

Mr. WIDNALL. You say on page 2:

We feel further that objective criteria be included by legislative mandate and administrative determination.

Do you have any suggestions as to the criteria this committee should recommend be established by legislative mandate?

Mr. CAVANAGH. No, I do not. I think that as much flexibility as possible should be written into this legislation, giving the Department of Housing and Urban Development that degree of flexibility that really can make this, then, a demonstration city program. If we structure it so tightly or make it so rigid that there is very little flexibility in the act, I think it loses much of its force and effectiveness as far as administration by the Secretary. And therefore, I think most of the criteria should be developed by the administrator of the act, the Secretary himself. I don't have any specific suggestions as to any legislative mandates in relation to that point.

Mr. WIDNALL. In your statement you call for a release of the \$2.9 billion authorized by the Congress last year for urban renewal. Are you asking us to pay out that money now, or merely authorize a new amount?

Mr. CAVANAGH. I think it should be authorized and used as needed, Mr. Widnall. I can conceive of the situation as I mentioned here in our testimony, that with this great backlog buildup in urban renewal, and maybe some of the urban programs with which we are familiar, that it would have a sort of diminution of effort on the part of the demonstration cities program, that it would in turn dilute some of the efforts there if we didn't have the availability of this money in the other Federal programs that form a most important part of the demonstration city program.

Mr. WIDNALL. You fully realize that \$1½ billion have actually been paid out of \$7 billion authorized for urban renewal, so that there is still \$5.5 billion authorized that has not been paid out.

You state:

Not only should there be 80-percent funding of the local share of Federal programs which can be committed to the demonstration program as provided in the act, but there should also be 90-percent funding of the total cost for all other portions of the approved demonstration program for which Federal funds are not available.

In that second recommendation, could you cite us a few examples of what this would entail, the types of programs, and what you would estimate the cost to be in this area in regard to Detroit?

Mr. CAVANAGH. If we had a specific area in my city that we had designated as the so-called target area for the purposes of this demonstration city legislation, and essential and component parts of the demonstration cities program were an urban renewal project, a new community hospital, let us say, a community college, and some other neighborhood facilities, let's assume that for various reasons there was no available funding for one of those major projects which was essential to the demonstration cities project, let's say it was an urban renewal project, or it was a neighborhood facility of some kind, under the Hill-Burton Act. Therefore, I think if the normal Federal funds were depleted and were not available, and therefore, that demonstration city project could not go on, I think the demonstration city project ought to make allowances to fund in those instances up to 90 per-