

such as design, land acquisition, land use, rehabilitation and financing can be and are being dealt with.

2. Operation

The Secretary of the Department of Housing and Urban Development makes grants to eligible agencies for eligible demonstration projects. Applicants deal directly with the program staff, lodged in the Office of Program Policy. The final decision rests with the Secretary.

An advisory committee of nationally known experts in housing, architecture, construction technology, and social welfare assists with selection of the most promising proposals.

In selecting proposals the Department considers the judgment of the advisory committee and receives assistance from staff of departmental operating programs.

Demonstration funds are generally not used for financing the development of the housing which is the context of the demonstration, but for the conduct of the demonstration as such, its evaluation, and the preparation of a report.

The evaluation, in most cases carried out by a third-party under contract with the grantee, is an integral part of each demonstration, the purpose being the development of guidelines for application of the new techniques, mechanisms, and principles to other situations and in other localities.

3. History

By the end of fiscal 1965, a total of \$6,086,282 had been allocated to 39 agencies. Grants ranged from a low of \$40,000 to a high of \$764,351, with an average of approximately \$156,000. The first contracts were approved in June of 1962.

4. Level of operations. (See table 1.)

Program: Low-income housing demonstration program.

Department or agency, and office or bureau: Department of Housing and Urban Development; Demonstration Programs Administration.

TABLE 1.—Level of operations or performance, fiscal years 1964–67

Unit	Fiscal 1964	Fiscal 1965	Fiscal 1966 estimate	Fiscal 1967 estimate
(a) Approved projects (39) ¹	9	7	8	14
(b) Participating bodies (39)	9	7	8	14
State government agencies (7)	2	3	0	(2)
Local governments (15)	1	1	2	(2)
Nonprofit groups (17)	6	3	6	(2)
(c) Federal finances: ³				
Unobligated appropriations available	\$1,099,990	\$1,275,000	\$1,275,000	\$2,575,000
Obligation incurred	\$1,056,990	\$1,227,700	\$1,227,700	\$2,500,000
(d) Matching expenditures	(4)	(4)	(4)	(4)
(e) Number of Federal Government employees	53	53	53	67
(f) Non-Federal personnel	0	0	0	0
(g) Other measures	0	0	0	0

¹ Figures in parentheses refer to all projects approved since the beginning of the program.

² Cannot be predicted at this time.

³ Difference between the 2 figures for each year represents administrative expenses.

⁴ Information not available.

⁵ 1 director, 2 program assistants.

⁶ 1 director, 6 assistants.

5. Estimated magnitude of program in 1970

The probable program level in 1970 cannot be estimated. An increase over recent and current levels is considered both desirable