

# MILITARY CONSTRUCTION APPROPRIATIONS FOR 1974

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## HEARINGS BEFORE A SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES NINETY-THIRD CONGRESS FIRST SESSION

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### PART 4

**Defense Agencies**

**Family Housing**

**Homeowners Assistance**

**Reserve Forces**

**Status of Military Construction Funds**

**Testimony of Members of Congress and Other Interested  
Individuals and Organizations**

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# MILITARY CONSTRUCTION APPROPRIATIONS FOR FISCAL YEAR 1974

## FAMILY HOUSING, DEFENSE

PROGRAM AND FINANCING (IN THOUSANDS OF DOLLARS)

	Budget plan (amounts for family housing actions programed)			Obligations		
	1972 actual	1973 estimate	1974 estimate	1972 actual	1973 estimate	1974 estimate
<b>Program by activities:</b>						
<b>1. Construction:</b>						
(a) Construction of new housing.....	249,950	307,628	357,604	132,977	349,851	326,289
(b) Construction improvements.....	47,928	59,925	65,470	19,421	65,239	64,011
(c) Planning.....	627	900	700	627	900	700
(d) Rental guarantee.....	65	-----	-----	55	10	-----
Total construction.....	298,570	368,453	423,774	153,080	416,000	391,000
<b>2. Operation, maintenance, and interest payment:</b>						
<b>(a) Operation:</b>						
(1) Operating expenses.....	230,389	294,368	334,210	230,389	294,368	334,210
(2) Leasing.....	28,746	35,258	44,703	28,746	35,258	44,703
(b) Maintenance of real property.....	219,286	249,603	294,419	219,286	249,603	294,419
(c) Interest payments.....	66,030	62,234	58,408	66,027	62,234	58,408
<b>(d) Mortgage insurance premiums:</b>						
(1) Capehart and Wherry housing.....	2,499	2,360	2,206	2,499	2,360	2,206
(2) Servicemen-owned housing.....	4,204	3,830	3,780	4,150	3,830	3,780
Total, operation, maintenance, and interest payment.....	551,154	647,653	737,726	551,097	647,653	737,726
Total.....	849,724	1,016,106	1,161,500	704,177	1,063,653	1,128,726
<b>Financing:</b>						
<b>Receipts and reimbursements from:</b>						
Federal funds.....	-3,039	-3,485	-3,390	-3,039	-3,485	-3,390
Non-Federal sources.....	-11,234	-6,704	-7,152	-11,336	-6,704	-7,152
<b>Unobligated balance available, start of year:</b>						
For completion of prior year budget plans.....	-----	-----	-----	-138,409	-281,413	-223,760
Available to finance new budget plans.....	-20,347	-35,444	-3,976	-20,347	-35,444	-3,976
Reprogramming from prior year budget plans.....	-2,645	-10,106	-----	-----	-----	-----
<b>Unobligated balance available, end of year:</b>						
For completion of prior year budget plans.....	-----	-----	-----	281,413	223,760	256,534
Available to finance subsequent year budget plans.....	35,444	3,976	-----	35,444	3,976	-----
Unobligated balance lapsing.....	1,070	-----	-----	1,070	-----	-----
Redemption of agency debt.....	3,102	3,037	3,418	3,102	3,037	3,418
Budget authority.....	852,075	967,380	1,150,400	852,075	967,380	1,150,400
<b>Budget authority:</b>						
Appropriation.....	945,025	1,064,046	1,250,567	945,025	1,064,046	1,250,567
Portion applied to debt reduction.....	-92,950	-96,666	-100,167	-92,950	-96,666	-100,167
Appropriation adjusted.....	852,075	967,380	1,150,400	852,075	967,380	1,150,400
<b>Relation of obligations to outlays:</b>						
Obligations incurred, net.....	-----	-----	-----	689,801	1,053,464	1,118,184
Obligated balance, start of year.....	-----	-----	-----	260,339	275,337	484,701
Obligated balance, end of year.....	-----	-----	-----	-275,337	-484,701	-639,885
Adjustments in expired accounts.....	-----	-----	-----	8,901	-----	-----
Outlays.....	683,703	844,100	963,000	683,703	844,100	963,000

## OBJECT CLASSIFICATION (IN THOUSANDS OF DOLLARS)

	1972 actual	1973 estimate	1974 estimate
Personnel compensation:			
Permanent positions.....	8,715	9,395	9,379
Positions other than permanent.....	653	256	340
Total personnel compensation.....	9,368	9,651	9,719
Personnel benefits: Civilian.....	936	1,080	1,024
Travel and transportation of persons.....	138	169	181
Transportation of things.....	1,801	1,933	2,140
Rent, communications, and utilities.....	63,379	69,809	76,930
Printing and reproduction.....	2	2	2
Other services.....	368,246	463,453	542,793
Supplies and materials.....	25,134	27,932	30,444
Equipment.....	20,803	23,002	25,320
Lands and structures.....	148,253	404,287	381,655
Grants, subsidies, and contributions.....	90	101	110
Interest and dividends.....	66,027	62,234	58,408,726
Total obligations.....	704,177	1,063,653	1,128,726

## PERSONNEL SUMMARY

Total number of permanent positions.....	993	1,026	1,026
Full-time equivalent of other positions.....	60	23	23
Average paid employment.....	1,027	1,022	1,032
Average GS grade.....	6.3	6.3	6.3
Average GS salary.....	\$9,703	\$9,838	\$9,739
Average salary of ungraded positions.....	\$8,284	\$8,864	\$9,254

TUESDAY, JULY 17, 1973.

## ARMY FAMILY HOUSING AND HOMEOWNERS ASSISTANCE PROGRAM

### WITNESSES

**MAJ. GEN. K. B. COOPER, DIRECTOR OF INSTALLATIONS, ODCSLOG**  
**MAJ. GEN. J. A. KJELLSTROM, DIRECTOR OF ARMY BUDGET, OFFICE, COMPTROLLER OF THE ARMY**  
**COL. G. S. OLIVER, CHIEF, FAMILY HOUSING DIVISION, DIRECTORATE OF INSTALLATIONS, ODCSLOG**  
**C. BEARMAN, PROGRAMS DEVELOPMENT BRANCH, FAMILY HOUSING DIVISION, DIRECTORATE OF INSTALLATIONS, ODCSLOG**  
**D. S. SWANSON, FAMILY HOUSING DESIGN BRANCH, ENGINEERING DIVISION, OFFICE, CHIEF OF ENGINEERS**  
**G. THOMPSON, HOMEOWNERS ASSISTANCE DIVISION, DIRECTORATE OF REAL ESTATE OFFICE, CHIEF OF ENGINEERS**  
**MRS. M. V. SPARKMAN, PROGRAMS CONTROL DIVISION, DIRECTORATE OF REAL ESTATE OFFICE, CHIEF OF ENGINEERS**

Mr. Sikes. This morning we are ready to begin the discussion of Army family housing requirements for fiscal 1974 and for the homeowners assistance program. We will place in the record the summary pages i through iii.

[The pages follow:]

*Department of the Army, family housing, defense—fiscal year 1974 budget, program and financing*

[Thousands of dollars].

February 15, 1973:

Construction of new housing.....	\$178,208
Mobile home facilities.....	3,300
Subtotal new construction.....	<u>181,508</u>
Wherry acquisition (utilities).....	240
Improvements.....	28,160
Minor construction.....	1,500
Planning.....	200
Total construction authorization.....	<u>211,608</u>
Operating expenses.....	149,408
Leasing.....	16,056
Maintenance.....	120,448
Total operation and maintenance.....	<u>285,912</u>
Debt interest and other expense.....	18,903
Total.....	516,423
Less: reimbursements—O. & M.....	—2,022
Debt.....	—250
Available from other years: Debt.....	—343
Total.....	<u>513,808</u>
Budget authority:	
Appropriation:	
Construction.....	211,608
Operation and maintenance.....	283,890
Debt.....	46,311
Total appropriation.....	541,809
Less: Portion applied to debt reduction.....	28,001
Appropriation (adjusted).....	513,808

DEPARTMENT OF THE ARMY  
FAMILY HOUSING, DEFENSE—FISCAL YEAR 1974 BUDGET, TABLE OF CONTENTS

	Page	Units	Cost (thousands)
<b>1. Construction (summary):</b>			
<b>A. New construction State and installation</b> .....	1		
Colorado: Fort Carson.....	2-5	200	\$5,793.0
Florida: Eglin AFB.....	6-9	25	680.0
Hawaii: Oahu.....	10-13	1,000	36,995.5
Kansas: Fort Riley.....	14-17	901	24,742.5
Kentucky: Fort Campbell.....	18-21	1,000	27,000.0
Louisiana: Fort Polk.....	22-25	500	14,250.0
Maryland: Aberdeen Proving Ground.....	26-29	166	4,600.0
North Carolina: Fort Bragg.....	30-33	136	4,430.0
Pennsylvania: Tobyhanna Army Depot.....	34-37	86	2,464.0
Texas:			
Fort Hood.....	38-41	900	23,423.0
Red River Army Depot.....	42-45	21	556.0
Virginia:			
Fort Monroe.....	46-49	200	5,640.0
Fort Eustis.....	49a-49d	300	8,034.0
Metropolitan Washington area: Fort Belvoir.....	50-53	700	19,600.0
Subtotal construction of new housing.....		6,135	178,208.0
<b>B. Mobile home facilities:</b>			
Arizona: Yuma PG.....	54-56	8	36.0
Kentucky: Fort Campbell.....	57-59	100	409.5
Louisiana: Fort Polk.....	60-62	59	252.8
Maryland: Aberdeen PG/Edgewood Arsenal.....	63-65	76	311.1
New Jersey: Fort Monmouth.....	66-68	40	180.2
Texas: Fort Hood.....	69-71	380	1,447.0
Virginia: Fort Eustis.....	72-74	62	253.9
Metropolitan Washington area: Fort Belvoir.....	75-77	100	409.5
Subtotal mobile home facilities.....		825	3,300.0
Subtotal new construction.....		6,960	181,508.0
<b>C. Wherry acquisition (utilities).....</b>	78		240.0
<b>D. Improvement to existing public quarters.....</b>	79-90		28,160.0
<b>E. Minor construction.....</b>	91		1,500.0
<b>F. Advance planning and design.....</b>	92		200.0
<b>G. Rental guarantee payments.....</b>	93		0
Total construction authorization and appropriation request.....			211,608.0
<b>2. Debt payment (summary).....</b>	94		
<b>A. Capehart housing.....</b>	95-98	35,316	36,193.0
<b>B. Wherry housing.....</b>	99-101	19,823	9,193.0
<b>C. Servicemen's mortgage insurance premiums.....</b>	102		925.0
Total debt payment appropriation request.....		55,139	46,311.0
<b>3. Operation and maintenance (summary).....</b>	103		
<b>A. Operation and maintenance.....</b>	104-107	136,132	267,834.0
<b>B. Leasing costs.....</b>	108-113	6,929	16,056.0
Total operation and maintenance appropriation request.....		143,061	283,890.0

<sup>1</sup> The appropriation requests for debt payment and operation and maintenance are in lump sum for the Department of Defense and not restricted by military department or defense agency. The amounts footnoted are within those totals.

Mr. SIKES. The total request is \$541,809,000. Is that correct?

General COOPER. Yes, sir.

Mr. SIKES. General Cooper, the committee is glad to welcome you and will be happy to have you discuss the details of the Army fiscal year 1974 housing request, which is a subject that this committee has a very strong interest in. We would like to know the progress you are making, the obstacles you continue to encounter, and the job remaining after this year's work is accomplished. Are you ready to proceed?

General COOPER. Yes, sir, I am, Mr. Chairman.

Mr. SIKES. Will you please do so.

## GENERAL STATEMENT

General COOPER. I have with me today Colonel Oliver, the Chief of the Family Housing Division. He took Colonel Perkins place in my office.

Mr. SIKES. We also have with us General Kjellstrom, a very knowledgeable individual and whose experience and counsel has always been helpful to this committee.

You may proceed.

General COOPER. Mr. Chairman and members of the committee, it is a pleasure to appear before this committee again, this time in the review of the Army's fiscal year 1974 family housing budget and the homeowners' assistance program.

Our program for fiscal year 1974 includes additional new units, provision for an increase in the statutory unit cost which we sorely need, and an increase in our foreign leasing authority to help alleviate the severe family housing shortages in Germany.

## EXPANDED CONSTRUCTION PROGRAM

This is the second year of what we describe as our "family housing program for the seventies." We require expanded family housing budget requests through fiscal year 1979 to achieve its objectives, which are geared to requirements for a Volunteer Army. Our initial year was noteworthy in that we increased the fiscal year 1972 level of 2,008 new units to 4,166 units in fiscal year 1973. We increased the total family housing appropriation from \$292 million in fiscal year 1972 to \$406 million in fiscal year 1973. We hope to continue this momentum.

Mr. SIKES. It is not clear to me. How many units will this appropriation provide?

General COOPER. This appropriation will provide 6,135 new units. I am coming to that in a minute.

Mr. SIKES. Very good.

General COOPER. In fiscal year 1974 we are requesting an appropriation of \$542 million which includes funds for debt reduction in the debt payment program. This \$542 million will provide \$212 million for the construction program, \$46 million for debt payment and \$284 million for operation and maintenance. Taking each program separately:

The construction program of \$212 million, an increase of almost \$90 million over the fiscal year 1973 appropriation, will provide for the construction of 6,135 new housing units of which 5,135 are in the continental United States and 1,000 units are in Hawaii; the construction of 825 mobile home spaces; an improvement program of \$28 million to be applied against an estimated backlog of \$250 million; and slightly less than \$2 million for minor construction, acquisition of a utility system, and advance planning.

## DEBT PAYMENT

The debt payment program of \$46 million which is approximately the same as last year, will provide for the payment of principal, interest and FHA insurance on approximately 35,000 Capehart and 20,000

Wherry housing units, and payment of servicemen's mortgage insurance premiums. This program constitutes fixed obligations of the U.S. Government.

#### OPERATION AND MAINTENANCE

The operation and maintenance program of \$284 million will provide for the support of approximately 143,000 family housing units. Originally it included \$15 million for furniture replacement; \$30 million to permit a reduction in the deferred maintenance backlog of \$152 million, and \$5.8 million for procurement of washers and dryers in oversea areas.

However, since the development of this budget, the revaluation of foreign currencies has necessitated an absorption of \$6.3 million in fiscal year 1973 and \$13.8 million in fiscal year 1974.

Mr. Chairman, the deutsche mark-dollar exchange rate has further eroded, and there is an additional \$2.9 million of unliquidated year-end obligations for fiscal year 1973, and the \$13.8 million I have in the statement is now \$32.2 million. The impact of absorbing these amounts has been to further delay our program to accelerate the reduction of deferred maintenance backlog. As a matter of fact it will result in a net increase in our backlog. It is now estimated that no funds will be programmed against the backlog of \$155 million at the end of fiscal year 1973. In fact, the backlog has grown to \$157 million. In this regard you may remember at our other hearings General Kjellstrom discussed the advisability of having some flexibility to transfer funds to the family housing program from the Army program and he has provided suggested legislative language to accomplish that so that the family housing program which you support so extremely well won't suffer because of that devaluation.

Mr. SIKES. Has that legislation been introduced?

General COOPER. No, Sir. We just provided the language. We have not provided it through OMB. We provided it as part of the transcript to Mr. Nicholas. There is at least some indication the comptrollers in the Office of Secretary of Defense don't want to do this.

Mr. SIKES. I see.

#### LEASING

General COOPER. The fiscal year 1974 leasing program is 6,929 units. Foreign units have been increased by 2,797 units for a total of 3,688 units as compared to 891 units in fiscal year 1973. I might add the recent devaluation will make our ability to lease these extremely dubious as we allowed only about \$250 per house to be leased and we now think it is going to be closer to \$375. There isn't any specific limitation in the average cost per unit overseas but the amount of money we have programmed is a limitation.

This increase is primarily for Germany where a severe housing shortage exists, and where Government leasing is the most expeditious and flexible means of providing relief with minimum risk to the United States. The differences in customs, rental practices, culture, and language make it difficult for most of our soldiers by themselves to get adequate housing on the economy. When they do find it we often have serious problems with such fundamental needs as transportation to schools caused by the widely scattered locations. Government block

leasing of apartments, particularly in the cities, gives the U.S. Government more bargaining power, reduces the per unit cost to acquire and operate them and allows concentration for American families thus reducing the cost of transportation and other community support. The request of 3,241 units in the United States remains at the same level as fiscal year 1973.

#### HOMEOWNERS ASSISTANCE PROGRAM

Finally, I would like to make a statement regarding the homeowners assistance program. This program provides assistance to military or civilian employee homeowners by reducing their losses incident to disposal of their homes, when such losses result from the closure of military installations or reduction in scope of operations at such installations.

New authorization of \$7 million is being requested for fiscal year 1974 as a result of the recently announced base closures of April 17. Current estimates indicate that the available balance from funds appropriated in prior years, plus receipts from the sale of homes acquired in previous years, will not be sufficient to fund the program through fiscal year 1974. A total of \$33.803 million has been appropriated for this program in military construction acts since fiscal year 1968, when the program was initiated.

#### COSTS AND SAVINGS OF BASE CLOSURES

Mr. LONG. All of these base closures are supposed to save money, but every time I turn around more money is requested as a result of the base closures. Are we going to have somebody show us where we save money because of the base closures?

General COOPER. When the Army computed the pluses and minuses for its base closures it included the costs that would be incurred under this particular program.

Mr. SIKES. I think this is to be anticipated as part of the base closure package.

General COOPER. Yes, sir. The Air Force did not, and the Navy noted it but didn't list it on the total.

Mr. SIKES. It costs money to get out of the bases and the savings come from the fact the bases are not operated in future years.

General COOPER. That is correct.

Mr. SIKES. It is a very simple analysis.

Mr. LONG. I want to know where the savings are.

General COOPER. Dr. Long is correct. When we indicate what the potential savings are we should include family housing costs just as we include the cost of relocating the people who are moving.

Mr. LONG. I wish somewhere you would show us how these things are going to save the taxpayers' money. All we ever see is the cost, yet the justifications and screaming headlines on base closure are that this is going to save money.

Mr. SIKES. I think these analyses are in our records, are they not?

General KJELLSTROM. If I may, they are part of our overall appropriation hearings before the House Appropriations Committee. We do have \$190 million in estimated savings from CONUS reorganization actions and about \$58 million in estimated savings from base

closures and realignments in our estimates for 1975 and out. We have them itemized by installation and activity. I assure you, Dr. Long, these are much better estimates and more finitely determined than some we have had in the past which all of us are aware were poorly prepared.

Mr. LONG. Are they the savings net of the cost?

General KJELLSTROM. Yes; they are.

Mr. SIKES. Tell us what the costs of closing are for comparison.

Mr. LONG. I wish somewhere you would give us a very detailed study.

General KJELLSTROM. May I provide that for the record?

[The information follows:]

The following tables delineate the results of the Army's analysis concerning closure actions included in the 17 April 1973 announcement. These closure actions are estimated to generate \$37.3 million in annual recurring savings after reaching steady state. In all through the outyears to FY 78, they should result in savings of \$151.6 million.

Table 1

Fort Wolters, Texas: Transfer Aviation Training to Fort Rucker, Alabama; place Fort Wolters in a caretaker status.

Personnel	FY 73	FY 74	FY 75 and outyears thru FY 78	TOTALS
<b>Civilian</b>				
Eliminations		604		604
Relocations		11		11
<b>Military</b>				
Eliminations	256	333		589
Relocations		57		57
<b>Total</b>				
Eliminations	256	937		1193
Relocations		68		68

Funding\* (\$ Millions)

\* Costs are shown in parentheses.

Recurring Savings (Costs)

OMA	\$ .8	\$ 8.6	\$ 8.6	\$ 43.8
MPA	(.1)	6.0	6.0	29.9
MCA	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total	\$ .7	\$ 14.6	\$ 14.6	\$ 73.7

One Time Costs

OMA	\$(1.7)	\$(3.8)	-0-	\$(5.5)
MPA	(.4)	(.3)	-0-	(.7)
MCA	<u>(.3)</u>	<u>-0-</u>	<u>-0-</u>	<u>(.3)</u>
Total	\$(2.4)	\$(4.1)	-0-	\$(6.5)

Net Savings (Costs)

OMA	(.9)	4.8	8.6	38.3
MPA	(.5)	5.7	6.0	29.2
MCA	<u>(.3)</u>	<u>-0-</u>	<u>-0-</u>	<u>(.3)</u>
Total	\$(1.7)	\$ 10.5	14.6	67.2

Table 2

Hunter Army Airfield, Georgia: Transfer Aviation Training to Ft Rucker, Alabama; Transfer other TOE units to Ft Stewart, Georgia; Place Hunter Army Airfield in caretaker status.

Personnel	FY 73	FY 74	FY 75 and outyears thru 78	TOTALS
<b>Civilian</b>				
Eliminations	37	351		388
Relocations	28	54		82
<b>Military</b>				
Eliminations		476		476
Relocations	388	340		728
<b>Total</b>				
Eliminations	37	827		864
Relocations	416	394		810

Funding \* (\$ Millions)

\* Costs are shown in parentheses

Recurring Savings/Costs)		FY 74	FY 75	and outyears thru FY 78	TOTAL
OMA	\$ -0-	\$ 5.7	\$ 5.7		\$ 28.5
MPA	(.1)	4.3	4.3		21.4
<u>FHMA</u>	<u>-0-</u>	<u>.6</u>	<u>.6</u>		<u>3.0</u>
Total	\$ (.1)	\$10.6	\$10.6		\$ 52.9
One Time Costs					
OMA	\$(2.2)	\$(.4)	-0-		( 2.6)
MPA	(.8)	-0-	-0-		(.8)
<u>FHMA</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>		<u>-0-</u>
Total	\$(3.0)	\$(.4)	-0-		\$( 3.4)
Net Savings/(Costs)					
OMA	\$(2.2)	\$ 5.3	\$ 5.7		25.9
MPA	(.9)	4.3	4.3		20.6
<u>FHMA</u>	<u>-0-</u>	<u>.6</u>	<u>.6</u>		<u>3.0</u>
Total	\$ 3.1	\$10.2	\$ 10.6		\$ 49.5

TABLE 3

Valley Forge General Hospital: Pennsylvania Discontinue Operation by end FY 74;  
Discontinue caretaker operations by  
end FY 75

	FY 73	FY 74	FY 75	FY 76 and Outyears thru FY 78	Total
<b>Personnel</b>					
<b>Civilian</b>					
Eliminated	-0-	470	20		490
Relocated	-0-	464			464
<b>Military</b>					
Eliminated	-0-	221			221
Relocated	-0-	324	1		325
<b>Total</b>					
Eliminated	-0-	691	20		711
Relocated	-0-	784	1		785
<b>Funding* (\$ Millions)</b>					
*costs are shown in parenthesis					
<b>Recurring Savings</b>					
OMA	-0-	.9	4.7	4.6	19.4
MPA	-0-	.6	2.3	2.3	9.8
PEMA	-0-	-0-	-0-	-0-	-0-
MINOR MCA	-0-	-0-	-0-	-0-	-0-
HOA	-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>	-0-	1.5	7.0	6.9	29.2
<b>One Time Costs</b>					
OMA	-0-	(4.3)	(.2)	-0-	(4.5)
MPA	-0-	(.7)	-0-	-0-	(.7)
PEMA	-0-	(.2)	-0-	-0-	(.2)
MINOR MCA	-0-	(.2)	-0-	-0-	(.2)
HOA	-0-	(1.2)	-0-	-0-	(1.2)
<b>TOTAL</b>	-0-	(6.6)	(.2)	-0-	(6.8)
<b>Net Savings</b>					
OMA	-0-	(3.4)	4.5	4.6	14.9
MPA	-0-	(.1)	2.3	2.3	9.1
PEMA	-0-	(.2)	-0-	-0-	(.2)
MINOR MCA	-0-	(.2)	-0-	-0-	(.2)
HOA	-0-	(1.2)	-0-	-0-	(1.2)
<b>TOTAL</b>	-0-	(5.1)	6.8	6.9	22.4

TABLE 4

North Fort Wainwright: Alaska Excess the North Cantonment area of Fort Wainwright by end FY 73

	FY 73	FY 74	FY 75	FY 76 and Outyears thru FY 78	Total
<b>Personnel</b>					
<b>Civilian</b>					
Eliminated	109	11	39		50
Relocated	-0-	-0-	-0-		-0-
<b>Military</b>					
Eliminated	-0-	-0-	-0-		-0-
Relocated	-0-	-0-	-0-		-0-

	FY 73	FY 74	FY 75	FY 76 and Outyears thru FY 78	Total
<b>Total</b>					
Eliminated	**	11	39		.50
Relocated	-0-	-0-	-0-		-0-
<b>Funding* (\$ Millions)</b>				<b>*costs are shown in parenthesis</b>	
Recurring Savings					
OMA	3.1	.9	2.0	3.0	15.0
<u>MCA/FHMA</u>	<u>-0-</u>	<u>-0-</u>	<u>.2</u>	<u>.4</u>	<u>1.4</u>
TOTAL	3.1	.9	2.2	3.4	16.4
One Time Costs					
OMA	(2.0)	(2.4)	(.4)	-0-	(4.8)
<u>MCA/FHMA</u>	<u>(.2)</u>	<u>(2.7)</u>	<u>(1.2)</u>	<u>-0-</u>	<u>(4.1)</u>
TOTAL	(2.2)	(5.1)	(1.6)	-0-	(8.9)
Net Savings					
OMA	1.1	(1.5)	1.6	3.0	10.2
<u>MCA/FHMA</u>	<u>(.2)</u>	<u>(2.7)</u>	<u>(1.0)</u>	<u>.4</u>	<u>(2.7)</u>
TOTAL	.9	(4.2)	.6	3.4	7.5

\*\*109 Civ Spaces eliminated because of troop reductions announced in early 1972  
TABLE 5

Charleston Army Depot, South Carolina - Place Charleston Army Depot in Inactive Status by 30 June 74.

	FY 73	FY 74	FY 75	FY 76 and Outyears thru FY 78	Total
<b>Personnel</b>					
Civilian					
Eliminated	14	98	36		148
Relocated	-0-	21	-0-		21
Military					
Eliminated	-0-	-0-	-0-		-0-
Relocated	-0-	3	1		4
<b>Total</b>					
Eliminated	14	98	36		148
Relocated	-0-	24	1		25
<b>Funding* (\$ Millions)</b>				<b>*costs are shown in parenthesis</b>	
Recurring Savings					
OMA	-0-	.3	1.7	1.8	7.4
One Time Costs					
OMA	-0-	(1.4)	(1.0)	-0-	(2.4)
Net Savings					
OMA		(1.1)	.7	1.8	5.0

Mr. SIKES. I would like to have for the record a detailed analysis of the costs of closing, the overall savings, and the net savings.

General KJELLSTROM. Yes, sir.

Mr. SIKES. I don't know whether we want it in complete detail for the record, but we want it for the committee's purposes and we will decide how much will go in the record. I want it called to Dr. Long's attention when it is available.

General KJELLSTROM. Fine.

Mr. SIKES. And the same for all of the services. The clerk will take care of the three other services.

#### HOMEOWNERS ASSISTANCE

General COOPER. We estimated in fiscal year 1973 and fiscal year 1974 operations to be as follows:

(In thousands)

	Unobligated balance	Revenue	Total available for obligation	Estimated obligation	Completed cases
Fiscal year 1973.....	\$11,952	<sup>1</sup> \$4,200	\$16,152	\$3,000	385
Fiscal year 1974.....	13,152	<sup>2</sup> 8,805	<sup>3</sup> 21,957	<sup>4</sup> 46,400	3,159

<sup>1</sup> 325 properties.

<sup>2</sup> 515 properties.

<sup>3</sup> Does not include \$7,000,000 being requested in fiscal year 1974.

<sup>4</sup> Includes total available for obligation \$21,957,000 new authorization to assume homeowners' existing mortgages in the amount of \$17,443,000, and the fiscal year 1974 requested appropriation of \$7,000,000.

The table tracks through fiscal 1973. We start off with unobligated balance of \$11,952,000. The revenue we expect in fiscal year 1973 is \$4,200,000 from a total of 325 properties. That gives us a total available for obligation, which is the sum of those two numbers, of \$16,152,000. We estimate our obligations for fiscal 1973 to be \$3 million and completed cases of 385.

In fiscal 1974 we expect to start off with the unobligated balance of \$13,152,000. We receive \$8,805,000 from the sale of 515 properties, which gives us available for obligation \$21,957,000, but with an estimated obligation of \$46,400,000, and completed cases of 3,159.

Mr. SIKES. Why is there such a very large increase in the number of completed cases?

General COOPER. Because the bases will be shut down primarily during fiscal year 1974.

Mr. SIKES. You don't expect to complete all of the work during fiscal 1974, do you?

General COOPER. No, sir. We don't expect to sell all of the houses and as such we will have assumed quite a few mortgages. So our estimated obligations are quite a bit larger than the total of 21 million plus the 7 million, and the difference will be that we will have these mortgages.

Mr. SIKES. Heretofore there have not been as many mortgages to assume as you had anticipated. Do you think the picture will not be as favorable this time as it has been heretofore?

General COOPER. It is hard to tell, sir. The mortgage rates have gone up in various places. There might be a big credit crunch which would make it much more difficult to sell the houses.

Mr. SIKES. That seems to be a problem now with home buying generally.

Mr. LONG. You say it is getting more difficult to sell the houses?

General COOPER. I think it will be more difficult to sell the houses because credit is more difficult to get.

Mr. SIKES. Apparently the problem is credit.

Mr. LONG. This may be true. I haven't noticed it in our area. It depends on what you are asking for the house. People are asking fantastic prices for homes. For an acre of land and an old Victorian house they want \$125,000. Of course it is going to be a little slow selling that. That is what always happens when you are in a real estate market where prices just skyrocket and everybody thinks he is going to make a fortune out of selling a particular piece of property.

The actual sale prices, I think, are relevant; I would very much doubt, considering the tremendous population pressure and need for homes, that you are going to find any great difficulty in selling homes and escaping any great loss to the Government. I would think you would make a profit.

General COOPER. Where the people themselves can sell the homes because they do have a good market they never request the homeowners assistance program. It is only where it is a depressed area where the Government or Army, Navy, Air Force represent a large percentage so when they move out—

#### HOMEOWNERS ASSISTANCE BY LOCALITY

Mr. LONG. Did you have any study anywhere of our experience in these instances by locality, the same way we asked on the base closures, so we can get it all put together?

Mr. SIKES. Provide it for the record.

Mr. LONG. I think it would be tremendously informative.

