

We are also trying to use 312 in nonurban renewal areas. We are endeavoring to utilize the concentrated code enforcement procedures available under the 1965 act in the critical blighted areas as well as areas moving into blight. The determination of residents of these blighted areas is the thing that inspires me and makes me come to you and express some of their problems. In my district there is a community group inspired by religious leaders who in the most noble form of the ecumenical spirit are endeavoring to save a 1-mile-square area of the city outside of an urban renewal area. They are endeavoring to qualify under the concentrated code enforcement provisions. They have of their own volition acquired 23 units which they own as a joint enterprise.

They are endeavoring from there to pivot out to a mile-square area to renovate properties within this area and put them back into the housing market. This is independent of all Government leadership. This is action by the people themselves; Catholic clergymen and Protestant clergymen have joined together and are spearheading this action. It is known as Project HOPE. It is unique in the United States and I think it is the essence of the demonstration cities program, for here we have a grassroots effort of the people trying to save their own community and begging us, urging us to provide whatever Government resources we can.

This group, with their sincerity, is spearheading real community interest in the problem. Other organizations of the community are now trying to establish similar units. Project HOPE has attracted \$10,000 in revolving funds which the savings and loan industry has placed into the project to help them finance some acquisition and help them finance some planning for their program. As a result of that, the council of churches is now coming into our community and offering to become an umbrella organization over a large area. The Catholic diocese is endeavoring to come into the program. The thing that is interesting about this is that we have competitive community groups who want to participate and we have much of the city to divide among these groups willing to serve as a community action warhead on the blight problem. They are anxious to do this job and they are trying to utilize Federal programs.

Our big problem has been financing these programs with FHA and 221(d)(3) funds. It is a nightmare attempt to do this under 221(d)(3). It is absolutely a maze of redtape. It frightens all but the brave from participating in this project. The paperwork has slowed down rehabilitation efforts to a practical standstill. Today, it is my understanding that my city received the first rehabilitation loan in a 10-State area. In Cleveland in recent weeks a staff of eight people have been going around, trying to drum up participation in an urban renewal area under 221(d)(3), and all they have been able to come up with is 18 possible applications.

Now, the cost to the city for this kind of effort is a tremendous thing. If you are going to tackle a 5- or 6- or 10-square-mile area which is blighted or near blighted in a large city, you can just see what a tremendous staff it is going to take simply to qualify people for the Federal law.

Now, I did not realize the redtape that was involved, but the Cleveland Plain Dealer in my city did a fine job in analyzing that redtape