

COMPREHENSIVE CITY DEMONSTRATION PROGRAM

The demonstration cities bill would provide to the cities—

First, Federal funds to cover up to 90 percent of the cost of planning and developing comprehensive city demonstration programs.

Second, special Federal grants, supplementing assistance available under existing grant-in-aid programs. The amount of these special, supplemental grants will be 80 percent of the total non-Federal contributions required to be made to all projects or activities which are a part of the demonstration program and financed under existing grant-in-aid programs.

Third, Federal grants to cover all the costs of providing relocation adjustment payments to those persons, families, and businesses displaced by activities which are a part of these programs.

Fourth, technical assistance to help carry out these programs.

A comprehensive city demonstration program is a locally prepared and scheduled program for rebuilding or restoring entire sections and neighborhoods of slum and blighted areas through the concentrated and coordinated use of all available Federal aids and local private and governmental resources. It will include citywide aids and resources necessary to improve the general welfare of the people living or working in these areas.

The assistance provided by this bill will help cities of all sizes to plan, develop, and carry out programs to rebuild or revitalize large slum or blighted areas and to expand and improve public programs and services available to the people who live in these areas. It will provide funds needed for the city to participate in existing Federal assistance programs. It will encourage the cities to focus and coordinate projects and activities for which assistance is now available under existing Federal programs with other public and private actions to provide the most effective and economic concentration of Federal, State, local, and private efforts to improve the quality of urban life.

The comprehensive city demonstration programs carried out under this bill would provide massive additions to the supply of decent, low-, and moderate-cost housing.

They would make it possible for cities to concentrate all available educational, health, and social services on the problems of the large numbers of poor and disadvantaged people who live in slum and blighted sections and neighborhoods. They would make it possible for cities to treat the social needs of the people in the slums at the same time the physical rehabilitation of the slums is being carried out.

In order to qualify for assistance under this legislation, a city must be prepared to plan and carry out a comprehensive city demonstration program. This will be a local program; planned, and carried out by local people; and based on local judgment as to the city's needs and its order of priorities in meeting these needs.

It will not be simple to qualify for such a program.

It will be necessary for a city to embark on major new undertakings addressed to major urban problems. This legislation is designed to help those cities willing to face up to their responsibilities—willing and able to bring together all the public and private bodies whose joint action is necessary to solve their problems—willing to fully commit their energy and resources—willing to undertake actions which will have widespread and profound effects on the social and physical structure of the city.

STATUTORY CRITERIA

A demonstration program must meet the following general criteria—

First, it must be of sufficient magnitude, in both its physical and social dimensions, to (1) remove or arrest blight and decay in entire sections or neighborhoods, (2) provide a substantial increase in the supply of standard housing of low and moderate cost, (3) make marked progress in serving the poor and disadvantaged people living in slum and blighted areas by reducing educational disadvantages, disease and enforced idleness, and (4) make a substantial impact on the sound development of the entire city.

These criteria will require a demonstration program to remove or arrest blight and decay in sections or neighborhoods which contain a substantial percentage—as much as 15 to 20 percent—of the substandard dwelling units in the city.

Clearance of structures will play a significant part in many demonstration programs, and considerable new construction of low-income housing will be necessary. However, a great amount of rehabilitation will be essential to provide