[The information follows:]

Since enactment of Public Law 89-754, the Homeowners Program has provided assistance to military and civilian personnel affected by base closure and realignment actions announced on or after November 1, 1964. The major installations/bases at which assistance was provided to 25 or more individuals are shown below:

Installation/base	Total number of payments	Total payment (thousands)
Brookley AFB, Ala.	1,909	\$6,064
Norton AFB, Calif.	410	825
Sanford NAS, Fla.	93	126
Orlando AFB, Fla.	52	95
Hunter AFB, Ga.	91	87
Turner AFB, Ga.	40	49
Mountain Home AFB, Idaho	45	59
Scott AFB, Ill.	33	75
Schilling AFB, Kans.	203	375
Glasgow AFB, Mont.	38	109
Lincoln AFB, Nebr.	42	64
Walker AFB, N. Mex.	541	1,888
Holloman AFB, N. Mex.	64	216
Cannon AFB, N. Mex.	43	139
Clinton-Sherman AFB, Okla.	73	361
Olmstead AFB, Pa.	521	864
Fort Wolters, Tex.	163	487
James Connally AFB, Tex.	201	485
Perrin AFB, Tex.	229	1,132
Amarillo AFB, Tex.	831	1,871
Briggs AFB, Tex.	45	51
Naval Air Station, Sand Point, Wash.	57	280
Larson AFB, Wash.	92	374
Misawa Air Base, Japan	331	803

The DOD announcement of April 17, 1973, announced 274 realignment actions affecting military installations. To determine the impact on the homeowners assistance program, our representatives visited those bases where the major impact was suspected. These included the Newport and the Quonset Point Naval complexes in Rhode Island, the Laredo Air Force Base and Fort Wolters in Texas. As a result of these visits, and taking into account our past experience, we have concluded that approximately 2,500 payments will be made. Estimated number of payments by installation/base are:

<i>Installation/base</i>	<i>Number of payments</i>
Newport Naval Complex, R.I.-----	750
Quonset Point Naval Complex, R.I.-----	580
Westover AFB, Mass-----	120
Naval Test Facility, St. Inigoes, Md-----	20
Laredo AFB, Tex-----	350
Fort Wolters, Tex-----	160
Naval Air Station, Albany, Ga-----	120
Naval Air Station, Glynico, Ga-----	230
Hunter Army Airfield, Ga-----	20
Ramey AFB, R.R-----	20
Naval Air Station, Port Mugu/Naval Engineering Laboratory, Port Hueneme, Calif-----	130
Total-----	2,500

At this time, we are unable to determine the total cost per installation/base listed since we cannot predict what real estate market conditions will exist at the time the homes are placed on the market for sale and the ability of the market to absorb the impact of the realignment action. Our experience shows that the impact is the greatest where the base is large compared with the total population in the area and where closures take place within a short period of time.

Mr. SIKES. Will you proceed.

#### ADDITIONAL AUTHORIZATION REQUIRED

General COOPER. I believe I have already explained that the 1974 \$21 million does not include the \$7 million. We will need additional authorization of \$17,443,000 to cover those mortgages we have assumed and haven't been able to sell.

Mr. Chairman, this concludes my prepared statement. I am available to answer your questions and shall be pleased to provide such additional information as you may request.

Mr. SIKES. Thank you.

#### EXPANSION OF CONSTRUCTION PROGRAM

I want to compliment the Army on the fact it has, in this year's budget, faced up to the family housing problem more realistically than ever before. This is the kind of progress the committee likes to see. We hope, if this type of program can be approved, it will be reflected in a higher morale factor throughout the services.

You discussed to some extent the progress which the Army is making in reaching a more adequate level of programing in family housing. Would you care to predict what may happen in the next 5 years? Will you need a continuing high level of new construction? Is this the high point or do you expect to continue at this level?

General COOPER. I think the 6,000 units may be a high point. I think we will have to continue for a few years at maybe 5,000 units or so, and thereafter we would expect the number to decline as the

community support continues to grow and provide additional units available to military personnel. We try to rely on the communities but in some places it is difficult.

#### MOBILE HOME SPACES

**Mr. SIKES.** You are asking for a large number of mobile home spaces. Do you foresee a continuation of this high level of mobile home spaces in the years ahead?

**General COOPER.** I think it may continue at this level for several years. Among the American public, if my reading of the real estate pages of the newspapers is correct, many, many more people do prefer mobile homes. As a matter of policy we don't want to provide mobile homes because we think in the long term the money is better spent on permanent structures—mobile homes depreciate and deteriorate. On the other hand if the soldier prefers a mobile home, even though it is smaller, we do want to provide him a good space. So we will respond to the request from the local commanders. Our present plan in the design of mobile home spaces on post is to spread them out, particularly in posts where we expect to have additional family housing, so as to be able to site the additional family housing in the same place.

**Mr. SIKES.** The popularity of mobile homes is easy to understand. There is no building code which applies, in most cases, so it is the only low-cost housing now available. The owner isn't getting much of a house but is getting one he can move around with him. Many people prefer them. I trust that in your mobile home parks you require that the trailers be tied down?

**General COOPER.** Yes, sir. But even tying them down——

**Mr. SIKES.** They can't be tipped over as easily by a gust of wind.

**General COOPER.** You may remember reading that in some of the tornadoes the mobile homes suffered more.

**Mr. SIKES.** They do because many of them are not tied down.

**General COOPER.** We plan in places where there is fairly high incidence of tornadoes to provide some shelter for these people. In many posts now, Fort Leavenworth, Kans., for example, if there is a tornado-watch, people who don't have basements move in with others that do.

#### MOBILE HOMES DEPRECIATION

**Mr. LONG.** I wonder what the depreciation is on mobile homes. Do you have any standard figures on that?

**General COOPER.** I don't have any standard figures, but I think in about 5 years they depreciate to almost zero. It depends a lot on how well they are maintained. I am sure it levels off. They depreciate about 20 percent a year as I remember it.

**Mr. LONG.** That is horrible.

**General KJELLSTROM.** You can get 10-year loans on them. I have seen advertisements by credit unions providing for 10-year loans on mobile homes.

**Mr. LONG.** And at the end of the 10 years it is worth nothing. Is that true?

**Mr. SIKES.** Somebody will use it.

**Mr. LONG.** I wish we could get a careful statement on this subject in the record. What are mobile homes worth at the end of the first,

second, 5, 10, 15, 20 years compared with traditional homes? Can we get some figures on that? I think that would be useful. I am really shocked. It seems to me an awful lot of people may be lured into getting a mobile home because it is like buying a car. It is easy to get in, but people may lose a lot of money and not realize it. It isn't cheap even on a monthly basis, even ignoring the depreciation.

General COOPER. That is one of the reasons we prefer not to have mobile homes, because houses don't depreciate. In fact they appreciate. We will get estimates from both the mobile home people and standard housing people and compare them.

Mr. LONG. On the standard home the land and the house are part of a package, and if the house depreciates, the land still appreciates. I think the comparison ought to be made both ways. I am not sure that standard housing is depreciating now, because lumber and everything is going up so fast in value it seems to me the houses are increasing in value. If so, I am a little puzzled as to why mobile homes should be depreciating so rapidly.

Mr. SIKES. Because the mobile home is built without benefit of the building code, constructed of light material and it doesn't hold up well.

Mr. LONG. It is the way they are built.

Mr. PATTEN. Sunday's paper had an analysis on that. For the first time there has been a dropoff of the mobile homes. It had increased in the last 3 years, but General Motors and others believe, according to the article, that they have reached their pinnacle.

Mr. LONG. I wonder whether mobile homes aren't kind of a desperation buy.

General COOPER. I think in some cases they are and by people who do want to move around.

Mr. LONG. They want a home, but people come to me and say you can't find any for less than \$35,000. That is in a working area. So they get a mobile home because this is the only way they can get through the next couple of years. As I say, they are paying a terribly high price for it. I would feel more comfortable if I knew what the facts were instead of using offhand figures.

General COOPER. The figures I was giving you are figures I have been reading in the real estate pages.

Mr. SIKES. Provide what you can to clear up the questions that have been asked.

[The information follows:]

At least two of every five home buyers in 1971 were reported to have bought a "mobile home." The basic reason behind this must have been economic. However, the product quality certainly must have been acceptable.

In the past few years, quality has been a special target for industry upgrading. The Mobile Home Manufacturer's Association (MHMA), a trade association, representing manufacturers of over 70 percent of all mobile homes sold in the United States, has developed, in conjunction with the American National Standards Institute (ANSI) and the National Fire Protection Association (NFPA), a performance standard. "ANSI A-119.1," sometimes referred to as "NFPA No. 501A and 501B." These codes establish minimal acceptable standards for both the units and the neighborhood in which they are to be located. These codes have either been adopted, or utilized as models, to delineate minimum standards in 42 States for mobile homes. Of the 600,000 units of housing manufactured last year, the MHMA estimate that between 475,000 and 500,000 units were built which met or exceeded these standards.

These codes place controls on four major aspects of the structure—heating, plumbing, electrical, and the structural aspects of frame and chassis. Special

emphasis is also placed on durability, comfort, convenience, as well as safety, including fire resistance.

Resulting from this quality upgrading, has come an increase in mortgage money availability. Today, the Federal Housing Administration and the Veterans' Administration (FHA/VA) will insure a mortgage on a "single wide" (approximately 10-14 foot) unit for 12 years and on a "double wide" (approximately 20-28 foot) unit for 15 years. In addition, the Farm Credit Administration, savings and loans, as well as commercial banks have provided financing.

Depreciation rates are yet another subject of interest. The product's longevity is a direct function of the care and treatment provided during its use. Properly maintained, and barring a catastrophe or malicious abuse, a well-constructed unit could last indefinitely. The most popular rule of thumb for lenders suggests a depreciation of 20 percent the first year, and 10 percent a year for the next 4 years. Recently, a "Blue Book of Mobile Home Value" has been published by the Judy Berner Publishing Co., which opts to become the industry standard. This manual is based on the broad assumption that a typical unit will depreciate to 50 percent of its initial value in 6½ years.

#### SUBSTANDARD HOUSING

Mr. SIKES. How many existing substandard units do you hope to upgrade?

General COOPER. We have units that have been designated substandard and the people right now pay only 75 percent of their BAQ. These substandard units, which number slightly more than 6,000, we would not expect to improve. As a matter of fact the law says once you have designated units substandard, you shouldn't improve them. We are basically satisfied with the program we had in fiscal year 1973. Substandard houses, the 6,000 that have been designated plus 1,000 or so earlier, we probably will not improve. We will probably eventually declare them excess or even tear them down in some cases.

#### IMPROVEMENTS

General COOPER. Based upon the latest survey of improvement requirements, which was completed in September-October 1972, the actual backlog of requirements after completion of the fiscal year 1973 program is approximately \$250 million.

Mr. SIKES. What use are you planning for the units which are declared inadequate? What does the future hold? Will they continue to be utilized by eligible personnel for the most part, or by lower rank or "ineligible" personnel?

General COOPER. They will continue to be used. Eligible personnel do not have to occupy these. In many cases they do so because it is more convenient, and in many cases the savings in BAQ is such they are happy to. To the extent we have ineligible personnel we would let them occupy them. I think the worst ones we probably should get rid of.

Mr. SIKES. How many of these substandard units would you propose to replace in the next 5 or 10 years?

General COOPER. Possibly up to one-half or about 3,300 units depending on those determined to be economically retainable.

#### FAMILY HOUSING DEFICITS

Mr. SIKES. Last year we discussed your deficits, your programable deficit, your total deficit, and your deficit for ineligibles. For the rec-

ord, bring us up to date on the figures in each of these areas as compared to last year.

[The information follows:]

Last year Army's estimated deficits were:

Programable .....	60,000
Ineligibles .....	58,000
Total .....	169,000

We project our deficit after the fiscal year 1973 program as follows:

Total deficit .....	127,200
Program safety factor .....	<sup>1</sup> 48,200
Programable deficit .....	79,000
Programable deficit for eligibles .....	<sup>2</sup> 61,000
Programable deficit for ineligibles .....	18,000

<sup>1</sup> Program safety factor is computed as 10 percent of the total requirement in the United States and possessions, and 20 percent of the total requirement in foreign locations.

<sup>2</sup> All E-4's are now included in the programable deficit for eligibles.

Mr. SIKES. What trends have brought about changes in these projected deficits, and do you expect these trends to continue?

General COOPER. The projected deficit is influenced by strength changes, increasing assets both military and community, and expanded eligibility. I will provide a table relating to the calendar years 1971 and 1972 surveys, demonstrating the effects of these factors:

[The table follows:]

	Calendar year—	
	1971	1972
Gross strength .....	846,000	803,000
Eligible families .....	435,000	<sup>1</sup> 393,000
Voluntary separations .....	-36,100	-21,200
Program safety factors .....	-50,900	-48,200
Assets .....	-229,900	-244,400
Military controlled .....	(132,000)	(139,000)
Community .....	(97,900)	(105,400)
Program deficit .....	118,100	79,200
Eligible .....	60,100	61,200
Ineligible .....	<sup>2</sup> 58,000	18,000

<sup>1</sup> All E-4's are counted among the eligibles in the calendar year 1972 survey.

<sup>2</sup> Includes an estimated 40,000 E-4's who were not considered to be eligible in the calendar year 1971 survey.

General COOPER. It is anticipated that the strength of the Army will remain relatively constant through fiscal year 1979.

Military assets will increase as additional programs are approved. The 6,135 units of new construction for fiscal year 1974 are part of our overall program to satisfy our housing requirements. We hope to continue this program at about 4,000 to 5,000 units per year until our total requirement, including replacements, is met.

The community support will probably increase but not at the present rate. The tighter mortgage market will discourage home purchases, particularly among the lower grades. The difficulty in selling homes will, in turn, increase the number of rentals available although their cost may well be prohibitive.

It is expected that the maximum allowable housing cost (MAHC) will keep pace with pay increases. To the extent that the MAHC increase is proportional to a pay increase the housing deficit will be temporarily reduced only to rise again as housing costs rise due to infla-

tion. If the MAHC is disproportionately increased, as it was in January 1973, it will, in effect, permanently reduce the deficit.

We hope to expand eligibility for the housing program, however, from a morale standpoint this may be impracticable until the deficit for current eligibles is substantially reduced.

Mr. SIKES. This is an important morale factor and I would hope you will be able to achieve that situation sooner rather than later.

How much of your housing deficit is overseas? How would this be affected if some troops were brought home? What would be the effect on your deficit in the United States?

General COOPER. We estimate the programable overseas deficit—80 percent limit—to be about 21,000 units for eligible and 8,000 units for ineligible personnel. In the event that some troops were withdrawn from overseas areas, the total overseas deficit would be reduced. However, there could be some locations where consolidation of the remaining troop units would increase the deficit for those specific locations.

Assuming that the troops withdrawn would remain in the force structure the impact on the deficit in Conus would depend on where the redeployed personnel were stationed. At installations such as Forts Campbell and Riley, where a shortage of Government and community housing already exists, an influx of personnel would aggravate the situation. On the other hand, installations which currently enjoy an adequate, and sometimes surplus, supply of Government and economy housing, such as Forts Lewis and Ord, could absorb a reasonable deployment with little or no substantial effect upon the current housing situation.

Mr. SIKES. What has been the Army's experience with the rate of change of the marital factor in the last year or two? Provide an analysis of that for the record.

[The information follows:]

We have been experiencing considerable fluctuation in marital factors over the last couple of years as the grade mix of the Army changes and strength reductions take place. The following tabulation of composite factors is provided based on current data from selected installations reporting in the surveys of calendar years 1971, 1972 and 1973.

Officers and warrant officers :

Calendar year :	Percent
1971 -----	77.9
1972 -----	79.2
1973 -----	75.5

Eligible enlisted (E-4's and above) :

Calendar year :	Percent
1971 -----	( <sup>1</sup> )
1972 -----	58.3
1973 -----	64.3

During comparable periods the Army-wide sample survey of Army personnel projected the following composite factors :

Officers and warrant officers :

	Percent
February 1971 -----	79.3
February 1972 -----	85.2
August 1972 -----	85.9

Eligible enlisted :

February 1971 -----	( <sup>1</sup> )
February 1972 -----	60.5
August 1972 -----	68.0

<sup>1</sup> Not comparable due to the change of E-4's from only those with a career commitment to all E-4's being classed as eligibles.

In an attempt to obtain more stability in marital factor projections we instructed installations, for purposes of the current year 1973 survey, to use the August 1972 DCSPER marital factors by individual grades and apply those factors to the permanent strength as contained in the long range strength authorizations of the installation. This resulted in composite factors for all reporting installations of 83.7 percent officers and warrant officers and 68.3 percent for eligible enlisted. We consider this technique to be the most accurate that can be devised for projecting marital factors. We believe the factors in the past have generally been lower than those which will apply to a more stable, smaller force and that the marital factors will stabilize as the Army grade structure stabilizes.

#### IMPROVEMENTS PROGRAM

Mr. SIKES. Tell us about the improvements backlog. What would be a reasonable level of programming for improvements if we are to meet this need during the 1970's?

General COOPER. The level would be about \$30 million a year. I think we ask for \$28 million in this fiscal year, and the level should probably be close to about \$25 million or \$30 million.

Mr. SIKES. In other words, you don't really hope to overcome the improvements backlog during the 1970's.

General COOPER. No, sir. There is a limit to the number of units we can take out of operation while we are improving them.

Mr. SIKES. Are you reaching a level that you think is reasonable?

General COOPER. Yes, sir.

#### MAINTENANCE

Mr. PATTEN. How about maintenance? They say they need \$155 million and you are asking for 10 percent or thereabouts for furniture and other items. I think that is inexcusable. That isn't your question though.

Mr. SIKES. No. The maintenance problem, as the General's statement pointed out, is going to get worse rather than better; this is not the Army's fault. You asked for more money and you got more money, but it isn't going to go as far. Is that right?

General COOPER. The devaluation of the dollar is costing a tremendous amount, sir.

#### MINOR CONSTRUCTION

Mr. SIKES. How much of the improvements backlog can be accomplished or is being accomplished by minor construction?

General COOPER. Relatively little is accomplished by minor construction because minor construction normally has to be done on an emergency basis.

Mr. SIKES. What are you using minor construction for primarily?

General COOPER. I will ask Mr. Bearman to answer.

Mr. BEARMAN. Basically we use minor construction to take care of those requirements which are above the small individual requirements we can use O. & M. funds for but which are less than those line items which normally are included in the annual budget.

Mr. SIKES. What type of items?

Mr. BEARMAN. It would be such things as possibly modifying an electrical system within the house, to provide for washers and dryers, modification of exterior utility systems, and possibly installing dishwashers and garbage disposals in kitchens.

Mr. SIKES. Have you used the additional funds we gave you last year for minor construction?

Mr. BEARMAN. Yes, sir, we have. We have limited those funds both for fiscal year 1972 and 1973 to expenditures for housing the junior officers and enlisted personnel.

Mr. SIKES. Would it be better to add this money to improvements?

Mr. BEARMAN. Because of the greater flexibility that we have with the minor construction program, where we can put the funds out directly to the installation, we would prefer to keep the funding in the minor construction area. However, with the generous funding which you have given us in the past few years we have reached the point where it is almost impossible to develop minor construction projects without getting into the certificate of urgency or splitting out the project, which makes it in effect illegal, and still retain it to this category of housing for junior officers and enlisted personnel.

Mr. SIKES. So you will not need as much in this area as you have had in the past?

Mr. BEARMAN. That is correct. If there is additional funding we would desire the limitations on its use for junior officers and enlisted be eliminated.

Mr. SIKES. Last year the committee provided additional funding for minor construction in order to take care of urgent requirements for junior officers' and enlisted housing units. During the course of the year, we discovered you had spent over \$7,000 at Fort Myer to provide a fourth bedroom and half bath to quarters assigned to a general officer. You justified this on the basis of the three teenagers at home, in that household, although one was of college age and another was near college age. The alterations were hardly completed when the officer was moved to other quarters and the quarters were assigned to a general officer whose family size did not demand so many bedrooms. How do you explain this in view of the committee's instructions to emphasize the upgrading of quarters for lower grade personnel?

General COOPER. I have no satisfactory explanation; we obviously used poor judgment even though technically we used funds requested within the normal budget. To be sure we spent the supplementary funds provided by Congress for improvements to junior officers and enlisted housing, the Army established specific cost accounts to differentiate between the funds requested in the budget and the supplementary funds added by Congress.

#### WIVES' OPINIONS

Mr. SIKES. Tell us about the result of your discussions with Army wives on housing. Are you paying any attention to them?

General COOPER. We pay a lot of attention to the wives because if we don't pay attention to wives, we have to listen to the husbands. But we are frankly somewhat limited in the amount of funds, in the average cost per unit, we can use in accomplishing some of the things that the wives have asked for.

Mr. SIKES. It sounds as if Army wives are similar to other wives.

General COOPER. We listen to the complaints of the wives, many of which we feel are justified. You are aware of the fact we did this technical report by the Construction Engineering Research Laboratory?

Mr. SIKES. Yes. Of course the purpose of this is to get the advantage of Army wives' recommendations on housing. For a long time there was a justifiable complaint that the military did not ask the wives what they really needed and wanted most in a house. We have been trying to overcome that. Do you think we are making any progress?

General COOPER. I think we are making progress in knowing what their primary complaints are.

Mr. SIKES. Are we doing anything about them?

General COOPER. We are specifically adding into the 1973 program improvements that we think address some of their legitimate complaints.

Mr. SIKES. In the 1973 program?

General COOPER. In the design of the 1973 program. Mr. Swanson is the head architect of the Office of Chief Engineers.

Mr. SIKES. What about the 1974 program?

General COOPER. That also.

Mr. SIKES. Give us a few illustrations of the things you have done to modify the housing that have come about as a direct result of listening to the wives of the servicemen.

General COOPER. I will give you a few examples and Mr. Swanson can give you many more.

One of the big complaints was about noise. You can build a house fairly cheaply, particularly a duplex, if you have the same walls between houses that you have for interior walls within houses. But in the design of the housing that is being built now the common walls are expanded to where there isn't any direct sound conduit from one house to the other. That was one of the major complaints, the sound level.

Mr. SIKES. What else? Give us a few examples and you can expand on that for the record.

Mr. SWANSON. We have increased our standards on the laundry areas which are, as you know, a part of the gross floor area and not the net floor area, by trying to create a separate laundry facility which also incorporates some general storage for the tenants. We have in the 1973 program gone to lights in the bedrooms. In years past we have used a switch receptacle which has created a hardship particularly to lower grade people who may not have many lamps.

General COOPER. They have lights in the ceiling as opposed to having outlets around the rooms.

Mr. SWANSON. We have tried wherever possible to increase the storage related to the housing because again this is something—

Mr. SIKES. Are you talking about closet space or other storage?

Mr. SWANSON. General storage. This storage is that part which is not a part of the net floor area. If the space is part of that it is difficult because you are decreasing rooms already too small.

We have, in the 1973 program, also tried within the neighborhood, the street environment, to create a situation of more duplex housing, therefore offering the family greater identity, more privacy, more space separation.

We have also tried to incorporate a little greater architectural variety, not repeat the same house.

Mr. SIKES. I think that is very desirable. Complete that answer for the record.

## COST PER HOUSE

How much additional cost has this resulted in per house?

Mr. SWANSON. I will have to provide this.

Mr. SIKES. All right.

[The information follows:]

The Army, in the fiscal year 1972 program, attempted to upgrade the quality and livability of these units over those units built in the fiscal year 1971 program by using better grade materials and incorporating those features determined as "desirable" by the occupant surveys. In order to provide a basis of comparison of what these features actually cost, the bids received for fiscal year 1972 projects were adjusted to make them comparable to fiscal year 1971 bids by elimination of costs attributable to escalation and seasonal price variations. On this basis it was found that it requires approximately \$5,000 per unit additional to incorporate those features and materials which would provide a house of the desired level of quality and livability. Unfortunately, in view of this large cost difference, most of the desired features and additions had to be deleted in order to award contracts that would remain within the statutory cost limitations.

General COOPER. I might add that for the 1973 program we may not be able to get all of these improvements in within the cost.

Mr. SIKES. Are you talking about the current cost limits or the requested cost limits?

General COOPER. The 1973 program with a \$24,000 limitation, which is the same as 1972.

Mr. SIKES. Probably you won't be able to.

General COOPER. Then we are faced with the dilemma, do we build a less than desirable house or not build the house at all because we can't build a satisfactory house.

Mr. SIKES. Have you thought of coming back and asking for an increase in the authorization which applies to 1973 housing? You do that on other projects. Why not on housing? The cost increases are real.

General COOPER. Yes, sir. We can come back and ask for additional authorization. We can also use the 1974 authorization. What we do is start off with our low-cost areas. For example, we have a large number of houses at Fort Hood which we program at about \$22,000 a house. If we go close to \$24,000 for those houses, we won't be able to build other houses without coming back for additional authorization.

Mr. SIKES. I think you would be fully justified in asking for additional authorization. This committee doesn't want you to build substandard houses. The cost increases are there. The only way you are going to overcome the problem is by having an authorization that permits you to pay the costs.

General COOPER. That is what we plan to do.

## ADEQUACY OF HOUSING REQUIREMENTS SURVEYS

Mr. SIKES. There seems to be some question as to the adequacy of the surveys which the services have taken. Do you consider community housing adequate if the occupants of this housing consider it adequate? Couldn't your housing referral office personnel do a good job in conducting these surveys of the housing assets in the community?

General COOPER. We believe the assessment of the adequacy of community support by questionnaire responses reflect bias on the part of the respondee. Normally he is reluctant to say that the housing he has

provided for his family is unsuitable. Further there is no assurance that his housing will be suitable for his successor. Home ownership is another consideration becoming more and more common. Most military personnel buying homes are certainly going to classify their house as adequate. An unknown number of these units are purchased for retirement and will not be available as a military asset in the future. However under the current survey guidance, we must count as a long range asset all community housing classified as adequate by the respondee. The housing referral office maintains the record of vacant housing in the community and is the source of this data for survey purposes. An increasing number of installations are assigning responsibility for the requirements survey to housing referral personnel.

#### DISCUSSIONS WITH FHA AND COMMUNITY

Mr. SIKES. Have you discussed your proposed construction program with local officials? What has been the reaction?

General COOPER. Local officials are kept apprised of our activities by the installation commanders and housing referral offices. Additionally, all commanders are directed to discuss planned construction programs with local officials. Reactions vary somewhat but are generally favorable. At Fort Polk, La., and in the State of Hawaii, for example, the local reaction has been enthusiastic. At Fort Campbell, Ky., the public has been carefully informed of the size and scope of the project and appears to be in agreement. There has been no unfavorable reaction to this years program except that the FHA has raised questions concerning four projects: Fort Eustis, Fort Monroe, Fort Riley, and Tobyhanna Army Depot. Commanders of these installations are in contact with local FHA officials to resolve any differences.

#### STATUS OF PRIOR PROGRAMS

Mr. SIKES. What is the status of prior-year programs?

General COOPER. We can give you a complete rundown on all of the prior year programs starting with fiscal year 1972.

Mr. SIKES. While you are looking, I am going to ask whether some of the projects have a doubtful requirement or no requirement, whether some have been delayed due to cost or for any other reasons?

General COOPER. I can give you a complete answer. All projects in the 1970-71 programs are complete except for Mishawa, Japan, Fort Polk, La., Natick Laboratories, Mass., and Hawaii, all of which are under construction.

Seven of the nine projects in the 1972 program are under construction or awarded. And 13 of the fiscal year 1973 projects are being developed. We should have gotten bids on the first 1973 project yesterday.

With regard to the 1972 program specifically, as I think the committee is already aware, we were unable to award the Carlisle Barracks and the Grand Forks projects because of not having sufficient authorization. We did award the one at Camp Drum. We plan to ask for special authorization to exceed the average cost limit for Grand Forks, and we plan to put the project for Carlisle Barracks in the 1975 program.

Mr. SIKES. Are any of the projects for a doubtful or zero requirement as of now?

General COOPER. In the 1973 program we have 100 sets of quarters scheduled for Fort Monmouth. Based on the April announcement which shifts most of the Signal School to Fort Gordon, that project becomes tenuous. So we are holding that one in abeyance.

Also in the 1972 program we have reduced the number of units at Grand Forks. But the rest of them in the 1972 program we expect to carry out. Those units at Grand Forks in the 1973 program were deleted.

Mr. SIKES. Are any delayed due to cost problems?

General COOPER. Just the two. In the 1972 program I mentioned the two delayed by cost, Carlisle Barracks and Grand Forks. In the 1973 program we won't know until we get the first few bids. We would expect there may well be some delay because of costs.

Mr. SIKES. How many were delayed for other reasons than costs?

General COOPER. None other than the one I mentioned in 1973.

Mr. NICHOLAS. Do you anticipate that there will be a large number of projects in the 1973 program for which you will have to come back and ask for expanded cost limitation.

General COOPER. We anticipate we might have to come back and ask for authorization for maybe half of them.

Mr. NICHOLAS. When will you know that?

General COOPER. We plan to adhere to those improvements that we think are really necessary and not just nice to have.

Mr. SIKES. The committee recommends that you do so.

Mr. NICHOLAS. When will you be in a position to know?

General COOPER. We will have a fairly good idea on some of the places when we evaluate the bids. We don't have the results yet.

Mr. SIKES. Are you going to bids before you decide whether you must come back for additional authorization?

#### TURNKEY

General COOPER. Yes, sir. But the bids include turnkey in almost every case.

Mr. SIKES. You are using turnkey in most instances?

General COOPER. Yes, sir. We plan to use it in all except for the two units in Nome and Bethel, Alaska, and perhaps Hawaii. We are going to try to award within the bids. If we don't make the bids, we will come back.

Mr. SIKES. Let's expedite that as much as possible.

General COOPER. Yes, sir.

#### HUD HOUSING

Mr. PATTEN. What is the status of the Army's military set-aside 236 program?

General COOPER. I have quite a few details, sir. Basically, the 1973 program is being delayed completely because of the moratorium. In the 1972 program we have Fort Richardson, Alaska, where construction is stopped in 100 units.

At Fort Belvoir we have 100 units. The sponsor requests an increase in mortgage and we have to get approval by FHA.

We have Fort Bragg and Fort Devens delayed by the moratorium.

In the 1971 program we have 300 units at Fort Meade, Md., which

have been completed and occupied. In Hawaii, 200 are completed and occupied. At Fort Carson, Colo., we have 400 units. Two hundred of these are completed, and some people should have moved in. I believe at my regular hearings I discussed the problem we had at Fort Carson, where 200 others were stopped because of the financing problem.

I think that gives you a general rundown. I can provide more detail for the record.

[The information follows:]

STATUS OF HUD SEC. 236 HOUSING PROJECTS AS OF JULY 1, 1973

Army installation	Housing units	Projects withdrawn by the Army	Construction completed by July 1, 1973	Under construction	Construction started and delayed	Being developed by FHA	Delayed by HUD moratorium
<b>Fiscal year 1971 program:</b>							
Fort Meade.....	300	-----	300	-----	-----	-----	-----
Hawaii <sup>1</sup> .....	200	-----	200	-----	-----	-----	-----
Fort Carson.....	400	-----	200	-----	200	-----	-----
Fort Knox.....	100	100	-----	-----	-----	-----	-----
Vint Hill.....	100	100	-----	-----	-----	-----	-----
Total.....	1,100	200	700	-----	200	-----	-----
<b>Fiscal year 1972 program:</b>							
Fort Richardson....	100	-----	-----	-----	100	-----	-----
Fort Belvoir.....	100	-----	-----	-----	-----	100	-----
Fort Benning.....	100	100	-----	-----	-----	-----	-----
Fort Bragg.....	150	-----	-----	-----	-----	-----	150
Fort Devens.....	200	-----	-----	-----	-----	-----	200
Fort Ord.....	100	-----	-----	100	-----	-----	-----
Fort Dix.....	100	-----	-----	-----	-----	-----	100
Fort Eustis.....	100	-----	-----	-----	-----	100	-----
Fort Lee.....	100	-----	-----	-----	-----	100	-----
Hawaii.....	100	-----	-----	-----	-----	-----	100
Total.....	1,150	100	-----	100	100	300	550

<sup>1</sup> Fiscal year 1971 Hawaii units are included in 5 triservice projects consisting of 689 units. 3 projects including 298 units are completed. 1 project (120 units) will be completed in August 1973 and 1 project (271 units) is scheduled for completion in December 1973.

<sup>2</sup> Sponsor of 1 Fort Carson project (200 units) has had financing difficulty.

<sup>3</sup> Fort Richardson project delayed pending resolution of who is responsible for construction of access road to site.

Note: HUD has been requested to substitute the following projects for those withdrawn from the above programs: Fort Campbell, 200; Fort Bragg, 100. Fiscal year 1973 program, 1,150. Not accepted by HUD. Delayed by moratorium.

Mr. PATTEN. I think the members are very interested in this.

General COOPER. Basically with the 236 program we expect some problems because of the fact that enlisted men, the lower grade enlisted men, whom we look to this program to help out, their military pay is now at such a level in many cases that it is difficult to get them into the house. They don't qualify in other words.

Mr. PATTEN. Do you like the 236 program?

General COOPER. Yes, sir, if we can use it to get the lower grade enlisted men housed. The units I saw out at Fort Carson were nice looking houses and I think will meet a very real need.

