

But nothing less will do.

Only with a total commitment of their energies and resources and the desire and will of their people can the American cities stop the deterioration of their physical environment and social disorientation of large numbers of disadvantaged minority groups concentrated in low-income ghettos.

FEDERAL ASSISTANCE PROVIDED

The demonstration cities bill will provide Federal assistance for planning, developing, and carrying out comprehensive city demonstration programs.

Federal funds will cover up to 90 percent of the cost of planning and developing these programs. Federal grants will also pay up to 80 percent of the cost of administering every project or activity which is included as part of a comprehensive city demonstration program (but not the cost of administering any project or activity for which Federal financial assistance is provided under an existing grant-in-aid program).

In addition, two types of Federal assistance are available to help finance all of the projects or activities which are included as part of an approved comprehensive city demonstration program.

First, to the extent such projects or activities are eligible for assistance under an existing Federal grant-in-aid program, they may be financed under that program. This bill contemplates that existing Federal grant-in-aid programs—and funds now available for those programs—will be utilized, where feasible, in carrying out projects or activities which, though part of a comprehensive city demonstration program, are eligible for assistance under existing grant-in-aid programs.

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

Second, special grants, supplementing the assistance available under existing grant-in-aid programs, 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 (including projects or activities of the type eligible for Federal assistance under existing grant-in-aid programs), undertaken as part of the demonstration program.

The amount of this special—supplemental—demonstration cities 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-in-aid programs which are carried out as part of a comprehensive city demonstration program.

The non-Federal contribution to every project or activity which is included within an approved comprehensive city demonstration program, and which is funded under an existing Federal grant-in-aid program, may serve as a base for computing the special—supplemental—grant under the demonstration cities bill. It does not matter whether the Federal commitment to assist in financing the particular project or activity under an existing grant-in-aid program occurred at some time before the comprehensive city demonstration program is approved. So long as the activity financed by the existing grant-in-aid program is included within the approved city demonstration program, the non-Federal contribution to that project or activity can serve as a base for the grant computed under the demonstration cities bill.

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

Grant assistance will be provided under the demonstration cities bill to cover the full cost of providing relocation payments to individuals, families, business concerns, and nonprofit organizations displaced by projects or activities which are part of a demonstration program.

Technical assistance will be available to assist city demonstration agencies to help them plan, develop, and administer their programs.