

treatment. The ones who are on the frontlines should have equal treatment from the Government with those who are not in the military establishments that are poverty stricken.

Mr. COHEN. You are asking us what mechanism we would use, since the depreciation allowances do not apply?

Mr. WIDNALL. That is right.

Mr. COHEN. We have no quarrel with the goal you have established. And with the committee's permission, if our Housing and Urban Development Commission may have some time to consult on this problem, we will try and have an answer.

Mr. WIDNALL. If you have any recommendations, I would appreciate having them.

What is going to be most troublesome, I think, about this entire legislation is the fact that it appears more and more day after day that the bills involved will be astronomical in order to do the job. And it is becoming quite obvious that you are not going to be able to, particularly with the demonstration cities, have an adequate demonstration in the 60 to 70 cities envisaged with the "peanuts" that are being appropriated.

Now, do you have any recommendations to make with respect to the criteria that should be used for determining what cities will put on the additional demonstration? And do you feel that in scope there should be some taken from various categories, like the major cities, New York, Washington, and Philadelphia, small cities, and medium sized?

Mr. DAVIDOFF. Congressman, it is suggested that we support the Reuss-Ashley-Moorhead amendment, that a priority or criteria be established based upon economic and social pressures such as population density, crime rate, public welfare participation, delinquency, unemployment, educational levels, et cetera. And we believe in fact that the priority should be established on the basis of need. And I don't think it should be established on the basis of number of cities, and I don't think it should be necessarily 60 cities or 80 cities, or it should necessarily be 1 or 81 from that 60 or 70, I think the criteria should be on the basis of need, and I think the cities which have the greatest need should receive the first priority. It may be that New York, Chicago, and Philadelphia will receive the largest proportion, because the great cities do have a great need. But I suggest that the basis should be the need, and I think that these criteria are more appropriate, and certainly the most appropriate is the degree of dilapidation of houses.

Mr. WIDNALL. What percentage of money involved in the demonstration cities program do you think should be devoted to residential purposes?

Mr. DAVIDOFF. I must say that my own belief in that matter is that it should be a very large amount, that this is our primary need, that I would think that the major renewal funds, major demonstration funds of this order should be handled or should be devoted to residential development. I would say that we presently have other programs, national programs for stimulating economic development, and I would put my major emphasis upon residential development here.