Mr. PATTEN. You don't have our problem with the community. We run into a lot of flak on the 236 program—

General COOPER. Yes, sir.

Mr. PATTEN. because of poor judgment on the part of some welfare and real estate people who have no regard for a neighborhood.

General COOPER. That is a definite problem, sir. It is a definite problem in the inadequate or substandard housing. You have to keep

enough people there of the higher ranks to be sure it doesn't become a slum which is very easy since we are not spending as much money to maintain it.

Mr. SIKES. How many additional projects do you seek under the 236 set-aside?

General COOPER. That whole program is suspended now, sir.

Mr. SIKES. I know that, but how many do you anticipate you will seek if it is allowed to go ahead? Provide that for the record.

General COOPER. Yes, sir.

Mr. SIKES. Tell us what you need, and what year-by-year requests you anticipate making within the next few years if the program is allowed to continue.

[The information follows:]

The Army would recommend a program of 1,000 units per year for the next 5 years if the criteria are changed to insure our lower grade enlisted personnel qualify and if units can be built where we need them in projects of from 20 to 250 units.

#### RECOMMENDATIONS FOR HUD SUPPORT

Mr. SIKES. Do you have any recommendations on providing better community support through HUD programs for our military populations?

General COOPER. Yes, sir. We think that HUD subsidized housing should include a higher percentage of three bedroom units when requirements are certified by the Army. We think HUD should also encourage the building of smaller projects, less than 50 units, to satisfy the requirement where there is a small but critical need.

We also have the problem that HUD will not certify projects where there is insufficient demand to support them in the event the military moves out.

Mr. SIKES. You will recall that this committee was able to persuade the Banking and Currency Committee in their housing bill of last year to include a section which would permit this type housing to be built solely to meet a military requirement. The bill did not become an actuality. Presumably it will be included in this year's bill. I presume the Army still supports that concept.

General COOPER. Yes, sir.

Mr. NICHOLAS. By programing for eligible personnel on base and by providing 236 housing off base for personnel, who are becoming of increasingly lower pay grades—because as their pay goes up those in the higher pay grades can't qualify—is there a possibility of getting an imbalance of low income people off base and high income on base? Are there other programs that HUD could get into which would help you to put more of your middle income people off base? By middle income I mean high grade NCO's or junior officers.

Mr. PATTEN. If I can help you out on this, General, the first housing we had you couldn't make over \$1,600 a year. HUD has historically conformed to the reality. So with your pay raise I assume HUD will also allow a higher ceiling.

General COOPER. We specifically faced the problem in Fort Carson and we had to separately negotiate.

But in answer to your question I think we would prefer to have a balanced program where E-1's to E-4's were authorized to live on post.

Mr. SIKES. Of course that is your objective and presumably you will get to it eventually. You now include the E-4's in your programing, but you still have a long way to go to get to the E-1's, E-2's, and E-3's.

General COOPER. Yes, sir, we do. As an objective, if the community can provide the housing, we prefer that. What we prefer to do is provide adequate pay for the military so they can be housed properly. I don't have a good answer to your question.

#### BID EXPERIENCE

Mr. SIKES. What, if any, has been the Army's bid experience with family housing in recent months?

Mr. SWANSON. Our latest experience was the fiscal year 1972 program. We also strove this year to increase our standards to be more responsive. We therefore advertised all the projects at higher standards than we have in the past. In the continental United States the bid that was received for the one project at Fort Hood that was advertised by conventional procurement procedures exceeded grossly the programmed amount. Many of the items of quality we desired were lost. These were such things as brick veneer sidings, carports, sidewalks, so on.

Four projects were advertised as turnkey. Those were Gordon, Bragg, Jackson, and Carson. On all four of these projects the bids received grossly exceeded funds available, and again the same amenities were taken out of these projects.

We have the bedroom lights, the added laundry facilities and storage.

In the case of Grand Forks, this was a turnkey project. The bids exceeded funds available and the project was deferred.

Carlisle Barracks was bid first as a conventional project and then bid as a turnkey project. In both instances proposals received grossly exceeded funds available. This project has also been deferred. Camp Drum was awarded at its base proposed price at a higher sum than originally programmed as a result of reprograming funds from Carlisle and Grand Forks.

Yesterday we opened proposals on our first fiscal year 1973 project at Fort Hood, Tex. You will recall this is a very large project of 1,000 units. We received five proposals. Two of them exceed the funds advertised as being available. We have only now this morning initiated an evaluation of these turnkey proposals. It will be some time before we know whether we have—

Mr. SIKES. I did not understand. Are they within the funds available?

Mr. SWANSON. The dollar sign was within the funds advertised. We don't know what we were buying for that money yet.

#### BACKLOG OF FAMILY HOUSING APPROVED

Mr. SIKES. This question comes to mind. It is already fiscal 1974. You have just taken bids on the first of the fiscal 1973 program. You

have asked for a large number of houses for fiscal year 1974. The committee wants to help you with your housing problem, but will you be able to handle a large 1974 program on top of a 1973 program which is just now beginning?

Mr. SWANSON. Yes, sir, our schedule involves completion of the 1973 program in November. We will be on a very regular schedule beginning to receive proposals. Next Monday we are scheduled to receive proposals at Benning and Bragg, for example.

Mr. PATEN. In some previous years it has been Christmastime before we passed the bill. It might be Christmastime before you get the 1974 bill, so half the year will be gone.

Mr. LONG. You say by November you will already have completed your obligation of your 1973 housing appropriations.

Mr. SWANSON. There is an exception to this. The two projects in metropolitan Washington, Walter Reed and Belvoir, are currently being delayed.

Mr. LONG. But, substantially, you will have completed 1973.

What is your schedule for the 1974 projects that you are currently asking for?

Mr. SWANSON. The reason for the delay in the 1973 advertisement, we restructured our trunked procurement procedures.

We have started site investigations for 1974. We hope to advertise those this winter, starting probably in February.

Mr. LONG. When do you expect to have completed obligating those funds?

Mr. SWANSON. We hope it would be by July of 1974.

Mr. LONG. In other words, by the end of the fiscal year 1974 you will have completed obligating them?

Mr. SWANSON. We did this, you will recall, in the 1971 program.

Mr. LONG. You did?

Mr. SWANSON. Yes, sir.

Mr. LONG. Did the bells ring out all through the land?

Mr. SWANSON. They did in my office.

#### INFLATION ALLOWANCE

Mr. SIKES. How much allowance for inflation is included in the fiscal year 1974 program?

General COOPER. For the 2 years between 1972 and 1974 we allowed 14.6 percent.

Mr. SIKES. Is this realistic?

General COOPER. We think it is realistic for those 2 years.

Mr. SIKES. I would like to have details on the most current projections for the record.

[The information follows:]

Current projections by our cost engineers indicate inflation in housing construction over the 2-year period to be between 14 and 15 percent. The 14.6 percent will be adequate to cover inflation, but will not provide for technological updating or increased floor areas for future design as recommended by the Army.

#### ARMY'S RECOMMENDED UNIT COSTS

Mr. SIKES. What were the Army's recommendations to OSD on cost limitations for fiscal 1974?

General COOPER. We recommended \$33,000, sir.

Mr. SIKES. That is considerably higher than the \$27,500 which you have been allowed to request. Would you comment on what you were seeking that you didn't get?

General COOPER. Yes, sir. We were seeking adequate space; we were seeking carports, and many of the things we were seeking we think should be done initially. Some of these things you can postpone until later and handle as improvements, but you cannot postpone making the bedrooms larger or you can't postpone whether you will have brick veneer as opposed to just wood siding and things like that. I can expand for the record on that.

Mr. SIKES. If you will.

[The information follows:]

The request for \$33,000 per unit for the fiscal year 1974 program was based on the bid experience gained in the fiscal year 1972 program at the base bid level. Generally, except for added floor area, the base proposals received reflected the Army's desires to upgrade standards in light of a considered evaluation of lessons learned through the "user needs" surveys and bad experience gained in the light construction materials utilized from prior years. Specifically within the house measures were taken to select harder exterior finishes (masonry or warranted sidings), improve the architectural styling (greater variety), increase the relationship of gross to net floor area (increased storage and utility spaces), provide carports, expand electrical facilities, improve acoustical privacy, upgrade hardware, millwork, and interior finishes (builders hardware, kitchen cabinets and trim, hardwood floors, etc.), upgrade carpentry standards (provide sheathing behind siding and add underlayment below resilient flooring), and add amenities to livability such as dishwashers, vanities in bathrooms, and drapes in living room. Related to siting, we reduced the density (utilize more duplex-type housing), expanded the use of underground electrical distribution, widened streets, expanded provisions of sidewalks, tot lots, recreational space, off-street parking, landscaping, and privacy screening.

Obviously, we were not able to award all these amenities. Generally we forced through deducts and negotiation to omit many such items, such as: hardened exterior finishes, carports, expanded electrical facilities, upgrading of hardware, millwork, and interior finishes, vanities, drapes, sidewalks, tot lots, and privacy screening. Projecting the fiscal year 1972 bid experience into fiscal year 1974 at the \$27,500 level we anticipate that in addition to the same items lost in fiscal year 1972 we will be required to cut back on our gross areas, continue the light construction practices and materials, increase land use densities and reduce our standards of street widths and parking, minimize recreational space, and abandon underground electrical distribution.

	Number of units	Area index	Average area	Base cost	Area	Place	Time
Fiscal year:							
1972.....	1, 158	0. 9443	1, 274	22, 417			
1974.....	5, 135	0. 98	1, 540		27, 097	26, 555	30, 352

To this we add \$2,280 for landscaping, GFE design and SIOH which makes \$32,632 which was rounded out at \$33,000.

General KJELLSTROM. This is a very important matter from the standpoint of the Army to achieve and gain approval of the standards of housing that are acceptable to our personnel and will survive down through the years.

We have had significant complaints, as you well know, from our occupants, the wives, and the principals, about having adequate size of bedrooms for example, and adequate size of closets. This is high on our priorities list and we are working energetically to convince the re-

sponsible personnel they should approve our proposals and increase our standards significantly.

Mr. SIKES. It would appear you were within about 80 percent of it. If you asked for 33 and got 27.5.

#### TURNKEY

What has been the Army's experience with the use of turnkey? Where are you proposing to use it in 1974? Provide details on that for the record.

[The information follows:]

The Army's experience is as follows :

##### *Fiscal 1970:*

###### One-step :

	<i>Units</i>
Fort Carson-----	150

###### Two-step :

Fort Meade-----	250
-----------------	-----

##### *Fiscal year 1971:*

###### Two-step :

Grand Forks-----	200
Fort Carson-----	240
Fort Leavenworth-----	150
Rock Island-----	40
Sacramento -----	1

###### One-step :

Natick Laboratory-----	28
------------------------	----

##### *Fiscal year 1972:*

###### Turnkey :

Fort Jackson-----	300
Fort Gordon-----	200
Fort Carson-----	200
Fort Bragg-----	150
Carlisle Barracks (failed)-----	60

###### One-step :

Camp Drum-----	88
Grand Forks (failed)-----	90

The fiscal year 1970 and 1971 projects have now been completed long enough for the projects to be evaluated.

Fiscal year 1970, Fort Carson—All single story duplex units of same floor plan but some architectural styling variety on the exterior. Site planning was linear with minimal landscaping. Considerable problems have been reported due to project's extensive maintenance.

Fiscal year 1970, Fort Meade—All two-story row house units, with some architectural styling variety on the exterior. Site planning was cluster configuration with large paved auto entry courts. There have been numerous problems related to maintainability. Exterior siding material has in part been replaced due to failures.

Fiscal year 1971, Grand Forks—Units procured by turnkey have proven to be marginal quality. Designed as single story duplexes of lighth frame construction. No maintenance problems have been reported to date. Siting was of a linear pattern.

Fiscal year 1971, Fort Carson—Single story townhouse configuration of considerable styling improvement over fiscal year 1970. Siting was a cluster pattern. No maintenance problems reported to date.

Fiscal year 1971, Fort Leavenworth—Two story row houses with poor architectural exterior styling and marginal floor plans. Generally one of our poorer projects, designed in a linear pattern of site development off cul-de-sacs. No unusual maintenance problems reported to date.

Fiscal year 1971, Rock Island—Two story townhouses designed in cluster patterns. Good exterior architectural styling and floor planning. Generally one of our exceptionally good projects with no maintenance problems reported.

Fiscal year 1971, Sacramento—Single story single unit of good planning and styling. No unusual maintenance problems have been reported.

Fiscal year 1971, Natick Lab—Only recently awarded and under construction. Will have good floor planning and architectural styling. Site is designed in a linear pattern off cul-de-sac street patterns.

Generally turnkey has not proven to be a panacea to the Army's problem of improving quality while maintaining the cost line. The advantage of one-step turnkey is a closer relationship of proposed quality to available funding.

We anticipate that we will be issuing RFP's for one-step turnkey procurements in all of the fiscal year 1974 CONUS projects. Advertisements are scheduled to be started in February 1974 and essentially to be complete with procurement actions for all projects by July 1974.

#### NUMBER OF BEDROOMS

Mr. SIKES. What number of two-bedroom units are you proposing in fiscal year 1974?

General COOPER. Six of the projects will have two-bedroom units. There will be 30 units for company grade officers and 695 for non-commissioned officers, making a total of 725 two-bedroom units in the proposed fiscal year 1974 program.

#### TOWNHOUSES

Mr. SIKES. Are you proposing to build townhouses in the fiscal year 1974 program?

General COOPER. We will use turnkey procurement so the choice of the house is up to the proposer, but we expect townhouses will be used on essentially all of the 1974 projects. The driving factor in that regard will be the required density and funding limitations.

Mr. SIKES. When you build townhouses, you lose the privacy and space you were just discussing.

General COOPER. Yes, sir. You can have privacy with townhouses if you have adequate fences in the back and adequate play lots. You can compensate.

Mr. LONG. By townhouse you mean a row house basically?

General COOPER. It used to be called a row house, yes, sir.

Mr. LONG. Of course, Baltimore is the world's center for row houses. They are very popular there for many reasons.

One of the arguments, in contrast to what the chairman just suggested, is that they offer more privacy, rather than less, for the simple reason that there is a blank wall between you and your neighbor instead of sets of windows on both sides. Once you get in the front door, nobody sees any more of you. These homes have a great many other advantages, but I think privacy is significant.

Mr. SIKES. And it depends on how thick the wall is.

General COOPER. If it is a good wall, there is privacy inside, but there is no privacy immediately outside.

Mr. SIKES. Do you propose to acquire additional property in 1974?

General COOPER. We have no property requirements for fiscal year 1974.

#### LEASING AND RENTAL GUARANTEE PROGRAMS

Mr. SIKES. Tell us about the leasing and rental guaranty programs overseas. Are you getting away from rental guaranty and more into leasing?

General COOPER. Yes, sir. We had one project for almost 2,000 units over in Germany on rental guaranty. We thought we were getting somewhere. We even had one proposal, but the latest devaluation wiped that out, so we are back at square 1 in terms of the rental guaranty. We think leasing probably is the better route, but only if we have enough money to do this.

Mr. NICHOLAS. You said you figured \$250 for leasing whereas the other is \$375.

General COOPER. Yes, sir. \$375.

The devaluation has been almost a third over the period of time.

Mr. SIKES. Are you proposing any lease construction?

General COOPER. I don't think so, sir.

Mr. SIKES. Where will you undertake leasing or rental guarantee in the coming year?

General COOPER. To the extent that additional units are authorized for leasing and adequate cost limitations are established, we will continue to expand both the leasing and rental guarantee programs, primarily in Germany.

Mr. SIKES. For domestic and foreign leases, provide ceilings and actual leases used for the record.

[The information follows:]

On June 30, 1973 we had 3,241 domestic leases authorized and 2,886 actually in effect. We had 1,391 foreign leases authorized and 1,030 in effect.

Mr. SIKES. Are you fully utilizing the leasing authority that you have?

General COOPER. No, all of the family housing leases authorized are not in effect at the present time.

As of May 1, 1973, we had 3,241 domestic lease units authorized, 2,830 actually under lease. The requirement for the leasing hasn't gone down, but when OSD increased the maximum allowable housing cost effective in January of this year, people who had been authorized suddenly weren't authorized.

We did have practically all of our authorized foreign leasing in effect except in Europe where 500 additional lease units were approved.

#### VARIOUS METHODS OF ACQUIRING HOUSING

Mr. DAVIS. You have used the terms 236 set-aside, turnkey, Capehart, and Wherry. Tell us, what is the difference among the four, and where would you normally use each of them?

General COOPER. The Wherry program was a program in the early 1950's and even earlier, where we procured a large number of houses in a big hurry. Wherry housing units were relatively small. I think the average cost was less than \$9,000 apiece. We have not been building new Wherry units for many years. Many of the Wherry units are being declared inadequate. Some 6,000.

Those which we can improve at a reasonable cost we are trying to improve by adding space to them, adding bathrooms and so forth.

The Capehart housing came along later, and that was on a slightly different basis.

Mr. DAVIS. Was Wherry Government-purchased housing?

General COOPER. No, Wherry actually was owned by individuals, and most of it was later acquired specifically by the Government.

The Capehart housing was a large-scale program that was funded by banks, not MCA. That was a successful program in providing a large number of houses over a short period of time. The housing was better than the Wherry, but I understand that the Capehart was stopped because some Members of Congress felt that the Capehart was getting around the congressional prerogative to appropriate funds. Capehart housing could be built without the specific appropriation.

Mr. DAVIS. Were these units then leased to the Government?

General COOPER. These units were not leased directly to the Government.

Mr. Bearman tells me they were immediately acquired after they were built and the government picked up the mortgage. They were built by the private contractors with mortgages but not through the Government.

The 236 housing is a special section under which HUD provides subsidized housing. I believe the builders pay but 1 percent interest. This housing is designed for low-income people. Some of the lower ranks who are married and not authorized housing on the post, are qualified.

Turnkey is a method of procurement. These others are different categories of housing. You have conventional procurement, which we used to use, where we do the design work and go out and ask people to bid on our designs.

Under turnkey, we attempt to take maximum advantage of the local builder's experience. We go out and we tell him roughly what we want. He comes back, or the different proposals come back to us. We are not required to award a contract solely on the basis of cost.

We look at the various proposals to determine what provides the best value to the Government. The builder handles it all the way through the design and construction. That is using military construction funds, not mortgaged in any way.

Mr. DAVIS. In terms of new construction currently, we are talking then about either conventional construction or turnkey?

General COOPER. That is right. In terms of new construction, we are talking about, in essence, almost entirely turnkey. By giving the builder flexibility, we are estimating we might save as much as \$750 on a \$27,000 house.

Mr. SIKES. This is really practical only in areas where you have a rather sophisticated and large-scale housing capability.

General COOPER. It doesn't have to be immediately adjacent to the area where you are building it, but within a few hundred miles you should have people who are qualified. They will move out, mobilize, and build a large housing project at a place like Fort Polk. The greater the amount of industry you have at an installation, the easier it is to get qualified bidders. Of course, if you have a lot of industry, you may not need to have military construction of family housing.

Mr. SIKES. Talking about the current program, in terms of new construction we are not any longer talking about Wherry; we are no longer talking about Capehart, but we might be talking about 236; we might be talking about turnkey, or we might be talking about direct contract construction.

General COOPER. That is correct.

## BUDGET BOGEY SHIFTED TO HOUSING

Mr. SIKES. We were advised that at least one branch of the service, in addition to the allocation made by the Office of the Secretary of Defense to the family housing program, applied additional service funding to their family housing program. Is that true with respect to the Army?

General COOPER. Yes, sir.

Mr. SIKES. How do we segregate it out?

General COOPER. You can't segregate it out.

Basically what we did was add approximately \$100 million that we took out primarily from procurement accounts and put it into family housing. Even though funds are segregated between the defense housing program and the Army military construction in the appropriation bills, as far as the Army is concerned we do have the total program to worry about. It was up to Mr. Froehlke and General Kjellstrom in looking at the total needs of the Army to decide that we needed more money to provide the housing than some particular procurement.

In some cases we had specific savings. I believe they came from the "wheels study" whereby the Army reduced by some 25 percent the number of vehicles it planned to have in its inventory. A detailed track of just where the funds came from would be very difficult.

General Kjellstrom may want to amplify.

General KJELLSTROM. Sir, as far as the \$542 million in family housing is concerned, which is being addressed by this committee, this is the total amount of money for housing U.S. Army personnel in Government quarters. However, within the military personnel appropriation, of course, we have quarters allowances for those personnel who live off post.

The procedure General Cooper was talking about was applied before submission of the President's budget. In our initial planning which took place early in calendar year 1972 we had planned a lesser amount for family housing and more in the procurement account. As a result of the evaluation of priorities within the Department of the Army during formulation of the budget late in 1972 we determined that family housing was more important than some items of equipment scheduled for procurement.

Going back to our initial question, Mr. Davis, I don't understand how another service could identify funds other than family housing and the quarters allowance out of the military personnel appropriation, to provide family housing.

Mr. DAVIS. I think probably it is the same process to which General Cooper referred.

We discussed this matter with Mr. Sanders and I believe the Navy figure was \$20 million, if I recall, which had to come out of the Navy's budget. It is similar to the \$100 million that you have just discussed here.

Is this kind of getting around the Defense Department's evaluation of the overall Defense Department housing program?

General KJELLSTROM. No, sir, this is part of the overall program development. As you know, we have a 5-year program and we are right now involved in determining what are the levels for 1975 through 1979. During the initial stages of program development we have sig-

nificant differences of opinion between the functional areas, program managers, and between and among the services on how much should go into each particular category of funding.

The amount of money that is in the President's budget, as submitted to you, this \$542 million for family housing, represents the approved position of the Secretary of Defense as agreed upon by the Secretary of the Army and the Chief of Staff.

In the inner workings of the Pentagon there are undoubtedly some people that think that we have varied from their initial levels, but as far as the final figure is concerned as submitted by the President, we have a balanced program among all appropriations and among the various functional areas.

Mr. DAVIS. Somewhere along the line the Defense Department gave you an allocation for family housing which you then decided to alter. Then you went back to the Defense Department and got them to approve the alteration? Is this what happened?

General KJELLSTROM. Yes, sir. Precisely. As part of the program decision memorandum of about a year ago where they said, "This is your tentative program level for fiscal year 1974," they came out with  $x$  dollars. I haven't the precise number. Do you, General Cooper?

In our evaluation of our requirements, we determined we needed more family housing, recognizing the priorities in our movement toward an All-Volunteer Force. We went back to the Office of the Secretary of Defense on the 1st of October when we submitted the fiscal year 1974 President's budget and requested an increased amount by an internal adjustment within our authority, and this internal adjustment was approved.

General COOPER. I believe this is a relatively recent phenomenon in terms of the Department of Defense in allowing the services to reprogram from procurement into family housing. We think it makes sense because the Secretary of the Army has the responsibility for the entire Army, and his prerogative in terms of where he is going to apply the total available resources should be given weight.

Mr. DAVIS. Is this in effect crippling the procurement program from what the Department of Defense anticipated it ought to be when the original allocations were made?

General KJELLSTROM. No, sir. We feel we have a better balanced program now. We are buying essential items of equipment. We are not buying up to the full 100 percent authorization, but our plans over a 5-year period provide for maintaining an adequate level of equipment.

Mr. PATTEN. Mr. Chairman, I would like to be the advocate of the Army.

It is obvious to me as I sit here and listen to you, that even if you build 6,000 units under this program, you won't even take care of your obsolescence in Wherry housing and other areas. I will bet you don't even stay equal. Is that a fair statement, General?

You have 143,000 units. They are now 20-some years old.

General COOPER. We have 20,000 Wherry and 35,000 Capehart. We have a total of some 140,000 units in our inventory. We have spent a lot of money maintaining most of these. You are right for fiscal year 1974, you might say, since we declared 7,000 or 6,600 or so inadequate

or substandard, and we are building 6,000 new, but we don't think that is going to have to go on.

Mr. PATTEN. This is the greatest crisis I have in my district. Housing. The people who make decisions above you ought to be aware that my policemen and firemen are priced out of the housing market. Nobody is building anything under \$45,000. I know something about this. I devoted a good part of my life to mortgage financing and new construction before I came down here, and there is just no way. When you say you need \$33,000 and they want to hold you to \$27,500, then you are defeating our purpose. You are certainly going to defeat this Volunteer Army, if other factors haven't already defeated it.

There is no way. Other people don't know this. Now, in addition, you have the new interest rates.

If you want to look at the housing in the community and see what obsolescence has done in 20 years, you don't have to leave the District of Columbia. I went over to T Street this morning. It is terrible what these people endure during the heat on some of these 90-degree days. You can't help but say, for the U.S. Capital, this is a disgrace.

I don't see much being done for the individual when it comes to housing in the District of Columbia. I don't think they have had any success at all. When you think of your advantages of having the land and not having to pay taxes, I think it is inexcusable that you people don't at least keep up. I don't think this number of units for next year is any major accomplishment, considering your needs.

Mr. SIKES. Fort Carson, Colo.

#### FORT CARSON, COLO.

Mr. SIKES. Insert page 2 in the record.

[P. 2 follows:]

C-1 3 April 1973

1. DATE 15 Feb 73		2. DEPARTMENT ARMY		3. INSTALLATION FORT CARSON																			
4. COMMAND OR MANAGEMENT BUREAU Sixth US Army			5. INSTALLATION CONTROL NUMBER 06005		6. STATE COUNTRY Colorado																		
7. STATUS Active			8. YEAR OF INITIAL OCCUPANCY 1942		9. COUNTY (U.S.) El Paso																		
11. MISSION OR MAJOR FUNCTIONS Training and support of the Fourth Infantry Division (mechanized) and many nondivisional tactical combat and logistical support units assigned to Fort Carson. Also furnishes family housing support to Army Air Defense Command (ARADCOM).			12. PERSONNEL STRENGTH			10. NEAREST CITY Colorado Springs																	
			PERMANENT			STUDENTS			SUPPORTED														
			OFFICER (1)			ENLISTED (2)			CIVILIAN (3)			OFFICER (4)			ENLISTED (5)			CIVILIAN (6)			TOTAL (7)		
			a. AS OF 30 Jun 72			1805			18,122			2173									22,100		
b. PLANNED (End FY 77)			1710			20,698			2063									24,471					
13. INVENTORY																							
LAND			ACRES (1)			LAND COST (\$000) (2)			IMPROVEMENT (\$000) (3)			TOTAL (\$000) (4)											
a. OWNED			137,766			4,113.6			120,032.7			124,146											
b. LEASES AND EASEMENTS			0			0			0			0											
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72													124,146										
d. AUTHORIZATION NOT YET IN INVENTORY													Exclusive of MCA			17,645							
e. AUTHORIZATION REQUESTED IN THIS PROGRAM													II			II			5,793				
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS													II			II			60,557				
g. GRAND TOTAL (c + d + e + f)																			208,141				
SUMMARY OF INSTALLATION LINE ITEMS																							
LINE ITEM DESIGNATION																							
CATEGORY CODE NO.		LINE ITEM TITLE				TENANT COMMAND		UNIT OF MEASURE		AUTHORIZATION PROGRAM			FUNDING PROGRAM										
a		b				c		d		e			f										
711		Family Housing, Dwellings				Army		Units		200			5,793										
										200			5,793										

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PAGE NO 2

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Mr. SIKES. The request is for 200 units at a cost of \$5,793,000. What is the housing deficit here?

General COOPER. In the calendar year 1972 family housing survey, upon which the proposed calendar year 1974 project is based, there was a programable deficit of 2,414 units for eligible personnel and 576 units for ineligible. More recent information indicates that a buildup in community support has reduced this total deficit to about 1,400 units, of which about 200 are eligibles. These figures include the fiscal year 1973 construction program as assets.

Mr. SIKES. Are there plans for additional community support projects at this installation? What kind of local support are you getting?

General COOPER. Just the 400 HUD 236 units I mentioned. There are no additional plans.

Mr. SIKES. For additional community support?

General COOPER. No, sir. There will be additional community support. Just a normal buildup, but not specifically subsidized in any way by the Government. For example, between the survey done in January 1972 and January 1973 there was an increase in community support from 4,500 up to roughly 6,500 and that has resulted in the recent Fort Carson submission where the deficit went down.

It was 2,400 in 1972 and is now down to some 200 units. It was in anticipation of this that we changed the fiscal year 1974 program. We originally had 700 at Fort Carson but reduced that to 200 based on community support. There was also a separate phenomenon at Carson where many of the younger troopers were married, which is one of the reasons we were particularly interested in 236. There were more married people not eligible for family housing wanting to live off the post.

Mr. SIKES. You're building duplex and townhouse units. Is that purely a matter of cost?

General COOPER. I would say cost definitely is a factor. The other factors are related to cost, such as moving into areas where we don't have existing utilities. There is also a problem we have in terms of the airfield criteria. You can't build a house within 4,500 feet of the flight path, which will restrict the use of some of the open areas.

Mr. SIKES. You cite a deficiency of 3,421 units. Where are the people now living? What are the rent scales? Why are these homes not satisfactory?

General COOPER. The 3,421 units include 1,948 personnel presently inadequately housed as shown on the calendar year 1972 survey and added requirements due to a projected increase in strength. Of those without adequate housing 393 were involuntarily separated, 926 lived in substandard housing, 15 were driving an excessive distance, and 614 were paying an excessive cost.

Eighty-five to ninety percent of the rents fall into the range of \$150 to \$450 per month with typical rents being \$185 per month for apartments and \$300 per month for separate houses.

Mr. PATTEN. Do you have a pollution problem here at Fort Carson? Is Carson about 12 miles outside of Colorado Springs?

General COOPER. Yes, sir.

Mr. PATTEN. Then it is Carson. Someone suggested that—I can't visualize it myself, but they had some chemical plants or something in the neighborhood.

General COOPER. There was a problem with the building of a new powerplant nearby. They wanted to use coal and the people said you can't use coal because of the potential air pollution, even though you put scrubbers in there to take out the ash and other pollutants. They didn't want to spend the amount of money to clean it up.

Mr. PATTEN. And Colorado has coal?

General COOPER. That is right.

Mr. PATTEN. Someone suggested they use nuclear power.

General COOPER. The Clean Air Act of 1970 makes it extremely difficult using present technology, in many places, for the coal-burning powerplants.

EGLIN AIR FORCE BASE, FLA.

Mr. SIKES. Take up Elgin Air Force Base. Insert page 6 in the record.

(Page 6 follows:)

1 DATE 15 Feb 73		2 DEPARTMENT ARMY		3 INSTALLATION FY 1974 MILITARY CONSTRUCTION PROGRAM		EGLIN AIR FORCE BASE						
4 COMMAND OR MANAGEMENT BUREAU Air Force Systems Command			5 INSTALLATION CONTROL NUMBER FTFA/FTEV		6 STATE COUNTRY Florida							
7 STATUS Active		8 YEAR OF INITIAL OCCUPANCY 1953		9. COUNTY (U.S.) Okaloosa, Walton, Santa Rosa		10. NEAREST CITY 40 miles East of Pensacola						
11. MISSION OR MAJOR FUNCTIONS Eglin Air Force Base provides facilities to support various Armed Services activities including an Army Ranger Training Unit on permanent assignment from Fort Benning, Ga. and for the 520th Army Engineer Detachment (Fire Fighters). There are three Air Force Wings and other major Air Force commands at this Air Force base.				12 Army Activity				TOTAL (9)				
				PERSONNEL STRENGTH		PERMANENT		STUDENTS		SUPPORTED		
				OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	
				a. AS OF 31 Dec 72	22	88						110
				b. PLANNED (End FY 77)	43	108						151
				13 INVENTORY								
LAND		ACRES (1)	LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)					
a. OWNED		460,808	1457		150,578		152,035					
b. LEASES AND EASEMENTS		346	(2977)		6		6					
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19		72					152,041					
d. AUTHORIZATION NOT YET IN INVENTORY								0				
e. AUTHORIZATION REQUESTED IN THIS PROGRAM								680				
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS								680				
g. GRAND TOTAL (c + d + e + f)								1,360				
SUMMARY OF INSTALLATION LINE ITEMS												
LINE ITEM DESIGNATION												
CATEGORY CODE NO	LINE ITEM TITLE			TENANT COMMAND	UNIT OF MEASURE	AUTHORIZATION PROGRAM		FUNDING PROGRAM				
a	b			c	d	SCOPE	ESTIMATED COST (\$000)	SCOPE	ESTIMATED COST (\$000)			
						e	f	g	h			
711	Family Housing, Dwellings			Army	Units	25	680	25	680			

Mr. SIKES. The request is for 25 units. Will this be enough housing for the requirements?

