

The fact that a particular project, eligible for grants under an existing Federal program, is undertaken as part of a demonstration program will in no way affect its eligibility under the existing program. The city will apply to the Federal agency which administers the existing program, and the application will be subject to all the existing rules, regulations, and priorities governing that program.

Second, there will be available special grants, supplementing the assistance under existing grant-in-aid programs. These supplemental grants will be provided under the demonstration cities bill to—

(1) Assist cities to provide their required share of the cost of projects or activities which are part of the demonstration program and are funded under existing Federal grant-in-aid programs, and

(2) Provide funds to carry out other, non-federally assisted projects or activities undertaken as part of the demonstration program.

The amount of this supplemental grant will be 80 percent of the total non-Federal contributions required to be made to all projects or activities assisted by existing Federal grant programs which are carried out as part of a comprehensive city demonstration program.

The supplemental grant funds authorized to be paid by the demonstration cities bill are not earmarked for any one part of the demonstration program. After the amount of this supplemental grant is established under the formula in the demonstration cities bill, the total amount is available to the city to be used at its discretion for any project or activity which is included as part of an approved city demonstration program.

The demonstration cities legislation calls for a newly concentrated and coordinated approach by the cities to their problems. It utilizes the full range of existing grant-in-aid programs for both physical and social development. The list of these programs is long. But there is a new and sharper focus of the activities assisted by these programs and far greater coordination in their use. This is a key goal of the demonstration cities legislation.

In addition, the supplemental Federal grant funds provided by this bill will enable the cities to participate more effectively in existing grant-in-aid programs and will permit cities to experiment with needed activities which are not now funded by these existing programs.

The ultimate success of this new program rests upon the ability of local people to assess their own most pressing problems and devise their own solutions to those problems. And the cities themselves, by their actions, will determine which of them participate in this program. Those cities which can concentrate their resources, identify their problem areas, and develop sound imaginative solutions will be the first aboard.

But all cities will benefit from the solutions to urban problems developed through the demonstration cities approach. I am confident every city will ultimately use this "total attack" approach to solve its urban problems.

The assistance provided by this bill will be given to cities of all sizes and in all parts of the country. This will enable the program to demonstrate the wide range of methods available to deal with the diversity of problems that face cities of all sizes throughout the country.