

As to the planning and selection of cities contemplated by the act, I submit it is in keeping with the experimental character of the legislation to open the planning phase to wide participation by many cities.

It has been a source of much concern that the program appears to be designed for a small number of cities. Many cities already fear that they may not be "among the chosen."

To set this fear at rest, and to provide a genuine burst of new ideas and new projects, I believe every city in the Nation should be allowed the opportunity to participate in at least the planning phase of the program. We need as many novel ideas and new techniques as we can get.

To finance the expansion of the planning phase, I suggest the Housing Act of 1949 be amended to permit at least \$50 million of demonstration city planning grants out of title I grant funds. In addition, I suggest also that there be an appropriation of \$12 million, as suggested by the President, available to the Department of Housing and Urban Development for grants to cities in cases of special need and special significance. Through this total approach, this broadening of the planning portion of the program, we will, at the very least, produce in many cities a new awareness of Federal resources and the need for coordination.

However, in selecting cities for carrying out demonstration projects, I submit that the selection be strictly limited—that the number of cities chosen be few.

I suggest that the demonstration projects be approved only if they are of sufficient magnitude and complexity to produce an end result which can be intelligently evaluated in terms of massive impact and which offers solutions which are meaningful in terms of major urban centers.

It seems to me that a program which is designed to demonstrate new approaches cannot—and should not—be applied across the board to all municipalities. It can only lead to the reduction of this novel bill to just another in a long list of Federal aid programs which skim the surface but do not cut to the core of the matter.

In funding demonstration city projects, I suggest that the Federal Government must first adopt the same maintenance of effort provision it requires of cities. That is, it is imperative that in all departments and agencies participating in the project that demonstration funds be made available in addition to existing appropriations.

The appropriation for the demonstration act must add directly to the level of assistance provided by existing Federal programs. In addition, the act must provide enough money to meet the cost of component programs in cases where there are no existing Federal aid programs.

It is well to provide 80 percent of the local share of projects and activities which can be readily committed to the demonstration project, but I believe that there should be sufficient funds in the act itself to provide 90 percent of the total cost of all other projects for which no Federal aid is available.

Furthermore, it is clear that unless all time limitations on urban renewal authorizations in the 1965 act are waived, the demands of demonstration programs for urban renewal grant commitments will surely build up a troublesome backlog of applications.