General COOPER. Yes, sir. Since I appeared before you I made a specific visit and spoke to the commander of the camp down there. He assured me that that would take care of his requirement right at field 6, which, as you know better than I, is isolated, but that will keep him well housed.

Mr. SIKES. Is twenty-five an adequate number?

General COOPER. Yes, sir.

Mr. SIKES. Tell us why you are building on an Air Force base for the record. You can also provide the detail of the reason for the location of the Army's ranger training facility in the Eglin reservation so the report will be complete on it.

General COOPER. Yes, sir.

[The information follows:]

U.S. Army ranger training includes an 18 day phase on survival and operation in the jungle. Eglin AFB was chosen as the site for that training as it has the required jungle environment and sufficient space to conduct the training. There is no Army post available in CONUS which meets these criteria.

Mr. SIKES. This facility is in a remote location. How far are you from the nearest community housing?

General COOPER. The limited community housing is in and around Shalimar and Fort Walton Beach, about 23 to 25 miles away.

Mr. SIKES. Now, there has been discussion that the ranger headquarters might be moved to another location. Field 3 was considered in view of its central location, easier accessibility, and closer contacts for community support. Has the decision been made firm now that the activity will remain at Field 6?

General COOPER. Yes, sir.

#### OAHU, HAWAII

Mr. SIKES. Place in the record page 10.

1 DATE 15 Feb 73		2 DEPARTMENT ARMY		3 INSTALLATION OAHU										
4 COMMAND OR MANAGEMENT BUREAU US Army, Pacific			5 INSTALLATION CONTROL NUMBER 12815		6 STATE COUNTRY Hawaii									
7 STATUS Active			8 YEAR OF INITIAL OCCUPANCY 1899		9. COUNTY (U.S.) Honolulu									
11. MISSION OR MAJOR FUNCTIONS  Headquarters of US Army, Pacific. Headquarters and home post of the 25th Infantry Division and supporting elements			12 PERSONNEL STRENGTH			STUDENTS SUPPORTED			TOTAL (9)					
			OFFICER (1)			ENLISTED (2)	CIVILIAN (3)	OFFICER (4)		ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	
			a. AS OF 30 Jun 72			1854	8280	5627						15,761
			b. PLANNED (End FY 77)			1501	24,004	1766						17,271
			13. INVENTORY			LAND	ACRES (1)	LAND COST (\$000) (2)	IMPROVEMENT (\$000) (3)	TOTAL (\$000) (4)				
a. OWNED			106,591	3,219	244,851	400	247,670							
b. LEASES AND EASEMENTS			34,550	2			402							
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72							248,072							
d. AUTHORIZATION NOT YET IN INVENTORY					Exclusive of MCA		40,473							
e. AUTHORIZATION REQUESTED IN THIS PROGRAM					II	II	36,995							
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS					II	II	79,500							
g. GRAND TOTAL (c + d + e + f)							405,040							
SUMMARY OF INSTALLATION LINE ITEMS														
LINE ITEM DESIGNATION				TENANT COMMAND		AUTHORIZATION PROGRAM		FUNDING PROGRAM						
CATEGORY CODE NO a	LINE ITEM TITLE b			c	UNIT OF MEASURE d	SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h					
711	Family Housing, Dwellings			Army	Units	1,000	36,995.5	1,000	36,995.5					

Mr. SIKES. The request is for a thousand units, at a cost of \$36,995,-500. This is a very large request for family housing.

What generated such a large request at one time?

General COOPER. The very large deficit they have there and also the very high cost of off-post housing. There is community housing available to some extent, but it is very expensive in Hawaii. Once we brought the 25th Division back from overseas and stationed it at Oahu, those two factors, the high cost of community housing, plus the 25th Division, generated the large request.

#### SITE FOR PROPOSED HOUSING

Mr. PATTEN. Where will these units be located?

General COOPER. At the present time we plan that these units will be located in the Aliamana Crater.

Mr. PATTEN. Is there sufficient land at the location?

General COOPER. Yes, sir; we believe there is sufficient land.

#### ARMY DEFICIT IN HAWAII

Mr. PATTEN. In view of the reduction in the active strength of the 25th Division at Schofield barracks, is this project still required at this scope?

General COOPER. Yes, sir.

Mr. PATTEN. Your justification sheet shows a current programable deficit of only 90 units as of January 1, 1972. What was the strength of the division on that date?

General COOPER. The strength of the division on that date was 3,531.

#### COST OF HOUSING IN HAWAII

Mr. PATTEN. What steps are you taking to reduce the high cost of housing in Hawaii?

General COOPER. We are endeavoring to reduce costs by building to higher densities. You will note that if you visit Oahu, the density is quite high.

Mr. PATTEN. That is not answering my question. Answer it for the record if it is possible.

[The information follows:]

There are of course many factors contributing to high costs in Hawaii over which we have no control such as transportation and labor. We are endeavoring to reduce costs by building to higher densities, by building townhouses and by utilizing multistory walkups for all two-bedroom units. In addition, for fiscal year 1974 we are aggregating the Army and Navy projects into a single procurement in order to provide the basis for efficient contractor management and to avoid duplication of overhead. This will also avoid the potential of interference claims from two contractors operating in the same area with limited access points.

Mr. PATTEN. When I look at this cost I get aggravated. It would seem to me if I ran the Army I would do something about it. Take in Seabees or Engineers, or something. I don't know. It is aggravating.

Supply something for the record.

[The information follows:]

The high cost of construction is primarily related to the remoteness of the location, the high cost for importing raw materials and the relatively limited supply of skilled labor. These equate to an area cost index of 1.3 or approximately 30 percent more than building in Washington, D.C. If we are to be responsive to the Army needs to house its families we will have to pay these costs. Any use of military labor or other Government forces must be charged against the project in the same manner as contract costs.

#### LAND EXCHANGE

Mr. SIKES. Can you discuss the progress of the fiscal year 1973 family housing in Hawaii for which the Army is the construction agent?

General COOPER. The Army is the construction agent for the Army's 1973 program, which is 640 units. These units will be sited at Schofield Barracks. We delayed siting this project depending on the availability of the Aliamanu Crater and the Tripler-Fort Ruger exchange. We now recommend that Congress allow us to exchange Fort Ruger for funds and take the funds and put them into the development of Aliamanu Crater.

They are under design with advertising scheduled for the latter part of this calendar year.

We will use conventional advertising for this rather than turnkey because of the peculiar nature of Hawaii. We feel we need to design it ourselves.

#### DEVELOPMENT OF ALIAMANU CRATER

Mr. SIKES. What are your current plans with regard to the Aliamanu Crater?

General COOPER. We have the approval of the Office of Management and Budget to ask for a specific request to modify the law.

Mr. SIKES. Will all of this money be needed for the site improvement at Aliamanu Crater?

General COOPER. Yes.

Mr. SIKES. I note that this project contains a large amount for design. What is this for?

General COOPER. The costs contained herein are program costs and do not reflect actual costs. The budget was established on the premise of conventional construction and represents 1.4 percent of the current working estimate. Actually, we consider this cost to be extremely low in relation to the work to be done in opening the new area.

Mr. SIKES. How do you anticipate using the land in Aliamanu Crater in order to avoid building an overcrowded, unsightly, and uncomfortable housing project?

General COOPER. We have commissioned a local firm skilled in land planning to prepare the master plan and we actually plan the development of over 2,400 family units. Seven hundred of these will be outside the crater on 77 acres. Inside the crater we will be planning 1,700 units on 200 acres, which is about 9 per acre.

Mr. NICHOLAS. Is that on flat acreage?

General COOPER. The slope is less than 20 percent.

Mr. PATTEN. Can you provide for the record the temperature readings for Aliamanu Crater and comparable readings at the Honolulu Weather Bureau for the record?

(The information follows:)

COMPARISON OF WIND AND TEMPERATURE  
 ALIAMANU VS HONOLULU INTERNATIONAL AIRPORT

	ALIAMANU						HONOLULU		
	Site 1 West Side			Site 2 East Side			Temp	Wind	
	Temp	Wind		Temp	Wind				
1973	WB	DB	Knots	WB	DB	Knots	WB	DB	Knots
March									
23	70	79	8-12	69	80	22	72	80	8-13
24	67	74	10-15	68	81	20-25	68	77	8-12
25	68	77	6-12	68	81	15-20	68	78	6-12
26	72	78	5-10	69	79	16	73	80	7-10
27	70	75	10-14	68	78	16	70	76	5
28	71	80	5-10	66	80	18	67	78	2-4
29	72	84	4-5	68	81	18	74	86	4
30	69	73	10	70	79	13	70	82	9
31	69	78		70	80	10	72	84	
April									
1	69	78	20	71	85	20	69	82	18
2	72	83	10	72	84	8	69	82	16
3	71	85	3	69	86	5	69	80	10
4	63	77	3	64	80	5	59	73	11
5	70	80	2	72	83	3	61	75	10
6	65	80	5	65	78	NA	63	74	6
7	66	76	25	67	80	25	66	77	10
8	66	75	1-2	65	75	7-10	67	79	15
9	72	80	10-15	73	82	8-10	69	79	16
10	73	81	5	73	80	0-10	69	77	16
11	69	80	15-20	69	81	10-15	67	81	16-26
12	78	89	5-9	77	88	8-9	71	82	14
13	68	81	15-20	69	85	8-12	69	81	8-26
14	66	76	10-15	66	79	10-15	68	83	14-24
15	67	75	5-12	68	77	6-10	69	80	18-28
16	67	78	10-15	68	80	7	66	79	22-33
17	69	83	10	69	84	8-10	68	82	16-24
18	73	92	5	75	92	0	67	79	12
19	NA	NA	NA	NA	NA	NA	69	NA	11
20	73	74	2-3	76	78	0	70	75	7
21	NA	NA	NA	NA	NA	NA	NA	NA	NA
22	NA	NA	NA	NA	NA	NA	70	NA	17
23	67	75	4-8	67	76	4-10	68	82	18-25
24	71	80	8-12	72	84	6-14	69	82	13-22
25	68	76	8-14	68	74	12-16	68	78	15
26	71	76	8-16	70	75	10-16	70	77	18
27	67	79	8-12	67	81	6-10	66	79	22-26
28	67	79	5-12	67	80	5	68	82	17
29	68	79	10-20	68	82	12-15	67	82	14
30	69	77	3-6	70	80	4-b	NA	82	NA
May									
1	69	80	3-8	70	81	4-8	67	80	14
2	69	84	5-10	69	84	4-8	69	82	18
3	68	82	8-14	68	83	12-18	68	82	20-26
4	67	83	12-18	69	86	6-12	69	83	15
7	68	83	10-16	69	84	8012	69	83	15
8	70	81	6-12	70	85	5-8	69	83	16
9	69	78	8-12	71	81	4-8	71	82	16
10	70	81	8-14	70	87	7-12	69	83	16-22
11	70	80	8-15	71	85	4-6	71	83	14
14	67	82	6-12	70	87	4-6	67	82	14
15	68	83	8-12	70	88	5+6	67	81	07
16	67	80	8-12	67	84	6-8	67	81	15-23
17	69	76	10-15	70	80	2-4	69	76	17
18	69	78	6-10	70	81	4-6	69	79	15
21	72	77	6-8	71	80	5-9	70	76	15
22	70	80	5-12	73	85	3-5	69	82	18
23	69	79	8-14	71	81	5-7	70	83	20

ALIAMANU						HONOLULU			
	Site 1 West Side			Site 2 East Side			Temp	Wind	
	Temp	Temp	Wind	Temp	Temp	Wind			
	<u>WB</u>	<u>DB</u>	<u>Knots</u>	<u>WB</u>	<u>DB</u>	<u>Knots</u>	<u>WB</u>	<u>DB</u>	<u>Knots</u>
May	70	80	10-18	71	86	8-14	71	82	16-23
24	72	83	8-12	69	81	8-10	71	82	15
25	70	83	10-20	71	86	12-15	71	84	24
29	71	83	8-15	72	86	4-8	70	83	16
30	71	82	4-8	73	88	6-10	71	84	14-24
31									
June									
1	71	82	4-7	72	84	8-12	72	84	15-21
4	71	82	3-6	70	83	7-10	70	81	18
5	69	80	8-12	71	84	4-7	71	84	14-23
6	70	77	6-8	72	82	4-6	71	83	15-24
7	70	81	6-8	72	82	4-6	71	83	14
8	70	82	10-14	70	84	3-6	70	80	15
11	69	81	7012	69	83	8-10	71	84	16
12	71	83	8-13	70	83	6-10	71	82	20
13	70	77	4-8	70	78	5-9	71	81	16
14	71	84	10-14	71	87	8-12	71	84	16
15	72	85	10-15	72	86	8-14	71	84	11

## COST

Mr. LONG. You have roughly \$37,000 a unit for this housing, is that right?

General COOPER. Yes, sir.

Mr. LONG. What is the area cost factor?

General COOPER. The cost factor is 1.3. In other words, it costs 30 percent more to build in Hawaii.

Mr. LONG. What kind of a house is that?

General COOPER. We have three- and four-bedroom houses for the most part.

Mr. LONG. How many baths?

General COOPER. They all have at least two baths.

## AIR-CONDITIONING

Mr. LONG. Are they to have air-conditioning?

General COOPER. Yes, sir.

Mr. LONG. No heat?

General COOPER. No heat.

Mr. LONG. No insulation problem?

General COOPER. You will insulate for the air-conditioning, so it will be insulated.

Mr. LONG. I didn't realize Hawaii required air-conditioning.

Mr. PATTEN. Look at that map. Hawaii is further south than Key West, Fla.

General COOPER. The humidity can be quite high. The old-fashioned houses were built with high ceilings and they are comfortable. Again, as long as the humidity is not too high. There are some of those large apartment houses near Waikiki that are not air-conditioned.

Mr. LONG. As long as you are near the ocean, you don't need it, I suppose?

General COOPER. That is right. Some places you can get the trade winds. There are lots and lots of expensive houses in Hawaii that are not air-conditioned.

Mr. PATTEN. The one I was in a few months ago was air-conditioned. I would prefer air-conditioning if I lived there year around. It was hot, steamy, and uncomfortable.

Mr. LONG. The Army is asking for \$36 million. I understand the Navy ammunition depot will be closed. Could the Army use any Navy housing?

General COOPER. The ammunition depot at Lualualei? There is some housing there.

Mr. LONG. How far away is it?

General COOPER. Lualualei to Schofield Barracks over Kolekole Pass, I believe is about 10 miles. We are looking at that for the 1975 program.

Mr. LONG. Could that reduce the size?

General COOPER. It won't reduce the size of the 1974 program, sir. There is not that much housing there that would have a large impact.

Mr. LONG. I think you ought to put in the record just what the situation is, why that couldn't help to hold the budget down this next year.

[The information follows:]

All of the 63 units at Lualualei will continue to be used by the Navy and cannot be applied against Army requirements.

General COOPER. We think we will need even another 1,000 units in fiscal year 1975. The Navy also has requirements in 1975.

Mr. LONG. Why does so much have to be located in Hawaii? Just because it is a lovely, pleasant climate, everybody wants to go to Hawaii? You know it is an expensive place. Why bother to locate so much there? Why not try to move away from expensive places? It seems to me the military is always moving to the most expensive places. Is it because the generals like to live there?

General COOPER. I am sure the generals like to live there, but I am sure that is not a governing factor.

Mr. LONG. It couldn't possibly be.

General COOPER. It sometimes is, but I don't think so in this case. It is part of the overall strategy, how far you stay out in the Pacific.

Mr. LONG. Being in Hawaii during the war, we were a sitting duck.

General COOPER. It did prevent them from attacking the west coast, which would have been much more of a disaster.

Mr. LONG. They would have had more difficulty doing it.

General COOPER. Or they might have gone, as they should have gone, up through Alaska.

Mr. PATTEN. It costs twice as much in Alaska for anything. You are not getting anything cheap if you go to Alaska as far as I know.

#### FORT RILEY, KANS.

Mr. PATTEN. Let's turn to Fort Riley, Kans.

Insert page 14 in the record.

[Page 14 follows:]

1. DATE 15 Feb 73		2. DEPARTMENT ARMY		3. INSTALLATION FY 1974 MILITARY CONSTRUCTION PROGRAM			4. PORT RILEY									
5. COMMAND OR MANAGEMENT BUREAU Fifth US Army				6. INSTALLATION CONTROL NUMBER 17605			7. STATE COUNTRY Kansas									
8. STATUS Active				9. YEAR OF INITIAL OCCUPANCY 1855			10. COUNTY (U.S.) Geary & Riley		11. NEAREST CITY Junction City							
12. MISSION OR MAJOR FUNCTIONS Provides support and services for the First Infantry Division. Also supports ROTC, Reserve Component Summer Training, Correctional Training Facilities and Schilling Manor which is a 735 unit family housing project for dependents of military personnel on unaccompanied tours.				13. PERSONNEL STRENGTH			14. PERMANENT			15. STUDENTS			16. SUPPORTED			TOTAL (9)
							OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)		
				a. AS OF 30 Jun 72	1827	16,226	2205									20,258
				b. PLANNED (End FY 77)	1631	15,920	1948									19,499
				17. INVENTORY	LAND	ACRES (1)	LAND COST (\$000) (2)	IMPROVEMENT (\$000) (3)	TOTAL (\$000) (4)							
a. OWNED	101,056		11,425.4	152,202.7	163,628											
b. LEASES AND EASEMENTS	13		0	0	0											
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72					163,628											
d. AUTHORIZATION NOT YET IN INVENTORY				Exclusive of MCA	2,862											
e. AUTHORIZATION REQUESTED IN THIS PROGRAM					24,742.5											
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS					52,550											
g. GRAND TOTAL (c + d + e + f)					243,762.5											
SUMMARY OF INSTALLATION LINE ITEMS																
CATEGORY CODE NO a	LINE ITEM DESIGNATION LINE ITEM TITLE b			TENANT COMMAND c	UNIT OF MEASURE d	AUTHORIZATION PROGRAM		FUNDING PROGRAM								
						SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h							
711	Family Housing, Dwellings			Army	Units	901	24,742.5	901	24,742.5							

Mr. PATTEN. The request is for 901 units. In view of the proposed reduction in personnel, do you need all of these units?

General COOPER. Based on the latest planning strength figures, and prior year marital factors, there is a programable deficit of 928 units after counting 242 unsuitable units as assets.

#### FHA VALIDATION

The FHA has validated only 577 units of the 901 and if FHA does not validate those additional units, we will automatically reduce the scope from 901 to 577.

Mr. PATTEN. Have any of the Schilling Manor units become vacant now that activities in Southeast Asia have wound down?

General COOPER. This housing was offered to Fort Riley and has been occupied on a voluntary basis until such time as permanent housing on Riley becomes available. We don't think it is suitable permanent housing because it is over 60 miles from Fort Riley. Some people are using it.

Mr. PATTEN. We say you ought to live within 7 miles of where you work. We say that for industry around our way.

Why is it costing almost a half million dollars to design these homes? Are each of the units different?

General COOPER. The costs contained herein are program costs and do not reflect actual costs. The budget was established on the premise of conventional construction. Naturally, any money saved on design will be incorporated into the structure to provide improved quality of livability. These costs represent 2 percent of the current working estimate.

Mr. PATTEN. What is the cost factor here?

General COOPER. The local area cost index for Fort Riley is 1.01. This is based on an index that establishes Washington, D.C., as a base of 1.0. One of the factors that adds some cost to this project is the need for \$300,000 to provide offsite utility support which is not a normal cost associated with a typical project.

#### FORT CAMPBELL, KY.

Mr. PATTEN. Insert page 18 in the record.  
[The page follows:]

1 DATE 15 Feb 73		2 DEPARTMENT ARMY		3 INSTALLATION FY 1974 MILITARY CONSTRUCTION PROGRAM			4 INSTALLATION CONTROL NUMBER 21145			5 STATE COUNTRY Kentucky					
4 COMMAND OR MANAGEMENT BUREAU Third US Army				5 INSTALLATION CONTROL NUMBER 21145			6 STATE COUNTRY Kentucky			10 NEAREST CITY Clarksville, TN 8 mi NW					
7 STATUS Active				8 YEAR OF INITIAL OCCUPANCY 1942			9. COUNTY (U.S.) Christian and Trigg			10 NEAREST CITY Clarksville, TN 8 mi NW					
11. MISSION OR MAJOR FUNCTIONS Headquarters of the 101st Airborne Division. Provide administration, training and logistical support of the division and other Army units and activities assigned. Accomplishes planning missions, as directed, for the development, employment and expansion of CONUS forces under condition of cold, limited and general war contingencies.						12. PERSONNEL STRENGTH									
						PERMANENT			STUDENTS			SUPPORTED			TOTAL
						OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	(9)	
						a. AS OF 30 Jun 72	1676	8694	2530					12,900	
						b. PLANNED (END FY 77)	2306	18,130	1960					22,396	
13. INVENTORY						INVENTORY									
LAND		ACRES (1)	LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)								
a. OWNED		36,024	1,510.5		83,138.0		84,649								
b. LEASES AND EASEMENTS		611	24.3		0		24								
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72						84,673									
d. AUTHORIZATION NOT YET IN INVENTORY						Exclusive of MCA									
e. AUTHORIZATION REQUESTED IN THIS PROGRAM						" "									
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS						" "									
g. GRAND TOTAL (c + d + e + f)						188,783									
SUMMARY OF INSTALLATION LINE ITEMS															
LINE ITEM DESIGNATION															
CATEGORY CODE NO a	LINE ITEM TITLE b					TENANT COMMAND c	UNIT OF MEASURE d	AUTHORIZATION PROGRAM SCOPE e		FUNDING PROGRAM ESTIMATED COST (\$000) f					
711	Family Housing, Dwellings					Army	Units	1,000	27,000	1,000	27,000				
713	Family Housing, Mobile Home Facilities					Army	Spaces	100	410	100	410				

Mr. PATTEN. The request is for 1,000 units of family housing and 100 mobile home spaces.

In view of the apparent deficit in housing for military families, what reason can you give for the fact there were 377 vacant units in the community at the time the survey was taken?

I think we are talking about two different things here. We are talking about the military and then we are talking about the community.

I happen to know something about these vacancies in the communities and how good they are.

General COOPER. We try to keep within 2 percent of complete occupancy. Occasionally it gets higher. Of the 377 vacant units, 331 units were on post. The strength at that time was 13,000. Now, the survey increased it to 16,000, so there has been a big increase since that time.

Mr. PATTEN. What is the source for the 600 units of housing you expect from the community?

General COOPER. When we do our surveys, we go out and try to figure out how much additional housing the community will be building as part of its normal buildup. The 600 is based on that survey. It would be unsubsidized community housing which we expect to be available.

Mr. PATTEN. You show a base population increase of almost 10,000 in the next 5 years. What is the reason for this increase?

General COOPER. Bringing the 101st Airborne Division up to full strength and also supporting units.

Mr. PATTEN. Will the mobile home spaces meet your requirement?

General COOPER. They will certainly meet the requirements for now. I don't know how many additional ones are needed. There are some 265 spaces offpost that are suitable. I think they will meet the requirements, together with the ones onpost.

Mr. PATTEN. How many do you need? You are asking for 100. Is that what you think you need?

General COOPER. That is what we think we need for now.

Mr. PATTEN. How many do you have?

General COOPER. Right now, there are 265 offpost and 164 substandard. On that basis, we would say we needed 64 more. As we build more houses, we won't need as many mobile homes spaces.

Mr. PATTEN. If you provided more mobile home spaces, would this reduce your housing deficit?

General COOPER. No, sir.

Mr. PATTEN. Do you consider a mobile home as adequate housing, or do you list it as inadequate?

General COOPER. We basically would list a mobile home as inadequate if it is Government owned. In our survey, if a man lives in a mobile home and he says that is adequate, it is counted as adequate. It is up to the individual.

FORT POLK, LA.

Mr. PATTEN. We will go to Fort Polk, La.

Insert page 22 in the record.

[The page follows:]

1. DATE 15 Feb 73		2. DEPARTMENT ARMY		3. INSTALLATION FY 1974 MILITARY CONSTRUCTION PROGRAM FORT POLK								
4. COMMAND OR MANAGEMENT BUREAU Fifth US Army			5. INSTALLATION CONTROL NUMBER 22725		6. STATE COUNTRY Louisiana							
7. STATUS Active		8. YEAR OF INITIAL OCCUPANCY 1941		9. COUNTY (U.S.) Vernon, Sabine and Natchitoches		10. NEAREST CITY Leesville						
11. MISSION OR MAJOR FUNCTIONS  Provides administration and logistical support of a US Army Training Center (Infantry), USA Reception Station, USA Hospital, USA Dental Detachment, USA Garrison and subordinate elements				12. PERSONNEL STRENGTH			13. INVENTORY					
				PERMANENT			STUDENTS			SUPPORTED		
				OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	TOTAL (9)
				a. AS OF 30 Jun 72	879	17,996	2363					21,238
				b. PLANNED (End FY 77)	1059	24,939	2176					28,174
				LAND			ACRES (1)	LAND COST (\$000) (2)	IMPROVEMENT (\$000) (3)	TOTAL (\$000) (4)		
a. OWNED			196,998	610.6	76,805.7	77,416						
b. LEASES AND EASEMENTS			2,034	0	0	0						
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72						77,416						
d. AUTHORIZATION NOT YET IN INVENTORY			Exclusive of MCA			6,252						
e. AUTHORIZATION REQUESTED IN THIS PROGRAM			"			14,503						
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS			"			29,000						
g. GRAND TOTAL (c + d + e + f)						127,171						
SUMMARY OF INSTALLATION LINE ITEMS												
CATEGORY CODE NO. a	LINE ITEM DESIGNATION				AUTHORIZATION PROGRAM		FUNDING PROGRAM					
	LINE ITEM TITLE b				TENANT COMMAND c	UNIT OF MEASURE d	SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h		
711	Family Housing, Dwellings				Army	Units	500	14,250	500	14,250		
713	Family Housing, Mobile Home Facilities				Army	Spaces	59	252.8	59	252.8		

Mr. PATTEN. The request is for 500 units. Do you plan to upgrade the 1,432 substandard units? If you do, what impact will this have on your deficit?

General COOPER. These are all in the privately owned economy rather than Government owned.

Mr. PATTEN. With a planned strength of more than 28,000 men, isn't there some way to get the community to provide more than the 563 offbase units now available?

General COOPER. It is difficult. They have gotten some additional community support at Fort Polk, but one of the reasons it is a good training area is that it is pretty well isolated from large towns. We have been talking to the community leaders. I think we have failed in the past because the Army talked about closing Fort Polk and the people weren't wildly enthusiastic about building homes in the community. But it is a function of confidence in how long Fort Polk will be there. Some people near Fort Polk have been very helpful to the Army in spite of past uncertainty.

#### ENVIRONMENTAL IMPACT STATEMENTS

Mr. OBEY. I notice on page 16 at Fort Riley you say the environmental impact statement will be submitted because of the scope of the project. On page 12, you indicate that a minor impact on water quality will result from storm damage runoff, but it does not indicate whether there is or is not an impact statement being provided. Is there one or not?

General COOPER. Do you mean for Hawaii?

Mr. OBEY. Yes, sir.

Mr. PATTEN. Your question is on Riley?

Mr. OBEY. No, for both of them. As you know, there has been some disagreement between the various agencies of Government as to how small a project ought to be before they do provide any impact statement. Would you provide for the record some delineation of your policy on that?

General COOPER. Yes, sir. Basically it gets to be a matter of judgment. If the local people decide that you have erred, they can always go to court and stop you.

Mr. OBEY. That is the reason I asked, because we had a case in Wisconsin a couple of weeks ago where a project which was to be of 5 days' duration was stopped by the courts because an impact statement had not been provided.

I have seen that happen more and more all over the country. I would just like to know what your policy is.

General COOPER. Basically, we leave it up to the installation commander. He has to first make what we call an environmental assessment. If he then considers that under section 102(2)(c) of NEPA, it is a major Federal action significantly affecting the quality of human environment, he has to prepare an impact statement. It is up to the court in the final run.

Mr. OBEY. What I am interested in is whether or not you have any guidelines to define what major impact is?

General COOPER. Yes, sir, we do.

Mr. OBEY. I would like to have those in the record.

[The information follows:]

Guidelines for the commander are included in a Department of the Army letter of October 21, 1971, a copy of which is attached. The guidelines are general and not specific partly because we have very little legal precedent involving Army installations.

DEPARTMENT OF THE ARMY,  
OFFICE OF THE ADJUTANT GENERAL,  
Washington, D.C., October 21, 1973.

DAAG-PAP (M) (1 Sep 71) DALO-IN

Subject: Environmental Consideration in DA actions, RCS DD-H&E(AR) 1068.

1. References: (a) TAG letter, AGDA(M) (Sept. 10, 1970), LOG-C-PDBB-8316-B, September 11, 1970, subject: "Interim Guidelines on Environmental Statements," RCS OSD-(OT) 1570.

(b). TAG letter AGDA(M) (March 1, 1971), LOG-C-PDBB, 18 Mar 71, subject: "Environmental Impact Statements," RCS DD-H&E(AR)-1068.

(c). AR 11-21, Army Programs, Environmental Pollution Abatement, Nov. 3, 1967, with 2 changes thereto.

(d) Public Law 91-190 91st Congress, January 1, 1970, entitled "The National Environmental Policy Act of 1969."

(e) Public Law 91-224, 91st Congress, April 3, 1970, entitled "The Environmental Quality Improvement Act of 1970."

(f) Executive Office of the President, Council on Environmental Quality, "Statements on Major Federal Actions Affecting the Environment," April 23, 1971 (36 Federal Register 79, 7724 (1971)).

(g) Message No. 970436, LOG-C-PDBB, October 6, 1970, subject: Interim Guidelines on Environmental Statements, DA to CINCUSARPAC, NOTAL.

(h) Message 282105Z April 1971, subject: "Disposal by Sea Dump," DA to CINCUSARPAC, NOTAL.

(i) Public Law 91-121, 91st Congress, S. 2546, November 1969.

(j) Public Law 91-441, 91st Congress, H.R. 17123, October 7, 1970.

(k) TAG letter, AGDA-A(M) (March 24, 1971), LOG-C-PDBB, March 29, 1971, subject: "Environmental Protection and Preservation."

1. DOD Directive 6050.1, August 9, 1971, subject: Environmental Considerations in DOD Actions.

2. The National Environmental Policy Act of 1969 (NEPA) establishes the Federal policy on environmental quality. Section 102 of the NEPA directs that the policies, regulations, and public laws of the United States will be interpreted and administered to the fullest extent possible in accordance with the NEPA. Section 102(2)(C) of the NEPA requires, among other things, that there be included with every recommendation or report on proposals for legislation and other major Federal actions significantly affecting the quality of the natural environment a detailed five-point statement concerning the environmental impact of the intended action.

3. The NEPA further directs that, prior to submitting the final environmental statement, the responsible Federal official shall consult with and obtain the comments of any Federal agency which has jurisdiction by law or special expertise. Copies of such statements and the comments and views of the appropriate Federal, State, and local agencies which are authorized to develop and enforce environmental standards will be made available to the President, the Council on Environmental Quality (CEQ) and the public, and will accompany the proposal through the existing agency review processes.

4. CEQ's Interim Guidelines, implemented by references 1a, 1b and 1g, were revised in April 1971, reference 1f. Accordingly, references 1a, 1b, 1g and 1h are hereby rescinded and the guidance contained in the inclosure to this letter will govern all addresses as a continuing requirement.

