

City, N.J.," you go into detail on page 3 with 10 points and you describe 40 percent of the total area of the city that would come within what you feel should be the demonstration area in Jersey City. I wondered in view of the detail you have submitted, and I am going to ask you a few detailed questions on these specifics, whether or not your staff does not really have an idea of projection of costs here? I wondered if you might ask the staff if they have given any thought to projected costs?

Mr. WHELAN. Thank you, Mr. Congressman.

Mr. Willis?

Mr. WILLIS. We do need in very general terms the sum of the items of cost that would be involved in the program that we have outlined. This is partially because a large part of the demonstration area is already within an urban renewal project boundary, either a general area renewal area or the Montgomery urban renewal project or the Jackson Avenue renewal project. But one-quarter of the total area, however, has never been termed for a renewal, not because it doesn't need it, but because we don't have the resources to go ahead and commit ourselves to further renewal projects in that area.

In terms of the scale of costs, and we will not at this time try to submit a total figure—in terms of the scale of costs, we have authorized roughly \$20 million for downtown, that is, the Federal share as we have estimated it for a 10- or 12-year period—\$20 million for downtown which has been approved by the Department of Housing and Urban Development. We have an additional \$6 million roughly for the Montgomery area and an additional \$3 million or \$4 million in the Jackson area. That would roughly lead me to believe that we are in the range of \$30 to \$40 million as required in Federal aid to do all that is within the demonstration area that we have outlined.

However, the legislation itself does provide, of course, for initial grants and advances for the preparation of a detailed plan for this area, and it would be in that stage that we could get a more definitive cost estimate. In the meantime, and during the next stage and, of course, during the execution stage itself, the city will be spending, and is already spending, something in the order of \$15 million in capital improvements in this area which we will and must spend whether or not we are in the demonstration area program. For a city with a borrowing capacity of something, for this year, like \$3 or \$4 million, we mean to be spent. That I think is a commitment to solve the problem in this area without, if necessary, Federal aid. At least a commitment to do what we can.

Mr. ST GERMAIN. Have you urban renewal projects now in progress?

Mr. WILLIS. Yes, we do.

Mr. ST GERMAIN. Are these in areas—in commercial areas or residential areas?

Mr. WILLIS. We have in execution at this time, that is with construction going on, two residential projects and one industrial-commercial project.

Mr. ST GERMAIN. You therefore have experience with relocation?

Mr. WILLIS. Yes, we have.

Mr. ST GERMAIN. Has it been your experience that you have been able to move these families and have placed them in housing that is