

TABLE 1.—Level of operations or performance, fiscal years 1966–67

Measure	Fiscal year 1966 estimate	Fiscal year 1967 estimate
(a) Magnitude of the program (dwelling units).....	50,000	58,000
NOTE.—Proposed budget authorizations are for contracts for up to \$30,000,000 in annual payments in fiscal year 1966 and \$35,000,000 for fiscal year 1967. These contracts normally will run for 40 years. HUD assumes an average rent supplement benefit of \$600 per family per year.		
b) Applicants or participants:		
State government agencies.....	None	None
Local communities or governments.....	None	None
Individuals or families.....	None	None
Number of project owners.....	330	385
NOTE.—Assume that each project will contain an average of 150 families who will receive rent supplement payments.		
(c) Federal finances:		
Unobligated appropriations available.....	(1)	(1)
Obligations incurred.....		
Allocations or commitments made.....	None	None
(d) Matching or additional expenditures for the program.....		
(e) Number of Federal Government employees administering, operating, or supervising the activity.....	90	105
(f) Non-Federal personnel employed in the program.....	None	None
(g) Other measures of level or magnitude of performance.....	(2)	(2)

¹ Program not yet funded. Necessary appropriation action to permit rent supplement contracts has been requested of Congress.

² Not applicable.

5. Estimated magnitude of program in 1970

The Housing and Urban Development Act of 1965 authorized contractual obligations for annual rent supplement payments which will reach a cumulative level of \$150 million per year as of July 1, 1968. This reflects a first-year authorization of \$30 million, with subsequent additional authorizations of \$35, \$40, and \$45 million a year for the next 3 fiscal years. It is expected that congressional authorization for fiscal year 1969 will either follow the same pattern of increase (to \$50 million), or will extend the fiscal year 1967 or fiscal year 1968 levels of \$40 to \$45 millions.

Preliminary estimates of the potential market for rent supplement housing show about 3 to 4 million eligible households. The rent supplement program will, from its 4-year authorization, serve about 250,000 of these families. It should be noted that the low-rent public housing program will also serve the same general market, and its 4-year authorization, under the Housing and Urban Development Act of 1965, will provide about 180,000 units that can serve the poor. The 2 programs, combined, will serve only a fraction of the potential need, from 10 to 14 percent, depending upon whether the 3 or 4 million universe figure is used for computation.

Certain internal changes in the potential market for such housing will probably occur. As personal incomes continue to rise and high levels of employment are maintained, the number of nonelderly families in substandard housing will probably decrease, duplicating the 1950–60 experience. This, however, will be partially offset by the increasing numbers of elderly whose low retirement incomes will make them eligible for these program aids. A third major source of market, governmental action displacement, will probably continue to show moderate increases.