5. The preparation and timely submission of environmental statements in comprehensive detail is essential to enable the concerned headquarters to accurately evaluate the environmental impact of proposed actions. Experience to date indicates that approximately 4 to 6 months are required to process the environmental statement after it arrives at headquarters, DA. Failure to adequately evaluate and document the impact on the environment will jeopardize the approval of critical plans or programs during DA or OSD review and preclude favorable congressional action.

6. It is requested that addresses, as a continuing requirement, comply with the provisions of the guidelines provided in attached inclosure.

By order of the Secretary of the Army:

VERNE L. BOWERS,  
Major General, U.S.A.,  
The Adjutant General.

**Distribution :**

Deputy Chiefs of Staff.  
 Comptroller of the Army.  
 Chief of Research and Development.  
 Chief, Office of Reserve Components.  
 Assistant Chiefs of Staff.  
 The Adjutant General.  
 Chief of Engineers.  
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 Assistant Secretary of the Army (R & D).  
 Director of Civil Defense.  
 Chief of Legislative Liaison.  
 Chief, Environ Protection Group, Department of the Air Force.  
 Chief, Environ Protection Division, Department of the Navy.

**ARMY GUIDELINES FOR ENVIRONMENTAL CONSIDERATIONS****PURPOSE**

These guidelines prescribe policies and responsibilities and establish procedures, in consonance with Federal policy, for the implementation of section 102 (2) of Public Law 91-190, "National Environmental Policy Act of 1969," (NEPA), January 1, 1970, and for References (b) through (k) insofar as these references require the inclusion of environmental considerations in the decisionmaking process.

**RESCISSIONS**

References (r) through (u), Inclosure 3, are hereby rescinded.

**APPLICABILITY**

(a) Included : With the exception of those activities indicated in paragraph IIB of inclosure 1 to this inclosure, these guidelines apply to all Army installations, activities and facilities throughout the world. This includes activities supported in whole or in part through Army contracts, grants, subsidies, loans or other forms of funding assistance and activities involving a Federal lease, permit, license, certificate, or other entitlement of use.

(b) Excluded : These guidelines do not apply to civil works projects and related activities under the jurisdiction of the Secretary of the Army and the Chief of Engineers.

**AUTHORITY**

These guidelines are in furtherance of DOD Directive 6050.1, Environmental Considerations in DOD Actions which assigns responsibilities and establishes procedures for a coordinated approach to the assessment of environmental consequences in the planning and decisionmaking process.

## POLICY

(a) At the earliest practicable stage in the planning process, including the development stage of a weapon or material system and in all instances prior to decision to procure the item or proceed with the project or activity, the environmental consequences of any proposed action shall be assessed.

b. Actions that were initiated prior to January 1, 1970, the date on which Public Law 91-190, NEPA, was enacted and for which the environmental consequences have not been assessed should be reviewed to insure that any remaining action is consistent with the provisions of these guidelines.

c. Insofar as practicable, and with appropriate consideration of assigned missions and of economic and technical factors, programs and actions of all Army agencies and commands shall be planned, initiated, and carried out in a manner to avoid adverse effects on the quality of the human environment. When this is not feasible, all reasonable measures shall be taken to neutralize or mitigate any adverse environmental impact of the actions.

d. Whenever an environmental assessment of a recommendation or report on a proposal for legislation or of a proposed or continuing major action indicates under the criteria in enclosure 1 that the resulting action may significantly affect the quality of the human environment or may be highly controversial with regard to environmental impact, a detailed environmental statement shall be prepared and processed pursuant to the guidance contained in "Statements on Major Federal Actions Affecting the Environment" (ref. (f)) and in enclosure 2.

## RESPONSIBILITIES

a. Deputy Chief of Staff for Logistics, DA exercises primary staff responsibility for reviewing and coordinating environmental statements within the Department of the Army and providing assistance and advice relative to the statements. The DCSLOG will maintain liaison with OSD/EPA/OMB and CEQ with respect to environmental policies affecting the entire DA. The DCSLOG will retain a copy of each draft and final environmental statement prepared within DA and make such statements available for public review upon request. Additionally, ODCSLOG is responsible for environmental statements concerning those actions or activities for which ODCSLOG is the proponent agency. The point of contact within ODCSLOG is the Environmental Office (OX4-4269) of the office of the Director of Installations.

b. Other Deputy Chiefs of Staff, Comptroller of the Army, Assistant Chiefs of Staff, Chief of Research and Development and Chief, Office of Reserve Components. Responsibilities are as follows: Each Army general staff agency is responsible for taking general staff action on environmental statements submitted concerning actions or programs for which they have the general staff proponenty. They are also responsible for assuring that all of their actions and programs have been appraised to determine any requirements for environmental statements. Additionally, they are responsible for assuring proper coordination within the Army staff to include DCSLOG prior to forwarding draft or final statements to the ASA (I. & L.) for dispatch to higher authority or other coordinating Federal agencies. Each agency is also responsible to assure that a copy of each draft and final statement and its transmitting document are provided DALO-INE.

c. The Chief of Engineers is responsible for coordinating the engineering aspects of environmental statements submitted to Headquarters, DA and for those statements required for actions and programs for which he is proponent.

d. The Surgeon General is responsible for coordinating the health and welfare aspects of environmental statements submitted to Headquarters, DA and for those statements required for actions and programs for which he is the proponent.

e. Major field commands are responsible for identifying actions and programs proposed for accomplishment within their commands, and assuring that appropriate environmental assessments and statements are prepared and, if necessary, forwarded to Headquarters, DA.

f. Army commands and agencies will:

(1) Establish internal procedures for assessing environmental consequences of continuing and proposed programs and actions for which they are the proponent agency, in accordance with the policies contained in these guidelines, and for the preparation, proper coordination within their technical staffs, and processing of environmental statements required for actions within their agencies. Requests

for field evaluation by the U.S. Army Environmental Hygiene Agency will be forwarded through channels to the Surgeon General, Attention: DASG-HEP.

(2) Establish internal procedures to insure that all regulations, directives, instructions, and other major policy publications for which they are the proponent agency, are reviewed for environmental consequences, and, when such consequences are significant, withhold proposed publication of issuances until compliance with section 102(2)(C) of Public Law 91-190 (ref. (a)) has been accomplished.

Four inclosures.

## DETERMINATION OF REQUIREMENT FOR ENVIRONMENTAL STATEMENTS

### I. GENERAL

A. Section 102(2)(C) of the National Environmental Policy Act of 1969 (Public Law 91-190) (ref. (a)) requires that a detailed environmental statement be included in "every recommendation or report on proposals for legislation and other major Federal actions significantly affecting the quality of the human environment."

B. Executive Order 11514, March 7, 1970 (ref. (d)) directs the Council on Environmental Quality to issue guidelines to Federal agencies for the preparation of the environmental statements required by section 102(2)(C) of the National Environmental Policy Act of 1969 (ref. (a)).

C. On April 23, 1971, the Council on Environmental Quality published guidelines for the preparation of environmental statements (Statements on Major Federal Actions Affecting the Environment, 36 Federal Register 79, 7724 1971) (ref. (f)). These guidelines contain general guidance for determining when an environmental statement is required.

D. This inclosure interprets and amplifies the general guidelines of the Council on Environmental Quality and of the DOD for Department of the Army actions.

### II. GEOGRAPHICAL LOCATION OF ACTIONS

A. Environmental statements are required for actions described in paragraphs III and IV below conducted anywhere in the world, except when conducted in, or partly in, areas which are in or under the jurisdiction of a nation other than the United States. In these latter cases, the DA agency responsible for the action shall provide to DALO-INE full particulars, a recommendation as to whether or not a statement should be prepared, reasons for the recommendation, and an assessment of the effect of a statement on U.S. foreign relations. DALO-INE shall coordinate these latter cases as appropriate, and shall furnish procedural instructions to the responsible DA agency.

B. Environmental statements are not required for multinational activities (such as NATO) when the DA agency involved does not have primary decision-making authority, or for combat or combat-related activities in a combat zone. (See para IV, C. 5.)

C. The DA agency concerned shall comply with applicable environmental laws and policies, even though an environmental statement is not required. In countries or areas not under U.S. control or administration, projects or activities are subject to the environmental laws, regulations and stipulations of the foreign government concerned.

### III. ACTIONS INCLUDED

A. The legislative history of the National Environmental Policy Act of 1969 (ref. (a)) and the guidelines of the Council on Environmental Quality define major actions as including, but not limited to the following: (1) Recommendations or favorable reports relating to legislation, including that for appropriations. (2) Policies, regulations, and procedures-making. (3) Projects and continuing activities: (a) Directly undertaken by Federal agencies; (b) Supported in whole or in part through Federal contracts, grants, subsidies, loans, or other forms of funding assistance; and (c) Involving a Federal lease, permit, license, certificate, or other entitlement for use.

B. Each of the above categories of actions requires somewhat different considerations in determining whether an environmental statement is required.

### IV. EVALUATION OF REQUIREMENT FOR ENVIRONMENTAL STATEMENT

A. Proposals for legislation, annual authorization requests, and favorable reports on legislation:

1. Proposals for legislation (other than requests for inclusion in annual authorization requests). Prior to preparing a legislative proposal, the DA proponent shall assess the environmental consequences of the proposal using the factors in attachment 1. If it is determined that the proposal would significantly affect the environment, an environmental statement is required and shall be submitted with the proposal.

2. Annual authorization requests. a. Prior to submitting authorizing legislation requests pursuant to section 412. Public Law 86-149, as amended (reference (1)), or the annual military construction authorization bill, the environmental consequences of each item requested for inclusion shall be assessed by the proponent of the action making the requests using the factors in attachment 1. Further, the proponent is required to prepare an environmental statement for each item that will significantly affect the environment unless the item is part of a continuing project or program for which an environmental statement has previously been processed, and the environmental consequences of the item are not expected to deviate significantly from those identified in the prior statement.

b. Ten copies of each draft statement are required by the proponent General Staff agency to permit that agency to submit three copies to OSD with the requests (see section 111 of enclosure 2) and one copy to DALO-INE.

3. Favorable reports on legislation: a. If the Department of Army is not the Federal agency that has primary responsibility for the subject matter involved in the legislative item, no environmental statement is required from the Department of the Army. If it is not clear from the legislative item whether the Department of the Army is the primary Federal agency responsible for the subject matter involved in the legislative item, advice should be sought from DALO-INE.

b. If the Department of the Army is the Federal agency that has primary responsibility for the subject matter involved in the legislative item, the DA agency responsible for preparing the DOD report on the item shall assess the environmental consequences of the proposal, using the factors in attachment No. 1 to this enclosure. If the assessment indicates that the proposal would significantly affect the quality of the human environment, an environmental statement is required and should accompany the report.

#### B. Policy, Regulations, and Procedure Making.

1. This shall be construed to apply to publications including, but not limited to, directives, instructions, regulations, manuals, or major policy statements of all Army staff agencies and major field commands.

2. The proponent of the action shall assess the environmental consequences, using the factors in attachment No. 1 to this enclosure, for each proposed publication. If it is determined that actions generated by the publication will significantly affect the environment, an environmental statement is required unless the publication is an implementation of a publication from another Army agency, DOD component, or DOD and the environmental consequences will not deviate significantly from those of the basic publication. In these latter cases, the DA agency responsible for the basic publication has the responsibility for assessing the environmental consequences of its publication and preparing an environmental statement.

3. If a proposed publication of a DA agency is to be published for the purpose of implementing a Federal law or a publication of an agency outside of the Department of Defense and actions resulting from the law or publication will significantly affect the quality of the environment, an environmental statement is required unless an environmental statement which covers the environmental impact of the agency's publication was submitted in connection with adoption of the law or the other agency's publication.

#### C. Projects and Continuing Activities.

1. This category includes the majority of the operations and activities of the Department of the Army. All agencies and commands are encouraged to develop plans, programs, and procedures for routine projects and continuing activities having an impact on the environment. Environmental statements should be prepared for these plans, programs, and procedures rather than for particular or individual actions taken pursuant to these plans, programs, or procedures. Only when a particular proposed action involves a potential impact on the environment not considered in the environmental statement for the applicable plan, program, or procedure, will it be considered necessary to prepare an impact statement on that individual or particular proposed action.

2. Each proposed project or activity shall be assessed for environmental consequences, using the factors in attachment No. 1 and: a. If it is determined that the action will not significantly affect the environment, any written assessment of

the environmental aspects of an anticipated action shall be retained by the agency making the assessment until the action is completed. (See paragraph D of attachment No. 1 to this enclosure.)

b. If it is determined that the action will have a significant affect on the environment, a statement is required, unless it is excepted by paragraph 3, 4, or 5 below.

3. If an environmental statement was submitted for a project or activity in accordance with paragraph IV.A. of this enclosure, no additional environmental statement is required for that project or activity unless it appears that there will be significant adverse environmental consequences from the project or activity that were not covered by the environmental statement.

4. If a project or activity is being carried out pursuant to a publication for which an environmental statement was submitted in accordance with paragraph IV.B. of this enclosure, no environmental statement is required for that project or activity unless it appears that there will be significant adverse environmental consequences from that project or activity that were not covered by the environmental statement.

5. Combat or combat-related activities in a combat zone, riot control activities, and other emergency activities do not require environmental statements. However, the intentional disposal of hazardous substances or of other materials in the oceans shall not be construed to be combat or combat-related activities.

6. On occasion, laws other than the National Environmental Policy Act (reference (a)), such as those in reference (c), require the Department of Army to gain approval of another Federal agency before commencing certain types of actions that may have environmental consequences. Compliance with the requirements of such laws does not relieve the responsible official from preparing and processing an environmental statement if the proposed action is a major action that would significantly affect the quality of the human environment. However, insofar as practicable, the draft environmental statement format should be used in complying with other laws to minimize duplication of efforts.

One Attachment.

#### MAJOR ACTIONS SIGNIFICANTLY AFFECTING THE QUALITY OF THE HUMAN ENVIRONMENT (MASAQHE)

A. It is impossible to list categorically all projects or activities that are "major Federal actions significantly affecting the quality of the human environment." In making a judgment in a particular case, it will be necessary for the proponent of the action to assess the expected environmental effects of the action in conjunction with the intent of the National Environmental Policy Act (NEPA) as implemented by the Council on Environmental Quality (CEQ). If doubt is not resolved, the matter should be referred to DALO-INE for comment and recommendation. It is essential that all the environmental effects of an action be assessed, whether these effects are adverse or beneficial. In determining whether or not the effects of an action are significant, the proponent must evaluate the nature and degree of all effects on the environment. These may be significant even though the net environmental effect of the proposed action will be beneficial.

B. All proponents shall insure that a decision is not made to procure a weapon or material system or proceed with proposed projects, activities, or actions until the environmental consequences of the decision have been assessed. If the assessment indicates that the decision will either affect the environment on a large geographical scale or have a serious environmental effect in a more restricted geographical area, the proposed action shall be considered a major action significantly affecting the quality of the human environment (MASAQHE), and the decision shall be deferred until Federal agencies possessing special expertise or persons affected by the environmental effects of the decision have had an opportunity to present their views. It is necessary to consider not only the degree of affect on the environment but also the scope of the action and the potential effect of the action on other persons.

1. If a proponent agency intends to take an action that will influence subactivities in many subordinate units, and the subactivities will each affect the environment, the action is probably a MASAQHE even though a single subactivity may not be in that category. For example, a limited maneuver or training exercise by small elements of the Army might not be a major action nor would it normally affect the environment significantly. However, if the proponent intended to publish a regulation that includes provisions prescribing the environ-

mental considerations that were to be given to the planning of all training exercises or maneuvers of the Army for an indefinite period of time, then it might be expected that such a regulation would have a significant effect on the quality of the environment because it would govern numerous activities which individually would have some effect on the environment. Thus, the regulation should be construed to be a MASAQHE.

2. An example of an action that should be classified as a MASAQHE because of a localized effect is an extremely noisy activity conducted by an agency near a residential area, where the resulting noise might seriously affect the public health and welfare of persons in the area. In keeping with the intent of NEPA, no decision should be made to take action until these residents have been given an opportunity to present their views, and their views have been carefully considered. Sea dumping, because of its controversial nature alone, is considered to be a MASAQHE.

3. Another example of an action that might be classified as a MASAQHE is a large quarrying operation with associated significant blasting and high visibility to the public. Also, such range operations as missile or other weapons firing for test or training purposes might cause extensive fires with significant impact on the environment and should be appraised carefully to determine if they are MASAQHE. Projects for the construction of fences around large areas might prevent migration of large numbers of deer or other wildlife and should be carefully appraised for their environmental consequences. Real property obtained or granted by permit should also be carefully appraised for environmental consequences.

C. Just as it is impossible to categorize all actions, so it is impossible to list in advance all of the environmental factors to be considered. The proponent of the action should consider all aspects of the action to determine if it will interfere unreasonably with the living conditions of man, wildlife, or marine life, or with any ecosystems on an immediate, short-range or long-range basis. Examples of factors to be considered are:

#### 1. *Effect on surface or subsurface water*

(a) Will the action: (1) Introduce toxic or hazardous substances or significant amounts of chemicals, organic substances or solid wastes into bodies of water; (2) Significantly increase sedimentation in a body of water; (3) Significantly alter the temperature of a body of water; or (4) Modify the flow of streams, rivers, or subsurface waters with attendant damage to others above or below the Army activity?

(b) Will the action improve the quality of a body of water or recharge subsurface water?

#### 2. *Effect on atmosphere*

(a) Will the action result in emissions into the atmosphere of toxic or hazardous substances or significant amounts of other pollutants?

(b) Will the action result in the creation of excessive noise, considering the proximity of and the likely effects of the noise on humans or wildlife?

(c) Will the action tend to reduce the amount of pollution in the atmosphere?

#### 3. *Effect on natural resources*

(a) Will the action result in significant destruction of vegetation, wildlife, or marine life?

(b) Will the action enhance the quality of vegetation, wildlife, or marine life?

(c) Will the action significantly affect soil quality?

(d) Will the action result in contamination or deterioration of food or food sources?

(e) Will the action result in barriers or fencing in an area where there is significant wildlife movement and prohibit that movement?

(f) Will the habitat or the ground cover be significantly modified with attendant significant impact on wildlife?

#### 4. *Other values*

(a) Will the action significantly affect, beneficially or adversely, the health or welfare of man, including esthetic considerations?

(b) Will the action significantly affect, beneficially or adversely, other forms of life or ecosystems of which they are a part?

D. Certain types of actions require close environmental scrutiny because of the possibility that they may either affect the quality of the environment or create environmental controversy. It may be desirable in such cases to have a complete

presentation of the environmental aspects of the proposed action available for any interested party. For these reasons, the environmental effects of the following types of actions should be assessed in writing even though a detailed assessment indicates that the action is not an MASAQHE.

1. Development or purchase of a new type of aircraft, ship, or vehicle, or of a substantially modified propulsion system for any aircraft, ship, or vehicle.
2. Development or purchase of a new weapon system.
3. Real estate acquisitions or outleases of land.
4. Construction projects.
5. New installations (bases, posts, etc.).
6. Disposal of biological or chemical munitions, pesticides, or herbicides other than in the manner in which they are intended to be used.
7. Intentional disposal of any substances in a significant quantity or on a continuing or periodic basis.
8. Mission changes which increase the number of personnel in an area to a degree that will tax the environmental capability of the local civilian community.
9. Major research and development projects.
10. Any action which, because of real, potential, or purported adverse environmental consequences, is a subject of controversy among people who will be affected by the action, or which, although not the subject of controversy, is likely to create controversy when the proposed action becomes known by the public.

E. Even though a written assessment supports the conclusion that an action is not an MASAQHE, an environmental impact statement should be written on a proposed action which becomes highly controversial because of environmental aspects. The environmental statement may be based on the information contained in the assessment.

F. Relations with the public: Commanders are encouraged to establish rapport with local and State officials concerning environmental quality. If deemed appropriate, they may be contacted informally at any stage in the development of the statement. However, the release of an environmental statement in its entirety or any related information will be accomplished only in accordance with established procedures governing the security review process and release of information to the public. In addition, release of the environmental statement in its entirety will require approval of HQ, DA. The information officer will provide public affairs counsel to the commander during the preparation of environmental statements. Anticipated public reaction to environmental actions must be carefully considered throughout the preparation process.

## PREPARATION AND PROCESSING OF ENVIRONMENTAL STATEMENTS

### I. GENERAL

Preparation of environmental statements shall be based on considerations discussed in the guidelines of the Council on Environmental Quality (CEQ) and the following guidance. These directions are intended to assure consistency of effort in preparing statements.

A. A careful, objective detailing of environmental impacts, alternatives, and implications of proposed projects and activities should give reviewers both within and outside the Department of the Army insight into the particulars associated with the action. The general public, environmental action groups, special interest associations, governmental agencies, and congressional committees will expect the statements to be a valid source of information on proposed actions, as well as a reflection of how the Department of the Army views environmental factors and seeks to accommodate them. Since the statements must, whenever possible, be made available to the public, it must be assumed that they will receive careful scrutiny. The statements should be systematic presentations of environmental impacts.

B. A statement should describe physical and environmental aspects sufficiently to permit evaluation and independent appraisal of the favorable and adverse environmental effects of each proposal. It should be simple and concise, yet should include all pertinent facts. Length will depend upon the particular proposal and the nature of its impact.

C. A statement should not be limited to ultimate conclusions, but should contain in support of such conclusions a thorough evaluation of all factors affecting the potential environmental impact of the proposal.

D. Rather than serving as a means for assisting or supporting project justification, a statement should include a complete and objective appraisal of the environmental effects, beneficial and adverse, and of available alternatives. In no

case should adverse effects, either real or potential, be ignored or slighted in an attempt to justify an action previously recommended. Similarly, care must be taken to avoid overstating favorable effects.

E. In developing and obtain the necessary information to prepare a statement, consultation with other Federal, State, and local agencies is encouraged.

## II. CONTENT OF STATEMENT

The body of an environmental statement shall contain the following separate sections with the length of each being adequate to identify and develop the required information.

*A. Project description.*—Describe the proposal by name and specific location and summarize its objectives and the activities which will ensue if it is adopted. Provide technical data adequate to permit a careful assessment of environmental impact by commenting agencies. Where relevant, maps should be provided.

*B. The probable environmental impact of the proposed action.*—(1) Identify the probable direct and secondary environmental consequences of the proposed action. This shall include commentary on the direct impact on man's health and welfare and his surroundings through such media as air, water, or food. Threats to other forms of life and their ecosystems shall be included. Examples of primary and secondary environmental consequences that should be identified are the primary military aircraft operations and the secondary impact on future land use which may result from such operations.

(2) Discuss both the beneficial and detrimental aspects of the environmental changes, placing some relative value of the impacts described.

(3) Identify remedial and protective measures which could be taken in response to adverse effects of environmental impacts. Such measures taken for the minor or short-lived negative aspects of the project shall be discussed in this section. The adverse effects which cannot be satisfactorily dealt with shall be considered in greater detail along with their abatement and mitigation measures in the following section.

*C. Any probable adverse environmental effects which cannot be avoided should the proposal be implemented.*—Discuss the unavoidable adverse effects and the implications thereof, and identify the abatement measures proposed to rectify these and an estimation of their effectiveness. In addition to an evaluation of damage to the natural environment, this would include an evaluation of the extent to which human health or safety, aesthetically or culturally valuable surroundings, standards of living, and other aspects of life will be sacrificed or endangered.

*D. Alternatives to the proposed action.*—Describe the various alternatives considered, their general environmental impact, and the reason(s) why each was not recommended. Identify alternatives as to their beneficial and detrimental effects on the environmental elements, specifically taking into account the alternative of no action. Include with these alternatives economic, technical, and operational considerations, as well as their environmental impact. Discuss any other pertinent points not previously mentioned, such as requirements of statutes or DOD directives that influence or limit alternatives.

*E. The relationship between local short-term use of man's environment and the maintenance and enhancement of long-term productivity.*—Assess the cumulative and long-term impacts of the proposed action with the view that each generation is a trustee of the environment for succeeding generations. Give special attention to considerations that would narrow the range of beneficial uses of the environment or pose long-term risks to health or safety. The propriety of any action should be weighed against the potential for damage to man's life support system—the biosphere—thereby guarding against the shortsighted foreclosures of future options or needs.

*F. Any irreversible and irretrievable commitments of resources which would be involved in the proposed action should it be implemented.*—Discuss irrevocable uses of resources, changes in land use, destruction of archeological or historical sites, unalterable disruptions in ecosystems, and other effects that would curtail the diversity and range of beneficial uses of the environment should the proposal be implemented.

## III. SUMMARY SHEET

The environmental statement shall be accompanied by a summary sheet which must provide the following information: A. Indicate whether the statement is draft or final. B. Give the name of the action and indicate whether it is an administrative or legislative action. C. Provide a brief description of the action

and indicate what geographical region (States and counties) is particularly affected. D. Summarize the environmental impact and adverse environmental effects. E. List alternatives considered. F. 1. (For draft statements.) List all Federal, State, and local agencies from which comments have been requested. 2. (For final statements.) List all Federal, State, and local agencies and other sources from which comments were requested and from which written comments were received.

G. Provide the dates the draft statement and final statement were made available to the CEQ and the public.

#### IV. DRAFT STATEMENT

A. Draft statements are those statements that have been prepared in accordance with the guidance of this inclosure and for which review comments will be requested from other DOD components, the CEQ, and appropriate Federal, State, and local agencies.

1. Three copies of draft statements relating to section 412, Public Law 86-149, as amended (reference (1)), or the annual military construction bill must accompany the recommendation through agency review procedures to OSD. Distribution to other agencies and to the public for comments shall be withheld until the legislative request has been forwarded to the Congress. At that time, statements relating to special items included in the proposals shall be distributed, through the OASA (I. & L.), for comment.

2. In other cases where premature release would be contrary to existing administrative procedures or otherwise be inappropriate, distribution to other agencies and to the public for comments shall be made at the earliest appropriate time.<sup>1</sup>

3. Normally, it should not be necessary for the Department of the Army to obtain OSD approval prior to distributing the draft environmental statement outside the Department of Defense. This procedure does not alter any requirement that may exist to coordinate the action itself within OSD prior to public release or to follow appropriate security review procedures.

4. The advice of CINFO shall be obtained through established command channels before routing outside of the Department of the Army environmental statements that have significant public affairs implications.

B. Subject to the requirements of references (m) and (n) pertaining to the identification, safeguarding, and dissemination to classified information and to reference (o) pertaining to security review for public release approval, distribution of the draft statement shall be as follows:

1. One (1) copy to DALO-INE.
2. Two (2) copies to OASA (I. & L.).
3. Three (3) copies to OASI (H. & E.). (These copies are in addition to those required by paragraph III.A.1 above.)
4. Ten (10) copies to the CEQ.
5. Five (5) copies to the EPA.
6. Two (2) copies to appropriate Federal agencies having jurisdiction by law or special expertise with respect to any environmental impact involved. (Appendix II of the CEQ guidelines.)
7. Two (2) copies to State and local agencies authorized to develop and enforce environmental standards when the proposed action affects matters within their jurisdiction. These copies shall be sent to the appropriate State and regional or metropolitan clearinghouses in accordance with the procedures prescribed in OMB Circular No. A-95 unless the Governor of the State involved has designated some other point of contact for obtaining the State and local agency review. The clearinghouses are listed in the Directory of State, Metropolitan, and Regional Clearinghouses under OMB Circular No. A-95 (revised) of April 19, 1971 (reference (k)). ODCSLOG, DA will maintain current issues of A-95 to provide information for DA proponent agencies.
8. At such time as the draft statement is forwarded to the CEQ, other Federal, State, and local agencies, it shall be made available to the public (to any organization or individual upon request) in accordance with reference (p). In appropriate cases, the proponent, Headquarters, DA staff agency shall advise the

<sup>1</sup> Unclassified draft and final statements not requiring protection for other reasons will be protected with a cover sheet on which will be typed the following information: "The material contained in the attached Environmental Impact Statement is for internal coordinating use only and may not be released to non-Department of Defense agencies or individuals until coordination has been completed and the material has been cleared for public release by appropriate authority."

appropriate major field command to solicit the views of public organizations and hold public hearings on the proposed action. Views of public organizations and public hearings are appropriate in the following situations:

a. Where the proposed action by the agency will have a direct or peculiar impact on the people residing in a particular geographical area.

b. Where public organization or members of the public possess expertise concerning the impact of the action that may not otherwise be available.

c. Where no overriding consideration of national security or time makes it illegal or impracticable to involve such organizations or members of the public in the consideration of a proposed action in which there is evidence of wide public interest. No public hearings need be held in connection with proposed legislation in view of the opportunity for public hearing in connection with Congressional consideration of the bill. Public hearings shall be conducted informally and need not be prolonged beyond a reasonable time necessary to obtain a representative view of the various segments of public interest.

9. The proponent Headquarters, DA staff agency seeking review comments may establish time limits of not less than 30 days for reply except that whenever an action related to air or water quality, noise abatement and control, pesticide regulation, solid waste disposal, radiation criteria and standards, or other provisions of the authority of the Administrator of the Environmental Protection Agency is involved, a period of 45 days shall be allowed for review. If the agency consulted does not reply within the established time limit, it may be presumed that the agency has no comment to make, unless a request for a specified extension of time has been made. Proponent agencies should endeavor to comply with request for extensions of time up to 15 days.

#### V. FINAL STATEMENT

A. Final statements are prepared after receipt of review comments provided by other agencies. In many cases the final statements can be prepared by making minor revisions to the draft statement and attaching the review comments received from other sources. In other cases, it may be necessary to make major revisions to the draft statement. In either case, it may be appropriate to provide a discussion of problems and objections raised by other Federal, State, and local agencies and by private organizations and individuals and the disposition of the issues involved. Along with the comments received, this discussion should be attached to the final text of the environmental statement.

B. Subject to the requirements of references (m) and (n) pertaining to the identification, safeguarding, and dissemination of classified information and of reference (o) pertaining to security review for public release approval, distribution of the final statement shall be as follows: (1) One (1) copy to DALO-INE. (2) Two (2) copies to OASA (I. & L.). (3) One (1) copy to OASD (H. & E.). (4) Ten (10) copies to the CEQ. (5) Five (5) copies of final statements relating to section 412, Public Law 86-149, as amended (reference (1)), or the annual military construction authorization bill to the appropriate congressional committees of the Senate and of the House of Representatives. (6) The final statement also shall be made available to the public in accordance with reference (p).

#### VI. WAITING PERIOD BEFORE AN ACTION CAN BE TAKEN

A. It is important that draft environmental statements be prepared and circulated for comment and furnished to the CEQ early enough in the review process before an action is taken in order to permit meaningful consideration of the environmental issues involved. To the maximum extent practicable no administrative action (i.e., any proposed action to be taken other than proposals for legislation or reports on legislation) shall be taken sooner than 90 days after a draft environmental statement has been circulated for comment and furnished to the CEQ, and, except where advance public disclosure will result in significantly increased costs of procurement, made available to the public. Neither shall such administrative action be taken sooner than 30 days after the final text of the environmental statement (together with comments) has been made available to the CEQ and the public. Consequently, the minimum waiting period after submission of the draft statement is 90 days because the 30-day period and 90-day period may run concurrently to the extent that they overlap.

B. When it is not practical for a Headquarters, DA staff agency to comply with the time requirements contained in paragraph V.A., above, the agency shall request ODCSLOG-EO to consult with the CEQ in an endeavor to obtain a waiver of a portion of the time requirement for that specific action. If negotiations in this regard are not successful, DALO shall advise OASD (H. & E.).

C. If it is impossible for an agency to comply with the time requirements of paragraph III.B., above, the Headquarters, DA staff agency shall forward the draft environmental statement by summary sheet with OASA (I. & L.) proposed memo to OSAD (H. & E.) with an explanation of the facts and circumstances that preclude adherence to the time requirements. OSAD (H. & E.) will attempt to resolve the issues involved. The proposed action shall not be initiated until the time problem has been satisfactorily resolved unless such action is authorized by the Secretary or Deputy Secretary of Defense.

