

tion cities program would create an immediate and substantial new demand for urban renewal funds. This will be over and above the new demands created by the passage of the 1965 act.

Mr. Chairman, this immediate need can be met out of the \$2.9 billion authorized last year by the Congress to be used over a 4-year period—if the yearly restrictions on the use of those funds are eliminated. Those funds should be made available to the cities to use as their capabilities and needs demonstrate.

One additional word about this \$2.9 billion. The commitment of this money is needed in the form of reservations to enable cities to start planning their projects. Actual disbursements come later. This is advance funding, and it is vital for housing and urban development programs. Cities are reluctant to begin planning a project if they do not have assurances that funds will be available to carry it out. Until 1965 urban renewal was conducted through advance funding—defined as contract authority. We urge the Congress to restore contract authority to the urban renewal program, and to extend it as well, to the demonstration cities program.

Mr. Chairman, now I would like to say a few words about current demand in the low-rent housing program. Commissioner McGuire said last Monday, the backlog of public housing applicants on the waiting list is estimated at 500,000.

Demand for public housing in this fiscal year will probably be the largest in any year since the passage of the Housing Act of 1949. The number of reservations issued in the first 8 months of the fiscal year which began last July total almost 45,000 units in 273 communities. This 8-month figure is larger than for any full fiscal year since 1950—when World War II housing backlog and passage of the Housing Act of 1949 were stimulating factors. The number of applications received in this first 8 months—over 84,000 units—is similarly the largest in 15 years. Even though the current pace of applications and reservations does not yet reflect the new proposals authorized in the 1965 Housing and Urban Development Act, the prospect is that the number of localities with reservations will be the second largest in public housing history.

I cite these figures to point out that this program is on the move; that the current annual projection of 60,000 units a year anticipated in the 1965 act may already be outdated; and the prospect is that the total authorization of 240,000 units for 4 years will undoubtedly be inadequate to meet the demand. Needless to say, current projections do not reflect the demands to be made on public housing under the demonstration cities program.

As in the case of urban renewal allocations, we recommend that the total authorization of units be made available for commitment immediately as the need indicates so that communities may proceed in a sound manner.

Mr. Chairman, I should like at this point to turn to H.R. 12946, the Urban Development Act.

NAHRO fully supports the President in his desire to provide a more realistic approach to problems that have, for some time now, defied solution within the limitation of traditional political jurisdictions.

I should like to quote from our 1965 to 1967 policy resolution, adopted at our 30th national conference held in Philadelphia in October of 1965. We stated that NAHRO is aware that “* * * emerging