

a most important beginning—it views ultimately all these programs as working toward the goal of improvement of a physical environment combined with the promise of a new life for its residents.

The adoption of the legislation before us today should enable an interaction of programs which has been sadly lacking. We at the local level, could select blighted sections as demonstration areas in which truly integrated programs could be mounted for the first time. In the President's words, this effort must be "large in scope, more comprehensive, more concentrated than any that has gone before."

Physical renewal would emphasize rehabilitation and conservation, the preservation and indeed rejuvenation of existing neighborhoods. Demolition, as a tool, would be used where existing structures are beyond repair. Housing would be provided within the financial reach of those displaced. Space would be provided for schools, libraries, parks and playgrounds, health clinics, and other community facilities.

This would be accompanied by intensive programs for social renewal: preschool programs for the very young; health assistance to eliminate dietary deficiencies; welfare guidance aimed at improved housekeeping and better budgeting; and, most important, to those who have been hampered, for one reason or another, from attaining meaningful employment. Here lies the capstone of the social renewal effort and, for that matter, the entire program. The completion of new buildings and facilities should be accompanied by the emergence of the neighborhoods' residents as self-supporting citizens able to sustain their revitalized neighborhood and to contribute constructively to the growth of our society.

The legislation, quite properly, places the principal responsibility for this physical and social change on local government. In doing so, it provides an important stimulus for improved coordination by city governments. Recognizing that responsibility for administration of these programs is usually divided at the local level, the President has recommended that the demonstration should be managed in each demonstration city by a single authority with adequate powers to carry out and coordinate all phases of the program. We are now moving to streamline the structure and operations of government in New York City to enable us to meet this challenge.

Experience has taught us some of the complexities and problems of large-scale Federal aid programs. Programs for physical revitalization, particularly urban renewal and public housing, have too often suffered from inadequate Federal funding and a lack of long-term financial commitment. Above all, lack of coordination in administration at both Federal and local levels has reduced the impact that some of the most farsighted programs might have attained.

It is my hope that in launching this new effort, the Congress will make very effort to insure that difficulties of administration do not handicap this program. At the same time, because the success of the demonstration cities program will depend on the effectiveness of the numerous underlying programs, I hope that the Congress will take this opportunity to remove some of the most grievous impediments from existing urban programs. My principal reservations about the proposed legislation will illustrate these concerns.

The President's message and budget call for \$2.3 billion to be made available over a 5-year period beginning in fiscal 1968. In fiscal 1967,