#### VII. CLASSIFIED ENVIRONMENTAL STATEMENTS

The fact that a proposed action is of a classified nature does not relieve the proponent of the action from complying with the requirements of these guidelines. Environmental statements, both draft and final, shall be prepared, safeguarded, and disseminated in accordance with the usual requirements applicable to classified information (references (m) and (n)). When feasible, these statements shall be organized in such a manner that classified portions can be included as annexes, so that the unclassified portions can be made available to the public.

#### VIII. PROCESSING ENVIRONMENTAL STATEMENTS ORIGINATED BY OTHER FEDERAL AGENCIES

A. Environmental statements will be referred to the Department of the Army by OSD or other Federal agencies for two reasons: (1) Where a proposed action may affect matters over which the Department of the Army has jurisdiction by law. (2) Where a proposed action may have environmental effects in an area where the Department of the Army has been designated in appendix II of the CEQ guidelines as possessing special expertise.

B. Comments of the Department of the Army on an environmental statement prepared by another Federal agency should normally be restricted to the aspect of the action for which the statement was referred.

C. When a request for review and comment on an environmental statement prepared by another Federal agency is received by ODCSLOG, it shall determine which Army agencies should review the environmental statement.

1. The Army agency designated as responsible for the review, in cases where no other defense components are involved, will prepare a summary sheet reply from OASA (I. & L.) directly to the agency involved. One (1) copy of the reply will be forwarded to OSAD (H. & E.) and ten (10) copies to the CEQ.

2. When it has been determined by OSD that another military service as well as the Army is involved, the OSAD (H. & E.) will prepare a consolidated review report or designate the military service with primary interest to prepare such a report. In turn, the Army agency concerned will prepare the summary sheet response. The OSAD (H. & E.) will forward the consolidated report to the requesting agency and provide ten (10) copies to the CEQ.

D. When a request for review and comment on an environmental statement from another Federal agency is received directly by the Department of the Army, the designated staff agency shall reply through OASA (I. & L.) directly to the requesting agency. Also, one (1) copy of the reply will be forwarded to OSAD (H. & E.) and ten (10) copies to the CEQ.

Two attachments.

#### EXAMPLE

#### PROTECTIVE COVER SHEET

The material contained in the attached environmental impact statement is for internal coordinating use only and may not be released to non-Department of Defense agencies or individuals until coordination has been completed and the material has been cleared for public release by appropriate authority.

DEPARTMENT OF THE ARMY, ARMY COMMAND OR AGENCY

ENVIRONMENTAL ASSESSMENT/DRAFT OR FINAL ENVIRONMENTAL STATEMENT  
(TITLE)

INSTALLATION OR AGENCY

Date Prepared

Prepared by :

Approved by Installation/agency.

Approved by Commander, Army Command or Agency (or his designee).

# CONTENTS

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	Page
1. Total impact of the proposed action on the environment:	
(a) Description of action-----	
(b) Summary of impact-----	
(1) Air quality (if applicable)-----	
(2) Water quality (if applicable)-----	
(3) Sound control (if applicable)-----	
(4) Land use (if applicable)-----	
(5) Fish and wildlife (if applicable)-----	
(6) Other (if applicable)-----	
2. Adverse environmental effects which cannot be avoided:	
(a) -----	
(b) -----	
3. Alternatives to the proposed action-----	
(a) -----	
(b) -----	
4. Relationship between local short-term uses of the environment and maintenance and enhancement of long-term productivity:	
(a) -----	
(b) -----	
5. Inventory of all irreversible and irretrievable commitments of natural resources:	
(a) -----	
(b) -----	
6. Details of any unresolved or probable controversy:	
(a) -----	
(b) -----	

## APPENDIX I<sup>1</sup>

- A. Supporting documentation of air quality evaluation (if applicable)----
- B. Supporting documentation of water quality evaluation (if applicable)----
- C. Supporting documentation of sound control evaluation (if applicable)----
- D. Supporting documentation of land use evaluation (if applicable)-----
- E. Supporting documentation of fish and wildlife evaluation (if applicable)----
- F. Supporting documentation of other evaluation (if applicable)-----

## APPENDIX II—COMMENTS BY STATE AND LOCAL AGENCIES<sup>2</sup>

- A. Summary-----
- B. Comments from -----
- C. Comments from -----

## APPENDIX III—COMMENTS FROM OTHER FEDERAL AGENCIES<sup>3</sup>

- A. Summary-----
- B. Comments from -----
- C. Comments from -----

<sup>1</sup> Where environmental assessments have been made and it has been determined that there is no requirement to submit a formal environmental statement, the concerned agency, at its discretion, may limit the amount of detail provided in the supporting appendixes for inclusion in the project files.

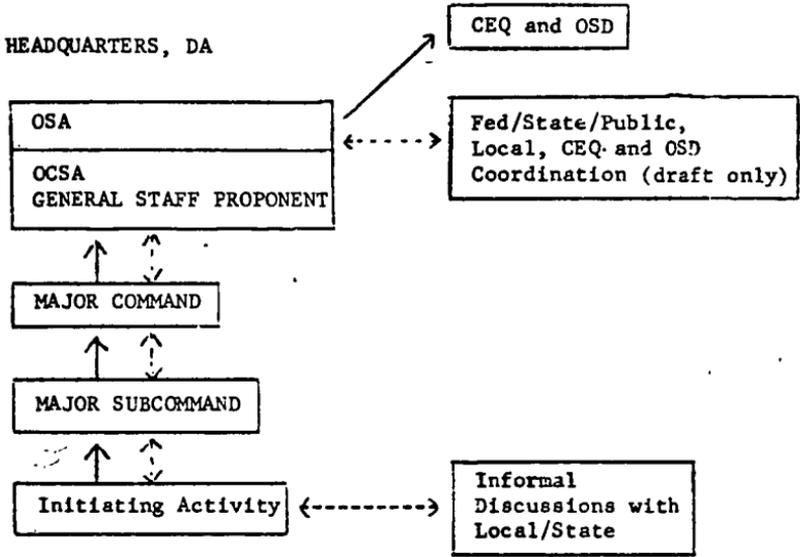
<sup>2</sup> (Comments will be solicited from State and local agencies when the environmental impact of a proposed action is pertinent to those agencies. HQ, DA will accomplish this after receipt of the environmental statement from the command by writing to the appropriate State/regional clearinghouse and other Federal agencies.)

<sup>3</sup> (Comments will be solicited from other Federal agencies having jurisdiction by law or special expertise with any of the environmental problems associated with the proposed action. HQ, DA will accomplish this after receipt of the environmental statement from the command by direct solicitation from those Federal agencies concerned.)

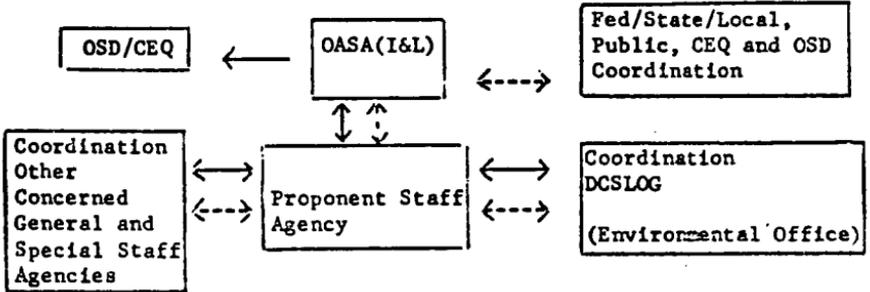
The flow diagrams below indicate the channels through which an initiated environmental statement passes. The initiating activity (fig. 1) submits a draft statement (dotted lines) to the major subcommand of concern; at the same time, this activity may hold informal discussions with relevant local or State groups. The major subcommand may or may not elect to refer the statement to a higher command; this would depend on the decision concerning the proposed action. If it goes to Headquarters, DA, it follows the route shown in Figure 2; Headquarters, DA may also refer it to outside agencies, as indicated.

After consideration at appropriate commands, the statement, with comments, is sent back down to the initiating activity. After revision, the final statement (solid lines) follows the same general route as the draft.

FLOW DIAGRAM ENVIRONMENTAL STATEMENTS (Fig. 1)



FLOW DIAGRAM ENVIRONMENTAL STATEMENTS WITHIN HQ, DA (Fig 2)



Attachment 2 to Inclosure 2 to Inclosure 1

## REFERENCES

- (a) Public Law 91-190, "National Environmental Policy Act of 1969," January 1, 1970.
- (b) Public Law 91-604, "Clean Air Amendments of 1970," December 31, 1970.
- (c) Section 409 of Public Law 91-121, "Armed Forces Appropriation Authorization, 1970," November 19, 1969, as amended by section 506 of Public Law 91-441, "Armed Forces Appropriation Authorization, 1971," October 7, 1970.
- (d) Executive Order 11514, "Protection and Enhancement of Environmental Quality," March 7, 1970 (35 Federal Register 46, 4247 (1970)).
- (e) Executive Order 11507, "Prevention, Control, and Abatement of Air and Water Pollution at Federal Facilities," February 5, 1970 (35 Federal Register 25, 2573 (1970)).
- (f) Executive Office of the President, Council on Environmental Quality, "Statements on Major Federal Actions Affecting the Environment," April 23, 1971 (36 Federal Register 79, 7724 (1971)).
- (g) Executive Office of the President, Office of Management and Budget, "Proposed Federal Actions Affecting the Environment," Bulletin No. 71-3, August 31, 1970.
- (h) DOD Directive 5100.50, "Protection and Enhancement of Environmental Quality," June 23, 1970.
- (i) DOD Directive 5500.50, "Natural Resources—Conservation and Management," May 24, 1965.
- (j) Executive Office of the President, Office of Management and Budget, circular No. A-95 (revised), February 9, 1971 (parts I and II).
- (k) "Directory of State, Metropolitan, and Regional Clearinghouses," under OMB circular No. A-95 (revised), April 19, 1971.
- (l) Public Law 86-149, "To Authorize Certain Construction at Military Installations and for Other Purposes," August 10, 1959.
- (m) DOD Directive 5200.1, "Safeguarding Official Information in the Interests of the Defense of the United States," July 10, 1968.
- (n) DOD Instruction 5210.47, "Security Classification of Official Information," December 31, 1964.
- (o) DOD Directive 5230.9, "Clearance of DOD Public Information," December 24, 1966.
- (p) DOD Directive 5400.7, "Availability to the Public of DOD Information," June 23, 1967.
- (q) DEPSECDEF memorandum, "Interim Guidelines on Environmental Statements," August 8, 1970 (hereby cancelled).
- (r) TAG letter, AGDA(M) (September 10, 1970) LOG-C-PDBB 8316-B, September 11, 1970, subject: Interim guidelines on environmental statements, RCS-OSD (OT) 1570.

- (s) TAG letter, AGDA(M) (March 1, 1970) LOG-C-PDBB, March 18, 1971, subject: Environmental Impact Statements—RCS DD-HE(AR) 1068.
- (t) DA message to CINCUSARPAC, 970436, LOG-C-PDBB, October 6, 1970, subject as reference (o) above, NOTAL.
- (u) DA message to CINCUSARPAC, 282105Z, April 1971, subject: Disposal by Sea Dump, NOTAL.
- (v) DOD directive 6051.1, August 9, 1971, subject: Environmental Considerations in DOD Actions, with change 1, September 2, 1971.

[Additional information was retained in the committee's files.]

Mr. PATTEN. General, with your background, and the rest of you in this room, you fellows have background and training and when you build you are not going to put up houses that will be flooded and washed out by heavy rains. I am sure you ought to be better off than some of these other agencies. Is that right?

General COOPER. That is correct.

Mr. PATTEN. As you said, you have to use common sense. Didn't you say you have to be reasonable?

General COOPER. Yes, sir.

Mr. PATTEN. You fellows have this training. In your military experience you must have seen many a job washed out, or a road in Korea, Vietnam or some other place. I would like to rely on your judgment. I don't think you have to have some clerk in EPA or some place tell you what is right. I would rather rely on your judgment, to avoid flood damage and other things.

In my area they are building in what was always a flood plain in the river areas. I have seen houses sink 3 feet and tilt and be unusable. Anyone could have predicted that. They are building there where you couldn't dig 5 feet without finding water, or with a lake underneath. They should not be allowed to build in some of these areas. I am sure you wouldn't do it.

Is there anything further on that?

ABERDEEN PROVING GROUND, MD.

Mr. PATTEN. Insert page 26 in the record.

[The page follows:]

1. DATE 15 Feb 73		2. DEPARTMENT ARMY		3. INSTALLATION FY 1974 MILITARY CONSTRUCTION PROGRAM		3. INSTALLATION ABERDEEN PROVING GROUND								
4. COMMAND OR MANAGEMENT BUREAU US Army Test and Evaluation Command			5. INSTALLATION CONTROL NUMBER 24015		6. STATE COUNTRY Maryland									
7. STATUS			8. YEAR OF INITIAL OCCUPANCY 1918		9. COUNTY (U.S.) Hartford		10. NEAREST CITY Aberdeen							
11. MISSION OR MAJOR FUNCTIONS Headquarters, US Army Test and Evaluation Command. Performs research on propellants and propulsive force systems; terminal effects of warheads; vulnerability of weapons to blast fragments and radiation; human factors engineering, dynamic and environmental testing of vehicles and ordnance equipment. The US Army Ordnance School, Land Warfare Laboratory, Research and Development Center and Joint Military Packaging Training Center are located here. The Environmental Hygiene Agency is located at Edgewood Arsenal a sub-installation nearby.				12. PERSONNEL STRENGTH		PERMANENT		STUDENTS		SUPPORTED		TOTAL		
				OFFICER (1)		ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	(9)	
				a. AS OF 30 Jun 72		974	3982	8694	503	1939				16,092
				b. PLANNED (End FY 77)		984	3699	9069	403	2068				16,223
				13. INVENTORY										
LAND		ACRES (1)		LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)						
a. OWNED		71,205		4,401.0		137,458.1		141,859						
b. LEASES AND EASEMENTS		88		18.8		0		20						
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72								141,879						
d. AUTHORIZATION NOT YET IN INVENTORY								Exclusive of MCA 0						
e. AUTHORIZATION REQUESTED IN THIS PROGRAM								4,911						
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS								2,910						
g. GRAND TOTAL (c + d + e + f)								149,700						
SUMMARY OF INSTALLATION LINE ITEMS														
LINE ITEM DESIGNATION														
CATEGORY CODE NO	LINE ITEM TITLE				TENANT COMMAND	UNIT OF MEASURE	AUTHORIZATION PROGRAM		FUNDING PROGRAM					
a	b				c	d	SCOPE	ESTIMATED COST (\$000) (f)	SCOPE	ESTIMATED COST (\$000) (h)				
711	Family Housing, Dwellings				Army	Units	166	4,600	166	4,600				
713	Family Housing, Mobile Home Facilities				Army	Spaces	76	311.1	76	311.1				

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Mr. LONG. This is an area I know very well. You are asking for 166 housing units, 76 mobile home spaces. At an earlier time I asked you whether you considered the Wherry housing at Bainbridge. How many units are there at Bainbridge?

General COOPER. About 500 or so, sir. Originally there were more but they were modified to get fewer larger units.

#### NEED FOR REQUESTED UNITS IN DOUBT

Mr. LONG. Several million dollars were spent not too many years ago to renovate these. Why can't they be used?

General COOPER. We specifically looked into it and Mr. Fliakas of OSD—

Mr. LONG. He is the same fellow who gave us a lot of supposedly solid information on Fort Huachuca that turned out admittedly much less so—the Army had to admit great embarrassment on that.

Is Mr. Fliakas here today?

General KJELLSTROM. No, he is not here. He is not an Army man, sir.

Mr. LONG. I hope you will try to get better sources for your information.

Mr. Lockwood back here is also a source I would rather not rely on in the future.

General COOPER. Mr. Bearman did go up and look at the house. Basically the Navy, in anticipation of pulling out of those houses, did let them go down hill. They did a minimum amount of maintenance. They are about 14 miles away on a toll road.

Mr. LONG. They aren't 14 miles away. I would say they are not more than 10 miles away, but go ahead.

General COOPER. Based on the condition of these, we think they should be considered substandard.

Mr. LONG. The Navy spent some millions of dollars renovating them. I went through those houses not too many years ago. They are not the most desirable housing in the world, but not the worst housing either.

General COOPER. We think they are qualified as substandard and as such should be disposed of and sold.

Mr. LONG. What do you mean "disposed of?" Why should anybody else buy them if they are substandard?

General COOPER. Because they no longer will meet the needs without extensive expenditures by the armed services; in this case, the Army.

Mr. LONG. I would say that you have far greater needs in other parts of the country, if you believe what you have said here, for the housing at Bainbridge can certainly suffice for some years. This is especially so, considering that we are being asked to declare some land at Bainbridge and Edgewood excess. You are going to have encroachment problems there. We hear all kinds of rumblings.

The Navy put a new WAVE barracks there; they put much money into Wherry housing, and about the minute it did so, the Navy decided it was going to move somewhere else. I really think that this is one housing expenditure that you could postpone.

General COOPER. We agree, sir, based on our January survey. We would recommend that the committee postpone these 166 units.

Mr. LONG. I hadn't realized you were recommending that.

General COOPER. This was a straightforward reevaluation of the requirement.

[Off the record discussion.]

Mr. LONG. No union controls me. I might point out in the last primary the AFL-CIO supported my opponent.

I am talking about the leaders. I don't take orders from any unions. I form my own policies and judgments. In this case I think you have at Bainbridge housing that could be used, housing which would be more than adequate in our view of needs we have elsewhere in the country.

Mr. PATTEN. You just saved the Government \$4.6 million, for which I compliment you.

Mr. PATTEN. The committee stands adjourned until 2 o'clock.

#### AFTERNOON SESSION

Mr. SIKES. The committee will come to order.

#### FORT BRAGG/POPE AIR FORCE BASE, N.C.

Mr. SIKES. We will turn to Fort Bragg/Pope Air Force Base, N.C. Insert page 30 in the record.

[The page follows:]

1. DATE 15 Feb 73		2. DEPARTMENT ARMY		3. INSTALLATION FORT BRAGG - POPE AFB								
4. COMMAND OR MANAGEMENT BUREAU Third US Army			5. INSTALLATION CONTROL NUMBER 3425 (Ft. Bragg)		6. STATE COUNTRY North Carolina							
7. STATUS Active		8. YEAR OF INITIAL OCCUPANCY 1918		9. COUNTY (U.S.) Cumberland & Hoke		10. NEAREST CITY Fayetteville						
11. MISSION OR MAJOR FUNCTIONS  Fort Bragg provides support for XVIII Airborne Corps, 82nd Airborne Division, US Army J. F. Kennedy Center for Military Assistance and Army Training Center and supplemental housing support for military personnel from Pope AFB. Accommodates training of personnel and testing of airborne equipment.  Pope Air Force Base provides support for TAC Air Command, Air Base Division, Combat Support Group, Tactical Control Group, Special Operations Wing, and Tactical Airlift Wing Headquarters with three squadrons.  * \$9,400 one-time cost of easement				12. PERSONNEL STRENGTH (Excl Pope AFB)			TOTAL (9)					
				PERMANENT				STUDENTS		SUPPORTED		
				OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	
a. AS OF 30 Jun 72				4323	31,174	4113	244	560				40,414
b. PLANNED (End FY 77)				4435	30,818	3408	479	473				39,613
13. INVENTORY												
LAND			ACRES (1)		LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)			TOTAL (\$000) (4)		
a. OWNED			130,691		3,929		225,049			228,978		
b. LEASES AND EASEMENTS					9*					9		
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72										228,987		
d. AUTHORIZATION NOT YET IN INVENTORY					Exclusive of MCA					14,087		
e. AUTHORIZATION REQUESTED IN THIS PROGRAM					"		"			4,430		
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS					"		"			63,400		
g. GRAND TOTAL (c + d + e + f)										310,904		
SUMMARY OF INSTALLATION LINE ITEMS												
LINE ITEM DESIGNATION					TENANT COMMAND	UNIT OF MEASURE	AUTHORIZATION PROGRAM		FUNDING PROGRAM			
CATEGORY CODE NO.	LINE ITEM TITLE				c	d	SCOPE	ESTIMATED COST (\$000) (f)	SCOPE	ESTIMATED COST (\$000) (h)		
a	b						e		g			
711	Family Housing, Dwellings				Army	Units	136	4,430	136	4,430		

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Mr. SIKES. The request is for 136 units, for \$4,430,000. What is your deficit here?

General COOPER. The calendar year 1972 survey, on which the proposed project was based, shows a programable deficit of 1,906 units, 766 officers, 602 eligible enlisted, 535 ineligible enlisted and three key civilians. Based on more recent data the current deficit is 1,833 eligible personnel and 463 ineligible. This project is to alleviate a critical shortage in onpost field grade officer units.

Mr. SIKES. Do you plan to rehabilitate the existing substandard units? If so, when? If not, why?

General COOPER. One of the premises of the survey which determined the units to be designated inadequate under Public Law 92-545 was that the unit could not be improved to adequate standards at a cost within \$10,000. Consequently now none of the units designated under this authority are scheduled for improvements. It is possible, however, that a portion of these units could be upgraded to adequate standards at a cost greater than \$10,000 per unit. At this time the actual number in this category is unknown. Those units designated as inadequate will be used to house military personnel until such time as they can be replaced with adequate units or declared excess.

Mr. SIKES. These are all to be for field grade officers?

General COOPER. That is correct. They are all four bedroom units for field grade officers.

Mr. SIKES. Does that mean junior officers and NCO's are adequately housed?

General COOPER. No, sir, but it does mean in terms of total requirements we have an imbalance in numbers of quarters. We have proportionately fewer quarters in the field grades than we do in the lower grades.

Mr. SIKES. How are field grade officers' needs being accommodated now?

General COOPER. Some of the field grade officers are in company grade officers' quarters and some are living off-post.

Mr. SIKES. What housing does the Air Force have at Pope? Do you use the Pope Air Force Base population in determining your needs? How many Air Force families are included in your housing requirements and where will the Air Force units be built?

General COOPER. There are 301 units, 89 officers and 212 enlisted, on Pope Air Force Base. For programing purposes Fort Bragg and Pope Air Force Base requirements are combined. Of the 18,867 units projected as the long range requirement, 2,306 are Air Force. The units in the fiscal year 1974 program are based totally on the Fort Bragg requirement since the deficit of 766 officer units relates to Army requirements. Should this situation change and Air Force requirements develop, the siting would be mutually agreed upon between the Air Force and the Army, the host service for the combined requirements.

Mr. SIKES. Why were officers using enlisted housing at the time of your survey?

General COOPER. Although an imbalance of on-post housing used by officers existed at the time of the survey, the community was providing a higher percentage of suitable assets to enlisted men than to officers in relation to the families actually in the area, 64.4 percent eligible enlisted and 49.4 percent for officers. Accordingly it was in the best interest of overall operations to house additional officers on-post until more officer units could be constructed. The imbalance was recognized and the proposed fiscal year 1974 project for 136 field grade four-bedroom units will improve on-post balance.

Mr. SIKES. What will be your deficit if these units are constructed? What are your plans for meeting this deficit?

General COOPER. Based on the calendar year 1972 survey data, there is a remaining deficit of 1,235 units for eligible personnel and 535 units for ineligible personnel. Using the latest projected strength and asset data from the calendar year 1973 survey and marital rates prescribed by ODS, the Fort Bragg/Pope Air Force Base programable deficit will diminish significantly after consideration of the proposed fiscal year 1974 project. The remaining deficit will require careful review prior to programing additional construction.

Mr. SIKES. Are there questions?

TOBYHANNA ARMY DEPOT, PA.

We will turn to Tobyhanna Army Depot, Pa. Insert page 34 in the record.

[The page follows:]

1 DATE 15 Feb 73		2 DEPARTMENT ARMY		3 INSTALLATION TOBYHANNA ARMY DEPOT										
4. COMMAND OR MANAGEMENT BUREAU US Army Material Command			5 INSTALLATION CONTROL NUMBER 42780		6 STATE COUNTRY Pennsylvania									
7. STATUS Active			8 YEAR OF INITIAL OCCUPANCY 1953		9. COUNTY (U.S.) Monroe		10 NEAREST CITY Scranton							
11. MISSION OR MAJOR FUNCTIONS  The primary mission of this Depot is to receive, store, issue, repair and fabricate general electrical and electronic supplies and equipment			12 PERSONNEL STRENGTH		PERMANENT		STUDENTS		SUPPORTED		TOTAL			
					OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	(9)	
			a. AS OF <u>30 Jun 72</u>		20	24	3327							3371
			b. PLANNED (End FY 77)		41	154	3446							3641
13 INVENTORY														
LAND		ACRES (1)		LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)						
a. OWNED		1419		175.0		39,093.5		39,269						
b. LEASES AND EASEMENTS		351		6.0		0		6						
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 <u>72</u>								39,275						
d. AUTHORIZATION NOT YET IN INVENTORY				Exclusive of MCA				0						
e. AUTHORIZATION REQUESTED IN THIS PROGRAM				"		"		2,464						
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS				"		"		0						
g. GRAND TOTAL (c + d + e + f)								41,739						
SUMMARY OF INSTALLATION LINE ITEMS														
LINE ITEM DESIGNATION														
CATEGORY CODE NO.	LINE ITEM TITLE			TENANT COMMAND	UNIT OF MEASURE	AUTHORIZATION PROGRAM		FUNDING PROGRAM						
a	b			c	d	SCOPE	ESTIMATED COST (\$000) f	SCOPE	ESTIMATED COST (\$000) h					
711	Family Housing, Dwellings			Army	Units	86	2,464	86	2,464					

Mr. SIKES. The request is for 86 units which will cost \$2,464,000. Will this meet the requirements?

General COOPER. Yes, sir.

Mr. SIKES. Will you rehabilitate the existing 50 units of the substandard housing?

General COOPER. We will at some later date.

Excuse me, sir. When you say rehabilitate for the substandard ones, we are not authorized to rehabilitate them but we will replace them at some later date.

Mr. SIKES. Is the medical depot transfer from Atlanta a factor in this requirement?

General COOPER. Yes. The projected strength on which the requirement is based includes the addition of 95 military personnel for the medical depot.

FORT HOOD, TEX.

Mr. SIKES. We will turn to Fort Hood, Tex. Place in the record page 38.

[The page follows:]

1 DATE 15 Feb 73		2 DEPARTMENT ARMY		3 INSTALLATION FORT HOOD								
4. COMMAND OR MANAGEMENT BUREAU Fifth US Army			5 INSTALLATION CONTROL NUMBER 48255		6 STATE COUNTRY Texas							
7. STATUS Active			8. YEAR OF INITIAL OCCUPANCY 1942		9. COUNTY (U.S.) Bell and Coryell		10 NEAREST CITY Killeen					
11. MISSION OR MAJOR FUNCTIONS Responsible for command, training and logistical support of Two Army Divisions, Third Corps Headquarters and numerous miscellaneous support units and support of reserve forces summer training.				12. PERSONNEL STRENGTH			TOTAL (9)					
				PERMANENT			STUDENTS		SUPPORTED			
				OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	
				a. AS OF 30 Jun 72	3682	32,597	3508					39,787
				b. PLANNED (End FY 77)	4174	35,494	3018					42,686
13. INVENTORY												
LAND		ACRES (1)	LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)					
a. OWNED		208,566	6,777.1		232,455.6		239,233					
b. LEASES AND EASEMENTS		9,552	0.2		0		0					
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72							239,233					
d. AUTHORIZATION NOT YET IN INVENTORY							29,098					
e. AUTHORIZATION REQUESTED IN THIS PROGRAM							24,870					
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS							79,477					
g. GRAND TOTAL (c + d + e + f)							372,678					
SUMMARY OF INSTALLATION LINE ITEMS												
LINE ITEM DESIGNATION				AUTHORIZATION PROGRAM		FUNDING PROGRAM						
CATEGORY CODE NO. a	LINE ITEM TITLE b			TENANT COMMAND c	UNIT OF MEASURE d	SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h			
711	Family Housing, Dwellings			Army	Units	900	23,423	900	23,423			
713	Family Housing, Mobile Home Facilities			Army	Spaces	380	1,447	380	1,447			

Mr. SIKES. The request is for 900 units of family housing at a cost of \$23,423,000 and 380 units of mobile home facilities costing \$1,447,000.

You will have to bring me up to date on this. We had 1,000 units here last year; did we not?

General COOPER. Yes, sir.

Mr. SIKES. Is this another 900 in addition?

General COOPER. This is another 900; yes, sir.

Mr. SIKES. What is the requirement there?

General COOPER. That is the post where we have two divisions.

Mr. SIKES. There have been two divisions there for some time.

General COOPER. Yes, sir; but we have been filling the divisions up after the war in Vietnam. The divisions went down in strength and some were at only 80 percent strength. All of the divisions are going up to 100 percent strength.

Mr. SIKES. If you don't run into difficulty with the Volunteer Army concept.

General COOPER. I am not sure I understand.

Mr. SIKES. If you are able to get all of the people you need under the Volunteer Army.

General COOPER. We are having trouble getting all the people we need.

Mr. SIKES. Do you feel that the need is positive, that there is a justification for an additional 900 units?

General COOPER. Yes, sir. As a matter of fact, when we cut down the number at Fort Carson we added 200 at Fort Hood. Our original program had only 700.

Mr. SIKES. There is to be a sharp increase in base population. What is the reason for this increase?

General COOPER. The installation was understrength at the time of the calendar year 1972 family housing survey. Fort Hood is the home of two divisions and supporting elements. The backfilling of the divisions to authorized strength will increase the installation population.

Mr. SIKES. According to the justifications, you will still meet only two-thirds of the housing requirement at Hood. What do you plan to do about the remaining need?

General COOPER. Sir, in the 1973 survey there were additional houses that were in the community. We will have to program some additional houses in fiscal year 1975 to come up to the need. But we did get 700 additional houses noted from the community support.

Mr. SIKES. If there should be a continuation of the 236 program, do you plan to use it at Fort Hood?

General COOPER. Yes, sir.

Mr. SIKES. Under the new plan which would permit this housing to be built on the basis of military requirements?

General COOPER. That is correct.

Mr. SIKES. How many would you build?

General COOPER. I don't have the the precise number but it would be 500 or so I would guess. Maybe even more.

Mr. SIKES. I notice there are about 1,300 families involuntarily separated. How does this impact on morale? Will this housing help alleviate that situation?

General COOPER. Involuntary separation of families is of major concern due to the direct and adverse impact such separation has on the morale of the sponsor and his family. Separation of families leads to financial hardships, disciplinary problems, and overall dissatisfaction with the Army. This housing will help alleviate the problem, since the waiting time for quarters should be reduced as a result.

Mr. SIKES. Do you give priority to families involuntarily separated, or is it first come, first served?

General COOPER. The actual assignment is up to the installation commander. In general, people who are involuntarily separated and have been on the list will get housing before new people.

Mr. SIKES. Are there questions?

RED RIVER ARMY DEPOT, TEX.

Mr. SIKES. We will turn to Red River Army Depot, Tex. Insert page 42 in the record.

