The shopping centers were not in the poor parts of the community, but most of the shopping centers were in little small communities, and they were on land outside of the core of the central city. Land was cheap. Labor was cheap, and when I say labor was cheap it was because they would, more than likely, could take bids on the contract with somebody out in the smaller

communities to get it built cheaper than it could if they had come into larger cities like Louisville, Lexington.

DC: Sure. Right.

MB: At that time Louisville would not have been a good place for a shopping center because Louisville was land locked. There would be no place west for one to build a shopping center. No place for them to even think about a shopping center. Now at Eighteenth and Broadway they're talking about doing a shopping center at the old Brown and Williamson Tobacco Company, but three or four black millionaires who have, what do you call it, access to the land have not been able to develop it primarily because they haven't been able to get a good anchor tenant. They're talking about trying to get Wal-Mart, but with two Wal-Marts, one out on Preston and one out on Herschmore, and one over in Indiana I can't see Wal-Mart coming.

DC: Right.

MB: Right. In fact, one, two, three, we've got three Wal-Marts in Louisville, and we've got one Wal-Mart, a Super Wal-Mart, one in Indiana. It doesn't make sense.

DC: What about grocery stores? Are there any large grocery stores over in the west end now?

MB: Sure. There's a Kroger at Twenty-Eighth and Broadway.

DC: Oh, there is. Okay.

MB: And then there's a Kroger at Thirty-Fourth, a super Kroger they just built. Back in November it opened.

DC: That's at Thirty-Fourth?

MB: Thirty-Fourth and Bank.

DC: And Bank. Okay. All right.

MB: Um-hum. Right. Thirty-Fourth and Bank. Two others have closed, and I think maybe Wal-Mart had something to do with it, a Kroger and Winn-Dixie that used to also be across the street from the one at Twenty-Eighth and Broadway.

DC: Right.

MB: Yes. Grocery stores are not a problem. I would think that the other retail stores.

DC: (*unintelligible*)

MB: And right at Twenty-Eighth and Broadway there is a little shopping center to the east of the Kroger. It has a record shop, a dollar store, some other stores, and then some fast foods.

DC: Nail shops.

MB: Yeah, right. Yes, there you go. Right.

DC: I know my way around.

MB: Yeah, right. Um-hum. You're right.

DC: Well, good. Thank you Mr. Bethel. Anything else you want to add?

MB: No.

DC: I think we covered what I really wanted to get on tape.

MB: That part with HUD was to me a part of the civil rights movement, and part of the impact that I had and played a part in, and didn't realize at the time the impact it had. The other thing we used to do. This is one thing when you say when we would go into the community, this was an incident because when we would do investigations on housing discrimination, one of the things we would do is that we would go into—the first

place we would go would be the post office. We'd show them our little badge and everything, and tell them who we were, and we would ask them the address of certain individuals, and they would give it to us. So we would do that. This was primarily for white applicants that we were looking for. But when we wanted to find blacks then we would go to the church, the Baptist church, go to see the minister. He would tell us everybody. But for whites when we were looking for them if they had filed a complaint, either they were the landlord or whomever, then we would go to the post office, give them the name. They would give us the address, and we would go from there.

DC: Right.

MB: Basically that's the impact that I had, which was a small amount, but I think I did the best I could under the situation with what I had to work with, and I'm just happy that I was able to see people over the years that I had been in HUD move from a lower paying position to sometimes they'd get to the directorship of an agency over a period of time. It just did my heart good because of the fact that I know that they had started out at one level and had risen to the top.

DC: Right. Right. It was very satisfying.

MB: Yeah.

DC: Okay. Thank you.

MB: Okay.

DC: Thanks.

END OF INTERVIEW

TRANSCRIBED BY SHARON CAUGHILL, JULY, 2006.

WORD LIST

ITEM (first occurrence; subsequent occurrences are spelled consistently throughout so global search and replace can be used to fix them.)

- 1 Civil Rights Act, Executive Board 11246, Orangeboro? (my atlas lists Orangeburg and Owensboro, but no Orangeboro.)
- 7 Rehab specialists
- 8 Hallsville, Kentucky, Nescoway, Nesco chocolate
- 17 Fourth Street Live (used to be the Galleria)
- 19 Mrs. Bethel's first name: Wilma
- 20 Tenny Hill
- 21 Morgantown, Japanese Sumatomo Electrical, Edmonson County
- 25 The Well brothers in Lexington
- 28 Streets: Preston, Hershmore