

of unforeseen loopholes. There is no intention of using this provision to impose new substantive criteria.

Question. Subsection (c) on page 5 of the bill indicates that the Department will give maximum consideration to four criteria in reaching a determination as to which cities will be selected. Under the first, consideration is given to whether "substantive local laws, regulations and other requirements are, or can be expected to be, consistent with the objectives of the program."

Does this refer to such local laws as might relate to open occupancy? Can the Department indicate what other types of substantive local laws, regulations and other requirements it has in mind?

Answer. There is no requirement for the general review of local laws or regulations. The Department will be concerned only with those laws and regulations which have a bearing on the capacity of the city to carry out its demonstration, such as its housing, building, and zoning codes. In some cases, the existence of an open occupancy law might be an essential element in the capacity of a city to meet the goal of maximum opportunity in the choice of housing accommodations by all citizens. However, as indicated earlier, the existence of such a law is not at all mandatory if alternative approaches are provided.

Question. Secondly, consideration will be directed to whether the program will enhance neighborhoods by applying high standards of design.

Is it contemplated that neighborhood plans will be sufficiently in detail that they will include design concepts?

Answer. There is no mandatory design requirement in the act. Rather, the Secretary is directed to give consideration to local efforts to apply such standards in the carrying out of its demonstration program. To the extent a city proposes the application of high design standards, the Secretary will recognize this as an effort toward achieving the objectives of the act.

Question. The fifth consideration is that the program be consistent with comprehensive planning for the entire urban or metropolitan area.

Does this mean that comprehensive planning will be a condition precedent to project approval; if so, does such comprehensive planning have to be in being or can it be undertaken in conjunction with the neighborhood project?

Answer. There is no mandatory planning requirement in the act. However, the existence of appropriate plans and a continuing planning effort are indications of the extent to which the city has committed itself to sound development policies and they are matters to which the Secretary will have to give consideration. Equally, the extent to which the city's demonstration proposal is consistent with comprehensive planning for the entire urban or metropolitan area is a matter which will have to be considered.

Sincerely yours,

ROBERT C. WEAVER, *Secretary.*

Mr. ASHLEY. I am interested, Mr. Secretary, in how and where the \$2.3 billion price tag came from on this program.

Referring again to the New York Times piece of Sunday a week ago, it was suggested that it was arrived at by determining the total cost of all the programs, bearing in mind that such programs would affect a certain percentage of the community—a certain percentage of dwelling units, people—that the cost will be \$5.6 billion, and that there would be derived from resale of land and improvement some \$3 billion, leaving a net of \$2.6 billion, the local contribution toward which would be \$300 million and the Federal share \$2.3 billion. Would you comment on this, please?

Secretary WEAVER. Yes.

As far as the figure of \$2.3 billion is concerned, that is an estimate made by the Department on the basis of the best information that we currently have. Obviously it is an estimate. It is not a firm figure, because, No. 1, we don't know which cities will participate.

Mr. ASHLEY. I am interested in how it was arrived at.