[The page follows:]

1 DATE 15 Feb 73	2 DEPARTMENT ARMY		3 INSTALLATION RED RIVER ARMY DEPOT											
4. COMMAND OR MANAGEMENT BUREAU US Army Materiel Command		5 INSTALLATION CONTROL NUMBER 48515		6 STATE COUNTRY Texas										
7. STATUS Active		8. YEAR OF INITIAL OCCUPANCY 1941		9. COUNTY (U.S.) Bowie										
				10. NEAREST CITY Texarkana										
11. MISSION OR MAJOR FUNCTIONS  The primary mission of this Depot is storage, issue and maintenance of Army supplies and equipment			12. PERSONNEL STRENGTH			PERMANENT		STUDENTS		SUPPORTED		TOTAL		
			OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	(9)			
			a. AS OF 30 Jun 72	23	36	5437						5496		
			b. PLANNED (End FY 77)	36	21	5130						5187		
			13. INVENTORY											
			LAND		ACRES (1)		LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)			
			a. OWNED		157		33.4		3,828.9		3,862			
b. LEASES AND EASEMENTS		0		0		0		0						
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72								3,862						
d. AUTHORIZATION NOT YET IN INVENTORY				Exclusive of MCA				0						
e. AUTHORIZATION REQUESTED IN THIS PROGRAM				" "				556						
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS				" "				0						
g. GRAND TOTAL (c + d + e + f)								4,418						
SUMMARY OF INSTALLATION LINE ITEMS														
LINE ITEM DESIGNATION				AUTHORIZATION PROGRAM		FUNDING PROGRAM								
CATEGORY CODE NO. a	LINE ITEM TITLE b			TENANT COMMAND c	UNIT OF MEASURE d	SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h					
711	Family Housing, Dwellings			Army	Units	21	556	21	556					

Mr. SIKES. The request is for 21 units, \$556,000. Will this meet the requirements?

General COOPER. Yes, sir.

Mr. SIKES. What are you using now?

General COOPER. Right now we have some houses that are in very poor condition.

Mr. SIKES. What are you going to do with those?

General COOPER. We are going to tear those down.

Mr. SIKES. Have you selected the site for the project?

General COOPER. No, we haven't.

Mr. SIKES. Will you provide the committee with a map showing the location when the site has been selected.

[The map is to be provided for the committee files.]

FORT MONROE, VA.

Mr. SIKES. Turn to Fort Monroe, Va. Insert page 46 in the record.  
[The page follows:]

1. DATE		2. DEPARTMENT		3. INSTALLATION																	
15 Feb 73		ARMY		FY 1974. MILITARY CONSTRUCTION PROGRAM FORT MONROE																	
4. COMMAND OR MANAGEMENT BUREAU			5. INSTALLATION CONTROL NUMBER		6. STATE COUNTRY																
First US Army			51360		Virginia																
7. STATUS			8. YEAR OF INITIAL OCCUPANCY		9. COUNTY (U.S.)																
Active			1838		Hampton City																
11. MISSION OR MAJOR FUNCTIONS HQ, US Continental Army Command. Provides administrative and logistical support for US Forces Atlantic; US CONARC Support Element; USA Garrison; USA Medical Department Activity; USA Security Agency Detachment; USA Separation Transfer Point; 50th Army Bank; 559th Military Policy Company; USA Audio-Visual Support Center and other Army activities located at Fort Monroe. US CONARC is the administrative and operational headquarters for the CONUS Armies.			12. PERSONNEL STRENGTH			STUDENTS			SUPPORTED		TOTAL (9)										
			OFFICER (1)			ENLISTED (2)		CIVILIAN (3)		OFFICER (4)		ENLISTED (5)		OFFICER (6)		ENLISTED (7)		CIVILIAN (8)			
			a. AS OF 30 Jun 72			697			1062		1346									3105	
			b. PLANNED (End FY 77)			790			870		1328									2988	
			13. INVENTORY																		
			LAND			ACRES (1)		LAND COST (\$000) (2)			IMPROVEMENT (\$000) (3)			TOTAL (\$000) (4)							
			a. OWNED			1,024		143.7			21,859.5			22,003							
			b. LEASES AND EASEMENTS			45		3.1			0			3							
			c. INVENTORY TOTAL (Except land rem) AS OF 30 JUNE 19 73												22,006						
			d. AUTHORIZATION NOT YET IN INVENTORY												Exclusive of MCA 0						
e. AUTHORIZATION REQUESTED IN THIS PROGRAM												5,640									
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS												5,640									
g. GRAND TOTAL (c + d + e + f)												33,286									
SUMMARY OF INSTALLATION LINE ITEMS																					
LINE ITEM DESIGNATION						AUTHORIZATION PROGRAM			FUNDING PROGRAM												
CATEGORY CODE NO.	LINE ITEM TITLE			TENANT COMMAND	UNIT OF MEASURE	SCOPE	ESTIMATED COST (\$000)	SCOPE	ESTIMATED COST (\$000)												
a	b			c	d	e	f	g	h												
711	Family Housing, Dwellings			Army	Units	200	5,640	200	5,640												

Mr. SIKES. The request is for 200 units, at a cost of \$5,640,000. Has a firm decision been reached on the long-term requirement for this installation?

General COOPER. No, Mr. Chairman.

Mr. SIKES. When can the committee expect to have this information?

General COOPER. We expect to have it about September 1, as far as any programming purpose is concerned. It may not be time for announcement. I have kept Mr. Nicholas informed of current status of our plan.

Mr. SIKES. Has the site been selected for the housing?

General COOPER. In general.

Mr. SIKES. Provide the committee with a map showing the location.

General COOPER. Yes, sir.

[The map was provided for the committee files.]

Mr. SIKES. There is a projected reduction in base loading and the reduction is in enlisted men while there is an increase in officer strength. That is not a normal situation. What is the reason?

General COOPER. This reflects the change or tradeoff in bringing the Combat Development Command people down there.

Mr. SIKES. Fifty of the proposed units are for field grade officers. What rank will be quartered in these 200 units?

General COOPER. In the 200 units as a whole, as you said, 50 field grade majors, lieutenant colonels, and colonels. Ten company grade two bedroom, 8 company grade three bedroom, 12 company grade four bedroom, 50 junior NCO three bedroom, and 70 junior NCO four bedroom.

Mr. SIKES. Are there questions?

#### FHA CERTIFICATION

General COOPER. On Fort Monroe we have not yet received the FHA certification authorization on the 200 units. We have been discussing it with the FHA regional man at Richmond. We expect to get that certification since he certified some of Langley Air Force Base.

Mr. SIKES. Provide it to the committee when you have it.

[The information follows:]

On August 8, 1973, the Richmond Area Office, Department of Housing and Urban Development, agreed to certify a requirement for 132 4-bedroom units at Fort Monroe, Va. This certification does not correspond to the total program at Fort Monroe which is for 200 units, only 36 of which are 4-bedroom.

Officials at Fort Monroe and Housing and Urban Development have not reached an agreement on the adequacy and extent of community support in the Fort Monroe area. Although the discussion continues it now appears unlikely that full certification will be obtained.

#### FORT EUSTIS, VA.

Mr. SIKES. Turn to Fort Eustis, Va. Insert in the record page 49a. [The page follows:]

1. DATE 3 Apr 73		2. DEPARTMENT ARMY		3. INSTALLATION FORT EUSTIS											
4. COMMAND OR MANAGEMENT BUREAU First: US Army			5. INSTALLATION CONTROL NUMBER 51215		6. STATE COUNTRY Virginia										
7. STATUS Active			8. YEAR OF INITIAL OCCUPANCY 1918		9. COUNTY (U.S.) N/A	10. NEAREST CITY Newport News									
11. MISSION OR MAJOR FUNCTIONS Headquarters, US Army Transportation Center and location of the US Army Transportation School. The Transportation Center Command is responsible to command and control all assigned activities, to provide logistical support to the activities, to assist in the development, evaluation and coordination of new doctrines, techniques, operational concepts concerning transportation equipment and facilities.				12. PERSONNEL STRENGTH		TOTAL									
				PERMANENT		STUDENTS		SUPPORTED							
				OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	(9)			
				a. AS OF 30 Jun 72	1006	5997	2526	693	2536				12,758		
				b. PLANNED (End FY 77)	1281	7202	2835	564	3303						15,185
13. INVENTORY															
LAND		ACRES (1)	LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)								
a. OWNED		8,114	753.8		106,443		107,197								
b. LEASES AND EASEMENTS		0	0		0		0								
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72							107,197								
d. AUTHORIZATION NOT YET IN INVENTORY				Exclusive of MCA				0							
e. AUTHORIZATION REQUESTED IN THIS PROGRAM				"				8,288							
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS				"				5,355							
g. GRAND TOTAL (c + d + e + f)								120,840							
SUMMARY OF INSTALLATION LINE ITEMS															
LINE ITEM DESIGNATION					AUTHORIZATION PROGRAM		FUNDING PROGRAM								
CATEGORY CODE NO. a	LINE ITEM TITLE b				TENANT COMMAND c	UNIT OF MEASURE d	SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h					
713	Family Housing, Mobile Home Facilities				Army	Spaces	62	253.9	62	253.9					
711	Family Housing, Dwellings				Army	Units	300	8,034.0	300	8,034.0					

Mr. SIKES. The request is for 62 mobile home facilities, \$253,900; 300 family housing units, \$8,034,000.

What is the reason for the projected increase in personnel?

General COOPER. The projected increase in strength is due to back-filling permanent units to authorized strength and an increase of about 600 in student load at the transportation school.

Mr. SIKES. Would it not be more logical to move people out of this area of heavy military concentration than to move people in?

General COOPER. The type of people we are moving in are trainers and some personnel who require training in transportation type skills which are taught only at the Fort Eustis/Fort Story complex. For example, this complex is the only place where the Army can conduct mission training in logistics over the shore operations. Similarly, it is the only area with proper conditions for the training of personnel in operation of amphibious vehicles.

Mr. SIKES. Are there questions?

#### FHA CERTIFICATION

General COOPER. The lack of FHA certification applies to Fort Eustis as well as Fort Monroe.

#### FORT BELVOIR, VA.

Mr. SIKES. Turn to Fort Belvoir, Va. Insert page 50 in the record. [The page follows:]

1. DATE 15 Feb 73		2. DEPARTMENT ARMY		3. INSTALLATION FORT BELVOIR, Including the Metropolitan Washington Area										
4. COMMAND OR MANAGEMENT BUREAU First US Army			5. INSTALLATION CONTROL NUMBER 51105		6. STATE COUNTRY Virginia									
7. STATUS Active			8. YEAR OF INITIAL OCCUPANCY 1918		9. COUNTY (U.S.) Fairfax									
11. MISSION OR MAJOR FUNCTIONS Command, train and provide logistical support to Engineer Troop Units; Engineer Officers and Specialists at the Engineer School; maintain and operate the USA Mobility Equipment Research and Development Center and the US Military Academy Preparatory School; provide facilities for HQ, Combat Developments Command and Topographic Research and Development Laboratory. Support Davison Army Airfield. Also provides housing support for units and activities in the Washington metropolitan area not supported by other nearby installations.			12. PERSONNEL STRENGTH			10. NEAREST CITY Alexandria								
						PERMANENT		STUDENTS		SUPPORTED		TOTAL		
						OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	TOTAL (9)
						a. AS OF 30 Jun 72	1517	4627	5159	709	2374			14,386
						b. PLANNED (End FY 77)	1797	4989	5903	651	2828			16,168
			13. INVENTORY											
			LAND	ACRES (1)	LAND COST (\$000) (2)	IMPROVEMENT (\$000) (3)	TOTAL (\$000) (4)							
			a. OWNED	9,016	1,191.9	134,493.2	135,685							
			b. LEASES AND EASEMENTS	221	35.7	0	26							
			c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72								135,711			
			d. AUTHORIZATION NOT YET IN INVENTORY								4,084			
			e. AUTHORIZATION REQUESTED IN THIS PROGRAM								20,010			
			f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS								43,000			
			g. GRAND TOTAL (c + d + e + f)								202,805			
SUMMARY OF INSTALLATION LINE ITEMS														
LINE ITEM DESIGNATION				TENANT COMMAND		UNIT OF MEASURE		AUTHORIZATION PROGRAM		FUNDING PROGRAM				
CATEGORY CODE NO a	LINE ITEM TITLE b			c	d	SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h					
711	Family Housing, Dwellings			Army	Units	700	19,600	700	19,600					
713	Family Housing, Mobile Home Facilities			Army	Spaces	100	410	100	410					

Mr. SIKES. The request is for 700 units, at a cost of \$19,600,000, and 100 mobile home facilities, for \$410,000. This sheet shows an expected population increase of 1,800 personnel and a request here for 700 units of housing. Yet you have force reductions and plans to move people and activities from the Washington area. Is that realistic?

General COOPER. We believe it is because family housing at Belvoir is not just for the people at Belvoir but for the Washington area. The Navy currently is doing a survey for the entire Washington area. I don't have the results of that most recent Navy survey.

Mr. SIKES. Will you provide it when available?

General COOPER. Yes.

Mr. SIKES. Has the site been selected?

General COOPER. The general site has been selected, yes, sir.

Mr. SIKES. Provide a map of it to the committee.

[Note: The survey and map will be provided to the committee.]

Mr. SIKES. You have 1,259 units which you list as substandard. What are you going to do with those?

General COOPER. We will continue to occupy them until we decide to replace them.

Mr. McEWEN. How old are these units?

General COOPER. Most of them are Wherry housing and most of them are about 20 years old. In some cases older.

Mr. SIKES. If there is a shortage of housing, to what do you attribute the 144 vacant units in the community at the time of your survey? How accurate is that figure today?

General COOPER. At any given time in an area there will be vacant housing, both on post and in the community. This is due to the turnover in personnel and maintenance of units between occupants. The number of vacant units varies from day to day.

Mr. SIKES. All of your surveys were taken before the base closure announcements. Have you updated them in view of these announcements?

General COOPER. The figures shown in the book you have do not reflect the reorganization. However, every project has been reevaluated based on strength reductions. These evaluations will continue.

Mr. SIKES. Are there questions?

#### MOBILE HOMES

Mr. SIKES. We will take up mobile homes. Insert in the record pages 54, 57, 60, 63, 66, 69, 72, and 75.

[The pages follow:]

1 DATE 15 Feb 73		2 DEPARTMENT ARMY		3 INSTALLATION FY 1974 MILITARY CONSTRUCTION PROGRAM			4 INSTALLATION YUMA PROVING GROUND						
4. COMMAND OR MANAGEMENT BUREAU US Army Materiel Command				5. INSTALLATION CONTROL NUMBER 04985			6. STATE COUNTRY Arizona						
7. STATUS Active				8. YEAR OF INITIAL OCCUPANCY 1943			9. COUNTY (U.S.) Yuma		10. NEAREST CITY Yuma				
11. MISSION OR MAJOR FUNCTIONS Provides administrative and logistical support for US Army Electronics Command Activity, Lockheed Plant Activity, Medical Detachment Activity and Army Materiel Command Liaison Offices. The installation activities plan, conduct, record and report test results on material and equipment; perform desert environmental testing and support other research and development activities as directed.					12. PERSONNEL STRENGTH					TOTAL			
					PERMANENT			STUDENTS		SUPPORTED			
					OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	TOTAL (9)
					a. AS OF 30 Jun 72	84	440	843					1367
					13. INVENTORY								
LAND		ACRES (1)	LAND COST (\$000) (2)	IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)							
a. OWNED		1,034,947	0	29,916.5		29,917							
b. LEASES AND EASEMENTS		8,516	0	0		0							
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72					29,917								
d. AUTHORIZATION NOT YET IN INVENTORY					Exclusive of MCA								
e. AUTHORIZATION REQUESTED IN THIS PROGRAM					"								
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS					"								
g. GRAND TOTAL (c + d + e + f)					29,953								
SUMMARY OF INSTALLATION LINE ITEMS													
LINE ITEM DESIGNATION				AUTHORIZATION PROGRAM		FUNDING PROGRAM							
CATEGORY CODE NO a	LINE ITEM TITLE b			TENANT COMMAND c	UNIT OF MEASURE d	SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h				
713	Family Housing, Mobile Home Facilities			Army	Spaces	8	36	8	36				

1. F. b 73		2. DEPARTMENT ARMY		3. INSTALLATION FORT CAMPBELL								
4. COMMAND OR MANAGEMENT BUREAU Third US Army			5. INSTALLATION CONTROL NUMBER 21145		6. STATE COUNTRY Kentucky							
7. STATUS Active			8. YEAR OF INITIAL OCCUPANCY 1942		9. COUNTY (U.S.) Christian and Trigg							
11. MISSION OR MAJOR FUNCTIONS Headquarters of the 101st Airborne Division. Provides administration, training and logistical support of the division and other Army units and activities assigned. Accomplishes planning missions, as directed, for the development, employment and expansion of CONUS forces under condition of cold, limited and general war contingencies.			12. PERSONNEL STRENGTH		10. NEAREST CITY Clarksville, TN 8 mi NW							
			PERMANENT		STUDENTS		SUPPORTED					
			OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	TOTAL (9)	
			a. AS OF 30 JUN 72	1676	8694	2530						12,900
			b. PLANNED (END FY 77)	2306	18,130	1960						22,396
13. INVENTORY												
LAND		ACRES (1)	LAND COST (\$000) (2)	IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)						
a. OWNED		36,024	1,510.5	83,138.0		84,649						
b. LEASES AND EASEMENTS		611	24.3	0		24						
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72						84,673						
d. AUTHORIZATION NOT YET IN INVENTORY Exclusive of MCA						0						
e. AUTHORIZATION REQUESTED IN THIS PROGRAM						27,610						
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS						76,700						
g. GRAND TOTAL (c + d + e + f)						188,783						
SUMMARY OF INSTALLATION LINE ITEMS												
LINE ITEM DESIGNATION												
CATEGORY CODE NO a	LINE ITEM TITLE b			TENANT COMMAND c	UNIT OF MEASURE d	AUTHORIZATION PROGRAM SCOPE e		FUNDING PROGRAM ESTIMATED COST (\$000) f				
711	Family Housing, Dwellings			Army	Units	1,000	27,000	1,000	27,000			
713	Family Housing, Mobile Home Facilities			Army	Spaces	100	410	100	410			

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PAGE NO. 57

1. DATE 15 Feb 73	2. DEPARTMENT ARMY	3. INSTALLATION FORT POLK					
4. COMMAND OR MANAGEMENT BUREAU Fifth US Army		5. INSTALLATION CONTROL NUMBER 22725					
6. STATE COUNTRY Louisiana		7. STATUS Active					
8. YEAR OF INITIAL OCCUPANCY 1941		9. COUNTY (U.S.) Vernon, Sabine and Natchitoches					
10. NEAREST CITY Leesville							
11. MISSION OR MAJOR FUNCTIONS Provides administration and logistical support of a US Army Training Center (Infantry), USA Reception Station, USA Hospital, USA Dental Detachment, USA Garrison and subordinate elements							
12. PERSONNEL STRENGTH							
PERMANENT							
OFFICER (1)	ENLISTED (2)	CIVILIAN (3)					
a. AS OF 30 Jun 72	879	17,996					
b. PLANNED (End FY 77)	1059	24,939					
STUDENTS							
OFFICER (4)	ENLISTED (5)	CIVILIAN (6)					
SUPPORTED							
OFFICER (7)	ENLISTED (8)	CIVILIAN (9)					
TOTAL (10)							
21,253							
28,174							
13. INVENTORY							
LAND							
ACRES (1)	LAND COST (\$000) (2)	IMPROVEMENT (\$000) (3)					
a. OWNED	196,998	610.6					
b. LEASES AND EASEMENTS	2,034	0					
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72							
77,216							
d. AUTHORIZATION NOT YET IN INVENTORY Exclusive of MCA							
6,252							
e. AUTHORIZATION REQUESTED IN THIS PROGRAM							
14,503							
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS							
29,000							
g. GRAND TOTAL (c + d + e + f)							
127,171							
SUMMARY OF INSTALLATION LINE ITEMS							
LINE ITEM DESIGNATION							
CATEGORY CODE NO a	LINE ITEM TITLE b	TENANT COMMAND c	UNIT OF MEASURE d	AUTHORIZATION PROGRAM		FUNDING PROGRAM	
				SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h
711	Family Housing, Dwellings	Army	Units	500	14,250	500	14,250
713	Family Housing, Mobile Home Facilities	Army	Spaces	59	252.8	59	252.8

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1. CA 'C 15 Feb 73		2. DEPARTMENT ARMY		3. INSTALLATION FY 1974 MILITARY CONSTRUCTION PROGRAM			4. STATE COUNTRY ABERDEEN PROVING GROUND														
5. COMMAND OR MANAGEMENT BUREAU US Army Test and Evaluation Command				6. INSTALLATION CONTROL NUMBER 24015			7. STATE COUNTRY Maryland														
8. STATUS				9. YEAR OF INITIAL OCCUPANCY 1918			10. COUNTY (U.S.) Hartford		11. NEAREST CITY Aberdeen												
12. MISSION OR MAJOR FUNCTIONS Headquarters, US Army Test and Evaluation Command. Performs research on propellants and propulsive force systems; terminal effects of warheads; vulnerability of weapons to blast fragments and radiation; human factors engineering, dynamic and environmental testing of vehicles and ordnance equipment. The US Army Ordnance School, Land Warfare Laboratory, Research and Development Center and Joint Military Packaging Training Center are located here. The Environmental Hygiene Agency is located at Edgewood Arsenal a su--installation nearby.				13. PERSONNEL STRENGTH			14. PERMANENT			15. STUDENTS			16. SUPPORTED								
				OFFICER (1)			ENLISTED (2)			CIVILIAN (3)			OFFICER (4)			ENLISTED (5)					
				OFFICER (6)			ENLISTED (7)			CIVILIAN (8)			TOTAL (9)								
				a. AS OF 30 Jun 72			974			3982			8694			503			1939		
				b. PLANNED (End FY 77)			984			3699			9069			403			2068		
17. INVENTORY																					
LAND			ACRES (1)			LAND COST (\$000) (2)			IMPROVEMENT (\$000) (3)			TOTAL (\$000) (4)									
a. OWNED			71,205			4,401.0			137,458.1			141,859									
b. LEASES AND EASEMENTS			88			18.8			0			20									
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72												141,879									
d. AUTHORIZATION NOT YET IN INVENTORY									Exclusive of MCA			0									
e. AUTHORIZATION REQUESTED IN THIS PROGRAM									"			4,911									
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS									"			2,910									
g. GRAND TOTAL (c + d + e + f)												149,700									
SUMMARY OF INSTALLATION LINE ITEMS																					
LINE ITEM DESIGNATION																					
CA 'GORY CODE NO.		LINE ITEM TITLE			TENANT COMMAND		UNIT OF MEASURE		AUTHORIZATION PROGRAM			FUNDING PROGRAM									
a		b			c		d		e			f									
11		Family Housing, Dwellings			Army		Units		166			4,600									
/13		Family Housing, Mobile Home Facilities			Army		Spaces		76			311.1									

1 DATE 15 Feb 73		2 DEPARTMENT ARMY		3 INSTALLATION FORT MONMOUTH								
4. COMMAND OR MANAGEMENT BUREAU Army Materiel Command			5. INSTALLATION CONTROL NUMBER 34555		6. STATE COUNTRY New Jersey							
7. STATUS Active		8. YEAR OF INITIAL OCCUPANCY 1917		9. COUNTY (U.S.) Monmouth								
				10. NEAREST CITY Red Bank								
11. MISSION OR MAJOR FUNCTIONS Headquarters, US Army Electronics Command and the US Army Signal Center and School. Provides administrative and logistical support for US Army Communications Systems Agency, USA Satellite Communications Agency, USA Combat Developments Command-Communications Electronics Agency, USA Patterson Army Hospital and Defense Communications Agency and other activities. Performs research, development evaluation and testing of communications and meteorological equipment and facilities and related ground and air signaling equipment.				12.								
				PERMANENT								
				STUDENTS								
				SUPPORTED								
				TOTAL								
PERSONNEL STRENGTH				OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	TOTAL (9)
a. AS OF 30 Jun 72				782	2691	7938	533	4074				16,018
b. PLANNED (End FY 77)				748	2682	7890	526	3872				15,718
				13. INVENTORY								
				LAND		ACRES (1)		LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)
a. OWNED				529		139		40,065.9		40,205		
b. LEASES AND EASEMENTS				0		0		0		0		
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 1972				72						40,205		
d. AUTHORIZATION NOT YET IN INVENTORY								Exclusive of MCA		2,650		
e. AUTHORIZATION REQUESTED IN THIS PROGRAM								"		180		
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS								"		6,600		
g. GRAND TOTAL (c + d + e + f)										49,635		
SUMMARY OF INSTALLATION LINE ITEMS												
LINE ITEM DESIGNATION												
CATEGORY CODE NO a		LINE ITEM TITLE b				TENANT COMMAND c	UNIT OF MEASURE d	AUTHORIZATION PROGRAM e		FUNDING PROGRAM f		
713		Family Housing, Mobile Home Facilities				Army	Spaces	40		180.2		
								40		180.2		

1. DATE 15 Feb 73		2. DEPARTMENT ARMY		3. INSTALLATION FORT HOOD							
4. COMMAND OR MANAGEMENT BUREAU Fifth US Army			5. INSTALLATION CONTROL NUMBER 48255		6. STATE COUNTRY Texas						
7. STATUS Active			8. YEAR OF INITIAL OCCUPANCY 1942		9. COUNTY (U.S.) Bell and Coryell						
11. MISSION OR MAJOR FUNCTIONS Responsible for command, training and logistical support of Two Army Divisions, Third Corps Headquarters and numerous miscellaneous support units and support of reserve forces summer training.			12. PERSONNEL STRENGTH			10. NEAREST CITY Killeen					
			PERMANENT			STUDENTS		SUPPORTED		TOTAL	
			OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	
			3682	32,597	3508						
			a. AS OF 30 Jun 72	b. PLANNED (End FY 77)	3018						
			4174	35,494	3018					39,787	
										42,686	
			13. INVENTORY								
			LAND		ACRES (1)		LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)
			a. OWNED		208,566		6,777.1		232,455.6		239,233
			b. LEASES AND EASEMENTS		9,552		0.2		0		0
			c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72								239,233
			d. AUTHORIZATION NOT YET IN INVENTORY				Exclusive of MCA				29,098
			e. AUTHORIZATION REQUESTED IN THIS PROGRAM				ii		ii		19,447
			f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS				ii		ii		86,900
			g. GRAND TOTAL (c + d + e + f)								372,678
SUMMARY OF INSTALLATION LINE ITEMS											
LINE ITEM DESIGNATION											
CATEGORY CODE NO.		LINE ITEM TITLE				TENANT COMMAND	UNIT OF MEASURE	AUTHORIZATION PROGRAM		FUNDING PROGRAM	
a		b				c	d	e	f	g	h
711		Family Housing, Dwellings				Army	Units	700	18,000	700	18,000
713		Family Housing, Mobile Home Facilities				Army	Spaces	380	1,447	380	1,447

1 DATE 15 Feb 73		2 DEPARTMENT ARMY		3 INSTALLATION FORT EUSTIS								
4 COMMAND OR MANAGEMENT BUREAU First US Army			5 INSTALLATION CONTROL NUMBER 51215		6 STATE COUNTRY Virginia							
7 STATUS Active			8 YEAR OF INITIAL OCCUPANCY 1918		9. COUNTRY (U.S.) N/A		10 NEAREST CITY Newport News					
11. MISSION OR MAJOR FUNCTIONS Headquarters, US Army Transportation Center and location of the US Army Transportation School. The Transportation Center Command is responsible to command and control all assigned activities, to provide logistical support to the activities, to assist in the development, evaluation and coordination of new doctrines, techniques, operational concepts concerning transportation equipment and facilities.				12 PERSONNEL STRENGTH			13 INVENTORY					
				PERMANENT			STUDENTS			SUPPORTED		TOTAL (2)
				OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	
				a. AS OF 30 Jun 72	1006	5997	2526	693	2536			12,758
				b. PLANNED (End FY 77)	1281	7202	2835	564	3303			15,185
a. OWNED		ACRES (1)		LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)				
b. LEASES AND EASEMENTS		0		0		0		0				
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72								107,197				
d. AUTHORIZATION NOT YET IN INVENTORY								Exclusive of MCA	0			
e. AUTHORIZATION REQUESTED IN THIS PROGRAM								II	II			
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS								II	II	8,288		
g. GRAND TOTAL (c + d + e + f)								II	II	5,355		
h. GRAND TOTAL (c + d + e + f)								II	II	120,840		
SUMMARY OF INSTALLATION LINE ITEMS												
LINE ITEM DESIGNATION												
CATEGORY CODE NO. a	LINE ITEM TITLE b			TENANT COMMAND c	UNIT OF MEASURE d	AUTHORIZATION PROGRAM SCOPE e		ESTIMATED COST (\$000) f				
						SCOPE g		ESTIMATED COST (\$000) h				
713	Family Housing, Mobile Home Facilities			Army	Spaces	62		253.9				
711	Family Housing, Dwellings			Army	Units	300		8,034.0				

1. DATE 15 Feb 73		2. DEPARTMENT ARMY		3. INSTALLATION FORT BELVOIR, Including the Metropolitan Washington Area										
4. COMMAND OR MANAGEMENT BUREAU First US Army			5. INSTALLATION CONTROL NUMBER 51105		6. STATE COUNTRY Virginia									
7. STATUS Active			8. YEAR OF INITIAL OCCUPANCY 1918		9. COUNTY (U.S.) Fairfax									
11. MISSION OR MAJOR FUNCTIONS Command, train and provide logistical support to Engineer Troop Units; Engineer Officers and Specialists at the Engineer School; maintain and operate the USA Mobility Equipment Research and Development Center and the US Military Academy Preparatory School; provide facilities for HQ, Combat Developments Command and Topographic Research and Development Laboratory. Support Davison Army Airfield. Also provides housing support for units and activities in the Washington metropolitan area not supported by other nearby installations.			12. PERSONNEL STRENGTH			10. NEAREST CITY Alexandria								
						PERMANENT		STUDENTS		SUPPORTED				
						OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	TOTAL (9)
			a. AS OF 30 Jun 72			1517	4627	5159	709	2374				14,386
b. PLANNED (End FY 77)			1797	4989	5903	651	2828				16,168			
13. INVENTORY			LAND		ACRES (1)	LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)				
			a. OWNED		9,016	1,191.9		134,493.2		135,685				
			b. LEASES AND EASEMENTS		221	35.7		0		26				
			c. INVENTORY TOTAL (Except land from) AS OF 30 JUNE 19 72								135,711			
			d. AUTHORIZATION NOT YET IN INVENTORY				Exclusive of MCA				4,084			
			e. AUTHORIZATION REQUESTED IN THIS PROGRAM				II				20,010			
			f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS				II		II		43,000			
g. GRAND TOTAL (c + d + e + f)								202,805						
SUMMARY OF INSTALLATION LINE ITEMS														
LINE ITEM DESIGNATION														
CATEGORY CODE NO.	LINE ITEM TITLE			TENANT COMMAND	UNIT OF MEASURE	AUTHORIZATION PROGRAM		FUNDING PROGRAM						
a	b			c	d	SCOPE	ESTIMATED COST (\$000)	SCOPE	ESTIMATED COST (\$000)	h				
711	Family Housing, Dwellings			Army	Units	700	19,600	700	19,600					
713	Family Housing, Mobile Home Facilities			Army	Spaces	100	410	100	410					

Mr. SIKES. Can you tell us to what extent the ineligible use mobile homes?

General COOPER. I don't have any specific figures on that. We will ask the personnel people if they have some and provide it for the record. They certainly do use them. I have seen many at posts but I don't have the figures of the percentage that use them.

[The information follows:]

Based on a sample survey of selected installations in CY 1973, approximately 5% of Army personnel using owner-occupied mobile homes are ineligible for Government family quarters because of grade (E-1 to E-3). This would equate to only 3% of the total ineligible. This figures does not include those ineligible who occupy rental mobile homes. While that number is not available from our surveys it is believed to be significantly greater than the percentage in owned mobile homes.

Mr. SIKES. In the absence of a personal goods moving allowance for these families, is this a practical solution?

General COOPER. I think it is a practical solution. I think they are allowed to be moved if the trailer is one they can haul along the road. If it is really not a mobile home it is not practical.

Mr. SIKES. I take it from your increased emphasis on mobile homes in this budget that there is a significant increase in the use of mobile homes among Army families.

General COOPER. There is an increase, and many of the people in mobile homes are in very unsatisfactory mobile home courts off post, with no indication that the community will provide adequate ones.

