

wide planning and programing. It would also report on the overall status of the area's development activity as it relates to carrying out areawide planning and programing, and on the contribution made by local governments. This information would be taken into full account by the Secretary in making the required determinations as to eligibility.

#### *Estimated level of activity*

Each metropolitan area is different; each must be given full recognition of its varying limitations and capacities. However, the proposed supplemental grants would be conditioned upon a high level of metropolitan planning and programing, adequate to provide a practical guide to the immediate concerns of public and private decisionmakers.

Metropolitan planning has in fact now advanced sufficiently to permit the setting of high standards. By the end of 1964, some form of metropolitan planning activity was underway in about 150 of the 219 metropolitan areas.

It is expected that about a dozen metropolitan areas, encompassing several hundred local communities, might become eligible for supplementary grants during the first year. Accordingly, the Department estimates that the first year program level will be \$25 million.

With continued encouragement under this program, about 75 metropolitan areas, having an aggregate population of around 60 million, might qualify for supplemental grants by the end of 5 years.

However, the size and speed of expansion of the program would depend primarily on the degree of effort that metropolitan areas and localities are willing to put forth. The supplementary grants would be available to any jurisdictions which show, as stated in the President's recent message, "that they are ready to be guided by their own plans in working out the patterns of their own development and where they establish the joint institutional arrangements necessary to carry out these plans."

#### *New planning program under existing law*

Financial assistance for metropolitan comprehensive planning is now available under our section 701 urban planning assistance program. In addition, a special program will be undertaken within the framework of the existing 701 program to develop new techniques of metropolitan planning and implementation. This will put into effect the President's proposal in his message of January 26, 1966, for a "series of demonstrations in effective metropolitan planning." I estimate that the total cost of this program will be about \$6.5 million.

### TITLE II—LAND DEVELOPMENT AND NEW COMMUNITIES

According to the most recent published projections, the population of the United States will increase by some 70 million people between 1965 and 1985. By 1980, our population will be over 244 million. By 1985, it will be over 265 million. The net effect of this increase will be felt in our urban areas where, currently, 3 million new residents are being added each year. Most of this urban population increase will occur within our metropolitan areas, and within this pattern of metropolitan growth, the great bulk of population increases will occur outside of the central cities, in suburbs and new communities.

There has been a growing recognition of the need to assure the continuing availability of land at reasonable prices to accommodate this growth. There has also been a growing recognition of the need to avoid the wasteful sprawl and disorganization of much recent urban development. Last year, the Congress took a significant step toward meeting this need by enacting a new program of FHA mortgage insurance for privately financed land development, offering valuable credit assistance to help finance well-planned developments for residential and related uses.

That program has already attracted considerable interest throughout the country. Sixty-six proposals for well-planned developments are currently being processed. This title would strengthen the FHA land development program in several important ways so as to enable it to facilitate further private effort and more effectively serve the increasing needs for our expanding urban population.

#### *New communities*

A new provision would be added to the existing FHA land development program under title X of the National Housing Act, authorizing the approval of a category of "new communities" for which sites could be improved with the aid of mortgage insurance.