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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT RENEWAL ASSISTANCE ADMINISTRATION WASHINGTON, D. C. 20410

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Mr. Cecil A. Alexander Chairman, Housing Resources Committee FINCH. ALEXANDER, BARNES, City of Atlanta City Hall Atlanta, Georgia 30303

ROTHSCHILD & PASCHAL ATLANTA, GEORGIA

Dear Mr. Alexander:

Secretary George Romney has asked me to reply to your letter of October 8, 1969, concerning the Neighborhood Development Program (NDP).

I want to clarify that the amount of \$24 million referred to in Mr. John T. Edmunds' letter of September 23 represents a tentative earmarking, based on estimates, of funds for second year NDP activities in the six cities in Region III presently involved in NDP. The actual amount cannot be determined until Congress has completed action on HUD's Fiscal Year 1970 appropriations and the Fiscal Year 1970 funding levels for the Neighborhood Development Program have been established.

Although our Department is firmly committed to the Neighborhood Development Program, it is anticipated that fund limitations will make it necessary to place controls on its management. The accompanying background paper explains these considerations in greater detail.

Mr. Edmunds and his staff are working out guidelines for the allocation of funds within Region III when the Fiscal Year 1970 funding levels of the Neighborhood Development Program have been established. I suggest that you keep in touch with him with respect to future funding decisions concerning Atlanta's Neighborhood Development Program.

Sincerely yours, Acting Deputy Assistant Secretary for Renewal Assistance