

(c) In making the determinations under subsection (b), the Secretary shall give maximum consideration to whether—

- (1) substantive local laws, regulations, and other requirements are, or can be expected to be, consistent with the objectives of the program;
- (2) the program will enhance neighborhoods by applying a high standard of design and will, as appropriate, maintain distinctive natural, historical, and cultural characteristics;
- (3) the program is designed to make maximum use of new and improved technology and design, including cost reduction techniques;
- (4) the program will encourage good community relations and counteract the segregation of housing by race or income; and
- (5) the program is consistent with comprehensive planning for the entire urban or metropolitan area.

FINANCIAL ASSISTANCE FOR PLANNING COMPREHENSIVE CITY DEMONSTRATION PROGRAMS

SEC. 5. (a) The Secretary is authorized to make grants to, and to contract with, city demonstration agencies to pay 90 per centum of the costs of planning and developing comprehensive city demonstration programs.

(b) Financial assistance will be provided under this section only if (1) the application for such assistance has been approved by the local governing body of the city, and (2) the Secretary has determined that there exist (i) administrative machinery through which coordination of all related planning activities of local agencies can be achieved, and (ii) evidence that necessary cooperation of agencies engaged in related local planning can be obtained.

FINANCIAL ASSISTANCE FOR APPROVED COMPREHENSIVE CITY DEMONSTRATION PROGRAMS

SEC. 6. (a) The Secretary shall review plans for comprehensive city demonstration programs in order to determine that (1) such plans satisfy the criteria for such programs set forth in section 4, and (2) the various projects or activities to be undertaken in connection with such programs are scheduled to be initiated within a reasonably short period of time.

(b) The Secretary is authorized to make grants to, and to contract with, city demonstration agencies to pay 80 per centum of the costs of administering approved comprehensive city demonstration programs, but not the cost of administering any project or activity assisted under a Federal grant-in-aid program.

(c) To assist the city to carry out the projects or activities included within an approved comprehensive city demonstration program, the Secretary is authorized to make grants to the city demonstration agency of not to exceed 80 per centum of the aggregate amount of non-Federal contributions otherwise required to be made to all projects or activities assisted by Federal grant-in-aid programs (as hereinafter defined) which are undertaken in connection with such demonstration program: *Provided*, That the amount of non-Federal contribution required for each project in a Federal grant-in-aid program shall be certified to the Secretary by the Federal department or agency (other than the Department of Housing and Urban Development) administering such program, and the Secretary shall accept such determination in computing the grants hereunder.

(d) Grant funds provided pursuant to subsection (c) of this section may be used for projects or activities assisted under a Federal grant-in-aid program which are undertaken as part of an approved comprehensive city demonstration program, or for other projects or activities undertaken as part of such demonstration program. If used for projects or activities assisted under a Federal grant-in-aid program which are undertaken as part of such demonstration program, funds provided pursuant to subsection (c) shall be credited as part or all of the required non-Federal contribution to such projects or activities.

(e) The Secretary shall not make any grant under this section unless he has obtained satisfactory assurances that the locality will maintain, during the period an approved comprehensive city demonstration program is being carried out, a level of aggregate expenditures for activities similar to those being assisted under this section not less than the level of aggregate expenditures for such activities prior to initiation of the comprehensive city demonstration program.