

We are pushing a little bit, because time is running out, Mr. Secretary. You know your appearance here always stimulates a lot of thoughts and questions which we would like to discuss, but we have to cut off at some point.

Thank you.

Secretary WEAVER. Thank you, Mr. Chairman.
(The material previously referred to follows:)

RESPONSE TO QUESTIONS SUBMITTED BY SUBCOMMITTEE ON INTERGOVERNMENTAL
RELATIONS OF THE COMMITTEE ON GOVERNMENT OPERATIONS OF THE U.S. SENATE
ON S. 698

I. RELOCATION ASSISTANCE IN PLANNING STAGE OF PROJECT

Present law and the provisions of S. 698 provide for relocation payments and assistance beginning only when an agreement has been reached between either Federal Government and the locality to proceed with a project. As far as I know, no assistance is available during the planning stages that precede such as agreement. Yet this is the period when displacement begins under the threat of compulsory removal when the project is actually undertaken.

In urban renewal, for example, survey and planning may continue for many months in an area that has been designated for eventual renewal. During this period, property values decline, business concerns lose patronage, tenants drift away, and living conditions deteriorate.

Questions

(1) Can you suggest ways in which the problems of residents and business firms in such an area could be eased during the period before relocation assistance becomes obligatory under existing law or this proposed new legislation?

Under the provisions of S. 698 and existing HUD programs, relocation payments and relocation assistance is provided to those who are displaced as a result of the acquisition or reasonable expectation of acquisition of real property by a State agency in connection with a federally assisted project. There are two elements which have to be present—there must be an acquisition or reasonable expectation of acquisition of real property by the agency, and there must be a federally assisted project. Under the urban renewal program, for example, relocation payments may be made with respect to a person who moves from the site on or after the date of execution of the Federal loan and grant contract or the date of HUD concurrence in the commencement of project execution activity if that occurs earlier. Thus, relocation payments can be made as soon as there is Federal approval to proceed with acquisition in the urban renewal project.

This Department is aware of the problems concerning residents and businesses located in proposed urban renewal areas. We have attempted to ease the situation by encouraging local public agencies to establish information and counseling programs as early as possible during the survey and planning stage. If residents and businesses are made aware of all the pertinent facts—that the urban renewal project is still in the proposal stage, that they will be eligible for relocation payments and assistance if the project is approved by the Federal Government, and that they will not be required to move for many months or several years—the problem of premature moves from the site and the resultant loss in income of property owners and businesses can be eased considerably.

The problems faced by residents and businesses during the planning phase would be substantially alleviated under the "Neighborhood Development Program" concept contained in section 501 of the proposed Housing and Urban Development Act of 1968, S. 3497, recently passed by the Senate. A Neighborhood Development Program would consist of urban renewal project undertakings and activities in one or more urban renewal areas that are planned and carried out on the basis of annual increments. A key element of the Program is its focus on the staging and timing of activities in order to achieve systematic accomplishments. Under this system, there need to be no real lag between the decision that an area is in serious physical condition and the beginning of actual activities to correct these conditions. Under this approach, detailed planning and scheduling would proceed along with actual development in the urban renewal area.