THE URBAN COALITION ACTION COUNCIL

JOHN W. GARDNER CHAIRMAN 1819 H STREET, N. W. WASHINGTON, D. C. 20006

September 27, 1968

TO:

Chairmen and Executive Directors of Local Urban Coalitions

SUBJECT: HUD Appropriations and HUD Personnel Limitations

As you will note in this week's <u>Legislative Report</u>, Congressional action has been completed on Fiscal Year 1969 HUD appropriations. HUD was given \$2.1 billion, a compromise between the \$1.2 billion approved by the House and the \$3.1 approved by the Senate.

No funds were given to implement the Fair Housing program which became law earlier this year, although HUD had planned a staff of 850 and had requested \$11 million for this program.

Nor do these appropriations include funds for the new programs authorized in the Housing and Urban Development Act of 1968. It has been anticipated that a supplemental budget request would be sent to Congress to initiate some of the new programs, including Home Ownership and Rental Assistance. The HUD Act authorizes \$75 million for each of these programs in the first year. There is now some question whether the supplemental request will be made.

In addition to all of this, the HUD personnel limitations present one of the greatest problems facing the housing and urban field. An increase of 1,600 persons is projected to administer the new HUD programs during the next year, yet the Department will have to cut its personnel by 900 under the limitations imposed by the Tax Increase - Budget Cut bill.

All of these developments point to bleak times for our cities as they try to meet their needs in the months ahead. We had not anticipated so many problems with appropriations in the housing and urban field, but are now faced with them because of the strong economy drive in Congress and a general lack of understanding about the needs of our urban centers.

You can be very helpful by:

(1) Communicating with the President, urging the Administration to send Congress a supplemental budget request for implementation of the new Fair Housing law and the new HUD Act programs (particularly Home Ownership and Rental Assistance); and by communicating with your Senators and Representatives, asking their support.

(2) Explaining to your Senators and Congressmen the special urgency in the urban field for a HUD exemption from the ceiling on personnel. It will be impossible for the Department to begin its new programs and effectively maintain its present ones if it suffers the cutbacks currently anticipated.

We have called for your help several times in the past few months on legislative issues relevant to the urban community. Your response has been very encouraging. Your continued assistance is most valuable, and we hope that you will at no time underestimate your importance in helping to obtain needed urban legislation.

Sincerely yours,

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Executive Director

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Enclosure (Weekly Legislative Report)