

teristic of private enterprise. The scale of this project is such that only a large developer could find adequate volume of favorable financing for the site preparation. This was 2 years ago.

While the development is presently experiencing a favorable lot sales program, we had to turn to the Economic Development Administration for help in financing the industrial and commercial installations in order to afford the area a solid base for its economy, and to the Federal Housing Administration for adequate, favorable financing for home construction.

The scale of this project is such that with financing cost increasing with "higher interest rates," and "tight money," the situation is becoming somewhat acute as the development continues with what would normally be considered efficiently scheduled land development operations, while attempting to keep in line with financing charges which the market is now demanding for land development and for actual house construction, along with interim and long-term financing for industrial expansion into this redevelopment area.

We are of the opinion that if title II of the proposed bills be enacted by Congress, as proposed by the administration, that this new program for FHA will tend to aid in effectively helping to hold rising financing charges in line with market sales demands, and will benefit and allow efficient, smaller scale land developments for both large and small developers, throughout the country.

ROBERT L. WINDHAM.

Lake Havasu City growth statistics—Lake Havasu City, Ariz., was founded on Feb. 1, 1964

	February 1964	February 1965	February 1966	February 1967 (projected)
Population.....	1 160	625	1,728	3,500
Miles of roadway.....	3	41.6	92.2	160
Miles of paved streets.....	0	14.1	29.9	60
Miles of waterline.....	0	19.6	53	100
Miles of powerline.....	1.2	9.2	21.4	40
Miles of sewerline 2.....	0	0	9.1	20
Single family homes.....	0	61	162	462
Total dwelling units 3.....	40	227	533	1,000
Commercial enterprises.....	41	18	74	110
Industrial employment.....	0	70	122	250
Elementary school enrollment.....	0	68	156	300
High school students 4.....	0	22	49	100
Bank deposits 5.....	0	\$331,000	\$1,315,000	(7)

¹ Engineering and planning personnel and McCulloch Corp. outboard test center employees.

² Sewerline installed by Lake Havasu Sanitary District for industrial, commercial, and multiple-residential property only.

³ Includes homes, apartment units, and mobile homes.

⁴ McCulloch Corp. outboard motor test center established in 1958.

⁵ Currently attending high school in Kingman, Ariz.

⁶ Figure for February 1966 is as of the close of banking day, Jan. 26, 1966.

⁷ Not available.

Mr. BARRETT. Maybe we could ask you one or two questions.

I just would like to ask you one question.

First, I do want to thank you for a very excellent and informative statement. As you know, this proposal for FHA insurance, of loans to establish new towns and communities has been before our committee for several years.

Last year we authorized the FHA insurance for suburban subdivisions but the Congress did not extend the FHA insurance to new towns. Frankly, there is considerable opposition about new towns on the part of homebuilders and many mayors.

What would you think if Congress were to authorize FHA insurance for a limited number of new towns, say for example, a dozen? In other words, we would set up as a demonstration program to see how it would work. Do you think this would be good strategy?