

A university's plan for expansion, however desirable from an educational standpoint, must be balanced against the displacement and inconvenience to residents of the community.

Where Federal funds enable an institution to expand, thereby contributing to the displacement of persons from their homes and businesses, the Federal government has a responsibility to require that relocation assistance be provided.

In my district in New York City, Columbia University during the past few years has purchased some 93 surrounding apartment dwellings for conversion to dormitories or academic facilities or for demolition in order to clear sites for new construction. The owner of the dwelling, of course, is compensated. But the residents are not entitled by law to relocation benefits or assistance with moving expenses, and are usually unable to find comparable housing.

Similarly, proprietors of small businesses are frequently displaced on short notice, and receive no compensation for the burden of having to relocate. If they are forced to move to another neighborhood, they will probably lose the goodwill of their familiar customers. They face moving expenses, higher rentals, or may be driven out of business entirely.

Where Federal funds finance the expansion of universities at the expense of tenants and businessmen, there should be Federal relocation guarantees. Ironically, there are guarantees when urban renewal funds are involved.

Section 114 of the Housing Act of 1949 requires local public agencies to pay benefits to families, businesses and non-profit organizations displaced as the result of urban renewal action. These benefits include moving expenses and relocation benefits. They are reimbursed by the Federal government. In the Housing and Urban Development Act of 1965 relocation provisions were expanded to include displacement as the result of low rent public housing, mass transportation, public facility loans, open space land and urban beautification, and neighborhood facilities, as well as urban renewal. It is inconsistent that relocation benefits are not required where displacement results from federally financed construction under the Higher Education Facilities Act. But there is another anomaly. If land for educational facilities is acquired through urban renewal and turned over to an institution, relocation benefits *are* provided.

This has happened in a minority of cases. The University of Chicago is one.

If on one block in a city, a university expands through the use of Federal urban renewal funds, the families and businesses displaced receive relocation compensation. But, if in the next block, which is not part of an urban renewal plan, the same university purchases buildings which it intends to demolish for the construction of classrooms using Federal grants or loans, families and businesses displaced are not compensated.

My bill would essentially extend the benefits of Section 114 of the Housing Act of 1949 relating to relocation payments to construction under the Higher Education Facilities Act of 1963. It provides:

"RELOCATION PAYMENTS

"SEC. 408. The Commissioner shall not approve any application for a grant or loan under this Act unless he shall have first obtained adequate and enforceable assurances that the institution, board, or agency to which such grant or loan is made will pay, to persons displaced from their places of residence or business by or as a result of the construction to be financed with the proceeds of such grant or loan, amounts covering the moving expenses and direct losses of property incurred by such persons as a result of such displacement within the same monetary limits and subject to the same conditions as those applicable to the relocation payments provided for under section 114 of the Housing Act of 1949."

Section 114, in summary provides that a family displaced from its residences shall receive assistance in finding suitable housing, and that a relocation adjustment benefit shall be paid to it for up to one year, totaling not more than \$500.00, where a family is unable to find suitable housing within twenty percent of its income. The payment works in the same way as the rent supplement program, except that it cannot total more than \$500.00, and it extends only one year. It is similarly available to single individuals over sixty-two years of age.

In the case of a small business or a non-profit organization meeting specified criteria, a "small business displacement benefit" of \$2500 and in addition, moving and property loss compensation up to \$3,000 are to be paid.

It is important to note that, in the case of urban renewal, relocation benefits paid in FY 1967 totaled \$37.5 million or 8.5 percent of a total program expenditure of \$370,600,000.