

ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1967 3629

In the first year of UCC existence, OEO grants and local contributions reflect the following summary:

Received from OEO grants-----	\$3,420,771
Head Start grant-----	602,940
Total OEO funds to Newark through UCC-----	<u>4,023,711</u>

Contributions received:

Cash:

State-----	60,000
City (initial)-----	15,000
Board of education-----	15,000
Welfare federation (UCF)-----	15,000
City (supplement)-----	13,503
Total cash-----	<u>118,503</u>

In-kind:

City (Block proposal)-----	17,733
City (Senior citizens)-----	1,250
Community pledge (Blazer Council)-----	37,640
Community and full-year pre-school-----	192,969
Seton Hall-----	6,800
Queen of Angel Church-----	3,025
Board of education-----	60,300
Total in-kind-----	<u>319,734</u>

Total in-kind contributions (Cash and for facilities and service)-----	<u>438,237</u>
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Net gain to Newark-----	3,585,490
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While every dollar brought into the community does not have an immediate direct impact upon the tax structure, the end product of these programs will be economically beneficial to the city. For example, the City of Newark contributed \$28,503.00 in cash to UCC during the first year of its existence. During this same period over \$4,000,000 came into the community for community programs which will have an ultimate effect upon education cost, welfare costs, etc.

Perhaps of most significance is the impact that the Blazer Youth Council Program will have, economically, in removing 200 welfare recipients from the relief roles, for a saving of \$600,000 to the City. This one program will have an immediate effect on the city's economic concerns and is but a forecast of how ingenuity in program development can fulfill the objectives of the Economic Opportunity Act in helping to eliminate poverty, bring about an improved social order in the city and, during this process, release city welfare and related funds to other city needs, thereby helping to stabilize the city's economy.

There is nothing in the UCC programs that would place an undue burden on city finances. The evidence to date reflects that monies brought into the city were utilized in the organizational phase, plus interesting programs such as Pre-School, Blazer Youth Council, Head Start, Neighborhood Block Program, and the myriad of other programs regularly reported in the public press. The present budget which would bring well over \$1,000,000 for which the city would be involved in a cost outlay of \$33,000. This expenditure can hardly be conceived as seriously impairing the city's fiscal image.

The conflict in philosophy between the council committee and UCC

The Committee report (page 3) presents this conflict as one of "control" over Community Action agencies. Point three on page four of the Report charges, in part, that UCC "has espoused a philosophy which your Committee rejects."

We have, heretofore, outlined our philosophy and how we feel we have pursued the objective of maximum feasible participation of the poor. Mr. Frederick O. Hayes, Chief of Field Operations in the Community Action Program Division of the Office of Economic Opportunity was reported in the Newark Evening News of Tuesday, November 9, 1965 as having "... cited the UCC's neighborhood Anti-