

Mr. BINGHAM. Mr. Chairman, we have 35 municipalities in the urban renewal program, and most all of them, over three-fourths of our entire State, in the poverty program. And they have the same deteriorated physical environments in their cities, and disadvantaged and distressed people, that our larger urban centers have. And they have demonstrated their capabilities administratively and from a physical viewpoint in carrying out complex programs of this type. They not only need them, but I tell you, in that stampede to be a demonstration city, I am pretty sure that you will find quite a few showing up here asking to be designated.

Mr. BARRETT. It is your opinion that it will work as well in small as in large cities?

Mr. BINGHAM. Yes, if not better.

Mr. BARRETT. Mr. Harvey?

Mr. HARVEY. Thank you, Mr. Chairman.

I just have a couple of questions always, Mr. Bingham, along the lines that I asked Mayor Daley.

The first one is whether you believe the Federal coordinator should be appointed by the President from nominations made by the localities. Do you think this would be helpful? Would it assure getting the people who know the local situation?

Mr. BINGHAM. As I conceive of it, he is the President's man and the Secretary of the Department's man, to see that there is a proper understanding of these demonstration projects, and the responsibilities of various Federal agencies. And I think he should be the President's man, and not the local government's spokesman and representative. They have their representative. They have the mayor and the head of the Urban Renewal Agency. And they will have the head of this demonstration agency. The community has its spokesman and its representatives already. But the Federal Government does not have anyone in these cities trying to see that the complex Federal programs and various agencies administer them is being helpful as possible to carry out these complicated, coordinated projects.

Mr. HARVEY. Let me just ask you this, and then I will quit. By changing the formula for Federal participation in these demonstration cities projects from the usual two-thirds, one-third for urban renewal, let's say, to an average of 90 percent, 10 percent, something along that line, you recognize, of course, that you aren't really increasing the amount of money available. What you are really doing is changing the formula as to the participation making these funds available. So you are not necessarily making more money available. Is there a danger in your judgment that we are going to give so much priority to the demonstration city program that by this 90 percent-10 percent formula we will neglect our regular urban renewal program, and it will suffer? I gather that Mayor Daley has some apprehension about that.

Mr. BINGHAM. It, of course, depends upon the volume of the demonstration city enterprise as a whole as to whether it will have a draw-down effect by channeling the Federal aid program into those areas in preference to others. I just think this is something that has to be dealt with on an administrative level to see that we don't have such an adverse and somewhat unfair effect. I think administratively it can be done. You can right now—this same problem affects every