Mr. SIKES. Is there any impact on mobile home usage as a result of the increasingly tighter restrictions on the establishment of off-base trailer parks? In other words, are there some of these families who don't want to live on base and who can't find adequate off-base facilities?

General COOPER. Adequate trailer spaces are increasingly difficult to find. This is due to the tighter restrictions that you mention. Some families refuse to move their mobile homes into unsightly or unsanitary locations and in some cases this leads to family separations. Privately owned trailers are being placed in storage or left at a previous location for lack of adequate space on post or off.

Mr. SIKES. What is the average cost of the mobile home spaces you are requesting?

General COOPER. It is about \$4,000 each.

Mr. SIKES. What is provided in this space?

General COOPER. We provide the streets and the curbs, the sewer hookup, the electricity hookup, gas hookup, everything so that they can move in, plus the landscaping around it.

Mr. SIKES. Who provides for the supervision, policing, and security, et cetera?

General COOPER. These are on the base, and the same supervision is provided as for the normal family housing.

Mr. SIKES. Are there fees?

General COOPER. Rental fees for on-post trailer spaces are set at rates sufficient to amortize the construction cost over a 15-year period plus the cost of utilities and services.

#### ACQUISITION OF WHERRY HOUSING

Mr. SIKES. We will turn to acquisition of Wherry Housing. Insert page 78 in the record.

[The page follows:]

1. DATE 15 Feb 73	2. FISCAL YEAR 1974	3. DEPARTMENT ARMY		4. INSTALLATION Fort Bragg
5. PROPOSED AUTHORIZATION \$ 240,000		6. PRIOR AUTHORIZATION PL 84-365 94-1020	7. CATEGORY CODE NUMBER	8. PROGRAM ELEMENT NUMBER
9. STATE/COUNTRY North Carolina		10. PROPOSED APPROPRIATION \$ 240,000		
11. BUDGET ACCOUNT NUMBER		12. PROJECT NUMBER		13. PROJECT TITLE Acquisition of Wherry Housing
SECTION A - DESCRIPTION OF PROJECT			SECTION B - COST ESTIMATES	
14. TYPE OF CONSTRUCTION	15. PHYSICAL CHARACTERISTICS OF PRIMARY FACILITY			20. PRIMARY FACILITY
a. PERMANENT	a. NO. OF BLDGS	b. NO. OF STORIES	c. LENGTH	d. WIDTH
b. SEMI-PERMANENT	a. DESIGN CAPACITY	d. GROSS AREA	e. COST IS	
c. TEMPORARY	e. COOLING CAP	19. DESCRIPTION OF WORK TO BE DONE		
15. TYPE OF WORK	Acquisition of the electrical distribution system in the Mallonee Village Wherry Housing Area at Fort Bragg, N. C. from the Carolina Power and Light Company. Includes work necessary to connect system to the Fort Bragg distribution system in order to take advantage of a single metering.			
a. NEW FACILITY	20. Acquisition and Connection			
b. ADDITION	of the electrical distribu-			
c. ALTERATION	tion system - Mallonee			
d. CONVERSION	Village Wherry Hsg Area			
e. OTHER (Specify)	21. SUPPORTING FACILITIES			
16. REPLACEMENT	a.			
17. TYPE OF DESIGN	b.			
a. STANDARD DESIGN	c.			
b. SPECIAL DESIGN	d.			
c. DRAWING NO	e.			
			22. TOTAL PROJECT COST \$ 240,000	
SECTION C - BASIS OF REQUIREMENT				
23. QUANTITATIVE DATA (U/M)			25. REQUIREMENT FOR PROJECT	
a. TOTAL REQUIREMENT			This Wherry Housing was constructed in 1950 and acquired by the Army in FY 1958. At the time the housing was acquired the utility systems remained in private ownership. Recent economic feasibility studies regarding acquisition of the electrical system show that the acquisition cost could be amortized by savings in four to five years. It is estimated that approximately \$60,000 per year in savings could be realized. These savings would be generated through lower costs resulting from single point metering and the elimination of the facility surcharge presently being paid to the utility company. The acquisition cost is based on a Government determination of a fair market price based on the value of the facility as estimated by the Carolina Power and Light Company. Although informal discussions with the power company have taken place, no formal offer for purchase or sale of the system has been made by either the Government or the Carolina Power and Light Company.	
b. EXISTING SUBSTANDARD				
c. EXISTING ADEQUATE				
d. FUNDED, NOT IN INVENTORY				
e. ADEQUATE ASSETS (c + d)				
f. UNFUNDED PRIOR AUTHORIZATION	AUTHORIZED	FUNDED		
g. INCLUDED IN FY PROGRAM				
24. RELATED PROJECTS				

Mr. SIKES. What is the situation on Wherry housing acquisition? When was the last acquisition made? How much is there left to acquire? How much have you acquired?

General COOPER. The last time we acquired any was I think in about 1964. I don't have the figures in front of me.

Mr. SIKES. Provide those for the record.

[The information follows:]

The Army presently has 19,550 acquired Wherry units in its family housing inventory. There are 2,177 units of privately owned Wherry housing located at 13 Army installations which will not be acquired by the Army. The last acquisition was in 1964.

Mr. SIKES. Do you know how much Wherry housing there is which you have not yet bought?

General COOPER. Yes, sir. I have it in terms of debt payments. In general we don't want to acquire it because we are paying interest at the rate of about 4 or 4¼ or 4½ percent.

Mr. SIKES. That is a better deal than you will get now.

General COOPER. Yes, sir. We haven't acquired 2,000 units.

Mr. SIKES. Have not?

General COOPER. That is right.

Mr. SIKES. Where are those units?

General COOPER. We have a complete list. There are about 10 or 12 different installations.

Mr. SIKES. Provide it for the record.

[The information follows:]

Installation :	Number of units
Anniston AD, Ala.....	96
Navajo AD, Ariz.....	69
Sierra AD, Calif.....	125
Atlanta AD, Ga.....	125
Fort McPherson, Ga.....	225
Fort Sheridan, Ill.....	253
Lexington Blue Grass AD, Ky. (Lexington activity).....	65
Fort Holabird, Md.....	149
Detroit Arsenal, Mich.....	150
Tobyhanna AD, Pa.....	200
Fort Wolters, Tex.....	490
Tooele AD, Utah.....	25
Fort Monroe, Va.....	205
Total .....	2,177

Mr. SIKES. You do not plan to acquire these if you can avoid it. Is that right?

General COOPER. That is correct.

Mr. SIKES. What do you do when they get to the point where they are not usable? Do you acquire them and rebuild them or move out and leave them?

General COOPER. In the case specifically of Fort McPherson, Ga., the owner leases them to nonmilitary people. We no longer really assert our right to priority in those houses.

Mr. SIKES. Are there any projects that are now not meeting your standards that are in private ownership?

General COOPER. Tobyhanna is one which Mr. Bearman just indicated.

Mr. BEARMAN. And Fort Wolters and Detroit Arsenal, Mich.

Mr. SIKES. What do you propose to do in those instances?

Mr. BEARMAN. Again in a case like this we would not certify use to these people. It would be on a voluntary basis if a military member wanted to occupy a unit in privately owned Wherry housing. If it is privately owned we have no control whatsoever other than to certify it for occupancy.

Mr. SIKES. Aren't these projects all built on base?

General COOPER. No, sir. A lot of these projects are built off base. As a matter of fact I think probably most of them are. In the case of Fort McPherson it is not on the base but right adjacent.

[Additional information was supplied as follows:]

However, most of them are on Government-owned land leased to the builder.

Mr. SIKES. For the project not built on base you wouldn't certify it to military personnel?

General COOPER. That is correct.

Mr. SIKES. How quickly will the Wherry projects which you have acquired amortize themselves?

General COOPER. I think we will finally amortize them by 1983.

Mr. SIKES. Are there questions?

#### IMPROVEMENTS TO EXISTING PUBLIC QUARTERS

Mr. SIKES. Turn to "Improvements to existing public quarters." Insert pages 79 through 90 in the record.

[The pages follows:]



1. DATE	2. FISCAL YEAR	MILITARY CONSTRUCTION PROJECT DATA (Continued)	3. DEPARTMENT	4. INSTALLATION
15 Feb 73	1974		ARMY	Various
5. PROJECT NUMBER		6. PROJECT TITLE		
		Improvements to Existing Public Quarters		
<u>LOCATION</u>	<u>DESCRIPTION</u>	<u>NO UNITS</u>	<u>COST (\$000)</u>	
<u>CONUS AND POSSESSIONS</u>				
<u>ALABAMA</u>				
Ft. McClellan	Convert 20 NCO 3-BR Wherry units to 4-BR; modernize 40 NCO 3-BR and 80 NCO 2-BR Wherry units and 16 MCA CGO and 56 MCA NCO units	212	1,759.4	
Redstone Arsenal	Modernize and improve 120 Wherry and 408 Capehart units (DD Form 1391)	528	1,876.3	
<u>CANAL ZONE</u>				
Ft. Clayton	Modernize NCO units constructed in 1941-1942 and 1948-1949 (DD Form 1391)	147	1,893.0	
<u>DISTRICT OF COLUMBIA</u>				
Ft. McNair	Modernize General Officers units (DD Form 1391)	5	165.0	
Ft. McNair	Install central air conditioning systems	32	318.7	
<u>GEORGIA</u>				
Ft. Stewart	Modernize 320 NCO units	320	2,345.5	
<u>HAWAII</u>				
Ft. Shafter Schofield Barracks	Install central air conditioning in Capehart units Exterior electrical distribution systems - Areas T.W. & K-1	580 -	2,349.6 301.5	
<u>ILLINOIS</u>				
Granite City	Modernize NCO Wherry units	94	783.3	
<u>KANSAS</u>				
Ft. Leavenworth	Modernize FGO units - Oregon Village	100	772.0	
<u>MASSACHUSETTS</u>				
Natick Labs	Modernize MCA & Capehart units - Officers & NCO mixed	59	537.5	
<u>MISSOURI</u>				
Ft. Leonard Wood	Convert 230 NCO, 19 CGO and 13 FGO 3-BR Capehart units to 4-BR (DD Form 1391)	252	2,778.4	

1. DATE	2. FISCAL YEAR	3. DEPARTMENT	4. INSTALLATION
15 Feb 73	1974	ARMY	Various
5. PROJECT NUMBER		6. PROJECT TITLE	
		Improvements to Existing Public Quarters	
LOCATION	DESCRIPTION	NO UNITS	COST (\$000)
<u>NEW JERSEY</u>			
Ft. Dix	Modernize Wherry NCO units (Nelson Court)	295	2,479.8
<u>NORTH CAROLINA</u>			
Ft. Bragg	Modernize single family Wherry NCO units (DD Form 1391)	400	3,568.1
Ft. Bragg	Modernize CGO Capehart and MCA units	140	1,023.9
<u>OKLAHOMA</u>			
Ft. Hill	Modernize NCO units 2,000 Area	54	463.7
<u>VIRGINIA</u>			
Ft. Belvoir	Modernize CGO & NCO units	418	1,671.9
Ft. Myer	Install central air conditioning systems (DD Form 1391)	55	616.2
<u>WASHINGTON</u>			
Ft. Lewis	Modernize NCO units	60	554.2
	U.S. & POSSESSIONS TOTAL	3,761	\$ 26,260.0
<u>FOREIGN</u>			
Okinawa	Modernize and increase capacity of exterior electrical distribution systems and provide utility connections for washers and dryers	1,291	1,900.0
	TOTAL IMPROVEMENT PROGRAM	5,052	\$28,160.0

1. DATE 15 Feb 73	2. FISCAL YEAR 1974	3. DEPARTMENT ARMY		4. INSTALLATION Redstone Arsenal
5. PROPOSED AUTHORIZATION \$ 1,876,300		6. PRIOR AUTHORIZATION PL	7. CATEGORY CODE NUMBER	8. PROGRAM ELEMENT NUMBER
10. PROPOSED APPROPRIATION \$ 1,876,300		11. BUDGET ACCOUNT NUMBER	12. PROJECT NUMBER	9. STATE/COUNTRY Alabama
13. PROJECT TITLE Improvements to Existing Public Quarters				
SECTION A - DESCRIPTION OF PROJECT			SECTION B - COST ESTIMATES	
14. TYPE OF CONSTRUCTION	15. PHYSICAL CHARACTERISTICS OF PRIMARY FACILITY			
a. PERMANENT	a. NO. OF BLOCS	b. NO. OF STORIES	c. LENGTH	d. WIDTH
b. SEMI-PERMANENT	e. DESIGN CAPACITY	f. GROSS AREA		
c. TEMPORARY	g. COOLING CAP	h. COST \$		
15. TYPE OF WORK	19. DESCRIPTION OF WORK TO BE DONE			
a. NEW FACILITY	Modernize and improve 120 NCO Wherry units and 408 CGO Capehart units.			
b. ADDITION	The scope of work for Wherry units is identical in all units except for 33 units which also include enlarging a bedroom and adding a bath. The detailed scope is as follows:			
c. ALTERATION				
d. CONVERSION				
e. OTHER (Specify)				
16. REPLACEMENT	33 Units - Modernize and alter kitchen to provide a family dining kitchen; modernize bath; enlarge bedroom and add a bath; provide patio, garbage can screen, privacy fence; exterior storage and new VAT floor.			
17. TYPE OF DESIGN				
a. STANDARD DESIGN				
b. SPECIAL DESIGN				
c. DRAWING NO				
20. PRIMARY FACILITY		U/M	QUANTITY	UNIT COST
a. Wherry Unit w/BR & Bath			33	\$ 11,213
b. Wherry Unit w/o BR & Bath			87	6,143
c. Capehart			408	2,215
d.				
21. SUPPORTING FACILITIES				\$ 68.0
a.				
b.				
c.				
d.				
e.				
f.				
g.				
h.				
i. Design - Wherry				36.0
j. Capehart				32.0
22. TOTAL PROJECT COST				\$1,876.3
SECTION C - BASIS OF REQUIREMENT				
23. QUANTITATIVE DATA (U-M)		25. REQUIREMENT FOR PROJECT		
a. TOTAL REQUIREMENT		The 120 Wherry units were constructed in 1951 and acquired by the Army in 1957. The units are deficient in kitchen area, bathroom area, outside storage area and washer-dryer connections. Thirty-three of the units require an addition to a bedroom and an additional bath. Outside storage area and patio and privacy screen are required. Parking accommodations are totally inadequate to meet vehicle parking requirements.		
b. EXISTING SUBSTANDARD		The Capehart officer housing units were constructed in 1957 and 1959. The single bathroom is inadequate to support families assigned to the 3-BR units. Excessive noise is transmitted between two story units due to insufficient sound treatment. Outside storage as well as outdoor living accommodations of patios and privacy screens are nonexistent. Parking accommodations are totally inadequate for the housing area.		
c. EXISTING ADEQUATE				
d. FUNDED, NOT IN INVENTORY				
e. ADEQUATE ASSETS (c + d)		AUTHORIZED	FUNDED	
f. UNFUNDED PRIOR AUTHORIZATION				
g. INCLUDED IN FY PROGRAM				
h. DEFICIENCY (a - e - f - g)				
24. RELATED PROJECTS		No concurrent maintenance and repair work required.		

1. DATE 15 Feb 73	2. FISCAL YEAR 1974	MILITARY CONSTRUCTION PROJECT DATA (Continued)	3. DEPARTMENT ARMY	4. INSTALLATION Redstone Arsenal																											
5. PROJECT NUMBER		6. PROJECT TITLE Improvements to Existing Public Quarters																													
<p>Block 19 Cont'd</p> <p>Provide additional parking area for 20 units</p> <p>87 Units - Modernize and alter kitchen to provide a family dining kitchen; modernize bathroom; install floor tile, provide patio, refuse area screen, privacy fence, and exterior storage. Provide additional parking area for 60 units.</p> <p>The unit costs are: 33 units - \$11,213, Total Cost - \$370,000, 87 units - \$6,134, Total Cost - \$534,400.</p> <p>The scope of work for the 408 Capehart CGO units varies by the type of unit. The work item description is as follows:</p> <ol style="list-style-type: none"> <li>1. Provide garbage can screen</li> <li>2. Provide patio</li> <li>3. Provide exterior storage</li> <li>4. Provide privacy fence</li> <li>5. Additional bath</li> <li>6. Soundproofing treatment</li> <li>7. Renovate stairway to second floor</li> <li>8. Remove existing clothes lines and provide umbrella dryers.</li> <li>9. Additional parking area</li> </ol> <p>The type of units, description of work and unit cost for each type is as follows:</p> <table border="1"> <thead> <tr> <th>Unit Type</th> <th>Work Items to be Accomplished</th> <th>Unit Cost</th> </tr> </thead> <tbody> <tr> <td>"X" 3-BR Tow (1st floor) 46 units</td> <td>1, 2, 3, 4, 5, 6, 7, 8, 9</td> <td>\$ 7,429</td> </tr> <tr> <td>"X" 3-BR Row (2nd floor) 46 units</td> <td>1, 2, 3, 5, 8, 9</td> <td>5,455</td> </tr> <tr> <td>"B" 2-BR Row (End) 80 units</td> <td>1, 2, 3, 8, 9</td> <td>1,359</td> </tr> <tr> <td>"B" 2-BR Row (Interior) 45 units</td> <td>1, 2, 3, 8, 9</td> <td>1,321</td> </tr> <tr> <td>"C" 3-BR Row (Interior) 24 units</td> <td>1, 2, 3, 8, 9</td> <td>1,321</td> </tr> <tr> <td>"C" 3-BR Row (End) 24 units</td> <td>1, 2, 3, 8, 9</td> <td>1,359</td> </tr> <tr> <td>"C" 3-BR Duplex 14 units</td> <td>1, 2, 3, 8, 9</td> <td>1,321</td> </tr> <tr> <td>"C" Single 130 units</td> <td>1, 2, 4, 8</td> <td>817</td> </tr> </tbody> </table>					Unit Type	Work Items to be Accomplished	Unit Cost	"X" 3-BR Tow (1st floor) 46 units	1, 2, 3, 4, 5, 6, 7, 8, 9	\$ 7,429	"X" 3-BR Row (2nd floor) 46 units	1, 2, 3, 5, 8, 9	5,455	"B" 2-BR Row (End) 80 units	1, 2, 3, 8, 9	1,359	"B" 2-BR Row (Interior) 45 units	1, 2, 3, 8, 9	1,321	"C" 3-BR Row (Interior) 24 units	1, 2, 3, 8, 9	1,321	"C" 3-BR Row (End) 24 units	1, 2, 3, 8, 9	1,359	"C" 3-BR Duplex 14 units	1, 2, 3, 8, 9	1,321	"C" Single 130 units	1, 2, 4, 8	817
Unit Type	Work Items to be Accomplished	Unit Cost																													
"X" 3-BR Tow (1st floor) 46 units	1, 2, 3, 4, 5, 6, 7, 8, 9	\$ 7,429																													
"X" 3-BR Row (2nd floor) 46 units	1, 2, 3, 5, 8, 9	5,455																													
"B" 2-BR Row (End) 80 units	1, 2, 3, 8, 9	1,359																													
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1. DATE 15 Feb 73		2. FISCAL YEAR 1974		3. DEPARTMENT ARMY		4. INSTALLATION Fort Clayton			
5. PROPOSED AUTHORIZATION \$ 1,893,000		6. PRIOR AUTHORIZATION P.L.		7. CATEGORY CODE NUMBER		8. PROGRAM ELEMENT NUMBER			
9. STATE/COUNTRY Canal Zone		10. PROPOSED APPROPRIATION \$ 1,893,000		11. BUDGET ACCOUNT NUMBER		12. PROJECT NUMBER			
13. PROJECT TITLE Improvements to Existing Public Quarters									
SECTION A - DESCRIPTION OF PROJECT				SECTION B - COST ESTIMATES					
14. TYPE OF CONSTRUCTION		15. PHYSICAL CHARACTERISTICS OF PRIMARY FACILITY				20. PRIMARY FACILITY			
a. PERMANENT		a. NO. OF BLDGS		b. NO. OF STORIES		c. LENGTH			
b. SEMI-PERMANENT		c. DESIGN CAPACITY		d. GROSS AREA		e. WIDTH			
c. TEMPORARY		e. COOLING CAP.		f. COST (\$)		a. Type T-1			
15. TYPE OF WORK		19. DESCRIPTION OF WORK TO BE DONE				b. Type T-2			
a. NEW FACILITY		Modernize 147 2 & 3 bedroom NCO units. Project includes work on four building types described as follows:  T-1 2-BR Duplex Tropical Type T-2 3-BR Duplex Tropical Type T-3 2-BR Single Family Tropical Type D-1 3-BR Duplex Ranch Type				c. Type T-3			
b. ADDITION						d. Type D-1		21. SUPPORTING FACILITIES	
c. ALTERATION						a. Site Improvements		L.S.	
d. CONVERSION									
e. OTHER (Specify)									
16. REPLACEMENT		The scopes of work are as follows: Types T-1, T-2 & T-3; Modernize kitchens and interior electrical system. Provide laundry				b. Design			
17. TYPE OF DESIGN						c. Design			
a. STANDARD DESIGN						22. TOTAL PROJECT COST			
b. SPECIAL DESIGN						\$ 1,893.0			
c. DRAWING NO									
23. QUANTITATIVE DATA (U, M )				25. REQUIREMENT FOR PROJECT					
a. TOTAL REQUIREMENT				The "T" type units were constructed in 1941-1942 and the "D" type units were constructed in 1948-1949. No major improvements have been accomplished to these units from the time they were constructed. The "T" type units are constructed utilizing concrete piers with open area under the building on the ground level. The "D" type units are duplex ranch type slab-on-grade. All units require extensive improvements to bring them to current standards.					
b. EXISTING SUBSTANDARD									
c. EXISTING ADEQUATE									
d. FUNDED, NOT IN INVENTORY									
e. ADEQUATE ASSETS (c + d)									
		AUTHORIZED		FUNDED					
f. UNFUNDED PRIOR AUTHORIZATION									
g. INCLUDED IN FY PROGRAM									
h. DEFICIENCY (g - e - f - g)									
24. RELATED PROJECTS									
No concurrent maintenance and repair work required.									

1. DATE 15 Feb 73	2. FISCAL YEAR 1974	MILITARY CONSTRUCTION PROJECT DATA (Continued)	3. DEPARTMENT ARMY	4. INSTALLATION Port Clayton
5. PROJECT NUMBER			6. PROJECT TITLE Improvements to Existing Public Quarters	
<p>Block 19 Cont'd</p> <p>facilities, new medicine cabinet and security grilles on first floor. Install central air conditioning including all work required to make system effective. This includes replacement of fixed-louvered window openings with awning windows, replacement of exterior and interior doors and installation of insulation.</p> <p>Type D-1. Modernize kitchen, provide laundry, patio, drying area and storage facility; improve carport/utility area; upgrade interior electrical and lighting systems; replace screened jalousie openings with awning windows; close louvered openings in interior walls throughout unit; provide insulation and central air conditioning system.</p> <p><u>Site Work.</u></p> <p>Upgrade exterior electrical distribution system, provide street lighting and bus stop shelters.</p>				

1. DATE 15 Feb 73		2. FISCAL YEAR 1974		3. DEPARTMENT ARMY		4. INSTALLATION Fort McNair		
5. PROPOSED AUTHORIZATION \$165,000			6. PRIOR AUTHORIZATION P.L.		7. CATEGORY CODE NUMBER		8. PROGRAM ELEMENT NUMBER	
10. PROPOSED APPROPRIATION \$165,000			11. BUDGET ACCOUNT NUMBER		12. PROJECT NUMBER		13. PROJECT TITLE Improvements to Existing Public Quarters	
SECTION A - DESCRIPTION OF PROJECT				SECTION B - COST ESTIMATES				
14. TYPE OF CONSTRUCTION		18. PHYSICAL CHARACTERISTICS OF PRIMARY FACILITY				20. PRIMARY FACILITY		
a. PERMANENT		e. NO. OF BLDGS		f. LENGTH		g. WIDTH		U/M
b. SEMI-PERMANENT		d. DESIGN CAPACITY		i. GROSS AREA		a. Modernize Genl. Off Qtrs		QUANTITY
c. TEMPORARY		g. COOLING		h. CAP		b. Unit		UNIT COST
15. TYPE OF WORK		19. DESCRIPTION OF WORK TO BE DONE		j. COST IS		c. Unit		COST (\$000)
a. NEW FACILITY		Modernize and enlarge kitchens of Qtrs 1, 3, 5 and 14 to provide an adequate and modern kitchen. Provide central air conditioning in Qtrs 3, 8 and 14 for 1st and 2nd floors. Improve the interior electrical and plumbing systems to accommodate the above work and provide miscellaneous improvements in the basement and laundry area.		k. COST IS		d. Unit		\$ 150.0
b. ADDITION				l. COST IS		e. Unit		\$ 30.0
c. ALTERATION				m. COST IS		f. Unit		\$ 150.0
d. CONVERSION				n. COST IS		g. Unit		
e. OTHER (Specify)				o. COST IS		h. Unit		
16. REPLACEMENT				p. COST IS		i. Unit		
17. TYPE OF DESIGN		q. COST IS		j. Unit				
a. STANDARD DESIGN		r. COST IS		k. Unit				
b. SPECIAL DESIGN		s. COST IS		l. Unit				
c. DRAWING NO		t. COST IS		m. Unit				
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		cg. COST						

1. DATE 15 Feb 73	2. FISCAL YEAR 1974	MILITARY CONSTRUCTION PROJECT DATA <i>(Continued)</i>	3. DEPARTMENT ARMY	4. INSTALLATION Fort McNair																		
5. PROJECT NUMBER		6. PROJECT TITLE Improvements to Existing Public Quarters																				
<p>The scope of work for the five units varies by each unit. The work item description is as follows:</p> <ol style="list-style-type: none"> <li>1. Modernize kitchen by providing adequate counter top and base cabinets, wall shelving and work area. Expand kitchen into present service stair area.</li> <li>2. Provide minor improvements in kitchen previously rehabilitated.</li> <li>3. Install a central forced air conditioning system to include separate air handling systems for the first and second floors, all required duct work, false ceilings to cover duct work and all masonry and painting work required.</li> <li>4. Provide minor improvements to previously installed chilled water air conditioning system.</li> <li>5. Modernize interior electrical system as necessary to accommodate air conditioning and kitchen improvements and provide adequate service in the dwelling unit.</li> <li>6. Modernize plumbing system to accommodate kitchen modernization and provide adequate service in the dwelling unit.</li> <li>7. Improve basement and laundry area.</li> </ol> <p>Work to be accomplished by individual dwelling unit and total cost per dwelling unit, including design.</p> <table> <tr> <td>Quarters No. 1</td> <td>Items 1, 4, 5, 6, 7</td> <td>\$ 30,502</td> </tr> <tr> <td>Quarters No. 3</td> <td>Items 1, 3, 5, 6, 7</td> <td>40,172</td> </tr> <tr> <td>Quarters No. 5</td> <td>Items 1, 4, 5, 6, 7</td> <td>31,168</td> </tr> <tr> <td>Quarters No. 8</td> <td>Items 2, 3, 5, 6, 7</td> <td>22,364</td> </tr> <tr> <td>Quarters No. 14</td> <td>Items 1, 3, 5, 6, 7</td> <td><u>40,794</u></td> </tr> <tr> <td></td> <td>Total</td> <td>\$165,000</td> </tr> </table>					Quarters No. 1	Items 1, 4, 5, 6, 7	\$ 30,502	Quarters No. 3	Items 1, 3, 5, 6, 7	40,172	Quarters No. 5	Items 1, 4, 5, 6, 7	31,168	Quarters No. 8	Items 2, 3, 5, 6, 7	22,364	Quarters No. 14	Items 1, 3, 5, 6, 7	<u>40,794</u>		Total	\$165,000
Quarters No. 1	Items 1, 4, 5, 6, 7	\$ 30,502																				
Quarters No. 3	Items 1, 3, 5, 6, 7	40,172																				
Quarters No. 5	Items 1, 4, 5, 6, 7	31,168																				
Quarters No. 8	Items 2, 3, 5, 6, 7	22,364																				
Quarters No. 14	Items 1, 3, 5, 6, 7	<u>40,794</u>																				
	Total	\$165,000																				

1. DATE 15 Feb 73		2. FISCAL YEAR 1974		3. DEPARTMENT ARMY		4. INSTALLATION Fort Leonard Wood	
5. PROPOSED AUTHORIZATION \$ 2,778,400		6. PRIOR AUTHORIZATION P.L.		7. CATEGORY CODE NUMBER		8. PROGRAM ELEMENT NUMBER	
10. PROPOSED APPROPRIATION \$ 2,778,400		11. BUDGET ACCOUNT NUMBER		12. PROJECT NUMBER		9. STATE/COUNTRY Missouri	
						13. PROJECT TITLE Improvements to Existing Public Quarters	
SECTION A - DESCRIPTION OF PROJECT				SECTION B - COST ESTIMATES			
14. TYPE OF CONSTRUCTION		15. PHYSICAL CHARACTERISTICS OF PRIMARY FACILITY				20. PRIMARY FACILITY	
a. PERMANENT	b. NO. OF BLDGS	c. NO. OF STORIES	d. LENGTH	e. WIDTH	U/M	QUANTITY	UNIT COST
b. SEMI-PERMANENT	f. DESIGN CAPACITY	g. GROSS AREA					COST (\$000)
c. TEMPORARY	h. COOLING CAP	i. COST (\$)					
15. TYPE OF WORK		19. DESCRIPTION OF WORK TO BE DONE				21. SUPPORTING FACILITIES	
a. NEW FACILITY	Convert 230 NCO, 19 CGO and 13 FGO 3-BR units to 4-BR by adding an additional bedroom and bath. Install a central A/C system. Provide a patio with privacy fencing.				a.		\$ 50.5
b. ADDITION					b.		
c. ALTERATION					c.		
d. CONVERSION					d.		
e. OTHER (Specify)					e.		
16. REPLACEMENT					f.		
17. TYPE OF DESIGN						g.	
a. STANDARD DESIGN					h.		
b. SPECIAL DESIGN					i.		
c. DRAWING NO					j.		
				22. TOTAL PROJECT COST			
				Design			
				\$ 2,778.4			
SECTION C - BASIS OF REQUIREMENT				23. QUANTITATIVE DATA			
				25. REQUIREMENT FOR PROJECT			
a. TOTAL REQUIREMENT				These units are NCO, CGO and FGO Capehart units built during the period 1960-1963. The 1972 Family Housing Requirements survey identifies a long range requirement for 4-BR units of 252 NCO, 39 CGO and 26 FGO. Ft. Leonard Wood has 1862 hours of 67° or higher wet bulb temperature during the year and therefore qualifies for central air conditioning.  No improvements have been made in these units since they were constructed.  Total unit cost NCO units - \$2,530,920 or \$11,004/unit.  No concurrent maintenance and repair work required.  The converted units will contain 1250 net SF for NCO units and 1400 net SF for officer units.			
b. EXISTING SUBSTANDARD							
c. EXISTING ADEQUATE							
d. FUNDED, NOT IN INVENTORY							
e. ADEQUATE ASSETS (C + D)							
				AUTHORIZED			
f. UNFUNDED PRIOR AUTHORIZATION				FUNDED			
g. INCLUDED IN FY PROGRAM							
h. DEFICIENCY (a - b - f - g)							
24. RELATED PROJECTS							

1. DATE 15 Feb 73		2. FISCAL YEAR 1974		3. DEPARTMENT ARMY		4. INSTALLATION Fort Bragg					
5. PROPOSED AUTHORIZATION \$ 3,568,100			6. PRIOR AUTHORIZATION PL		7. CATEGORY CODE NUMBER		8. PROGRAM ELEMENT NUMBER				
10. PROPOSED APPROPRIATION \$ 3,568,100			11. BUDGET ACCOUNT NUMBER		12. PROJECT NUMBER		13. PROJECT TITLE Improvements to Existing Public Quarters				
SECTION A - DESCRIPTION OF PROJECT				SECTION B - COST ESTIMATES							
14. TYPE OF CONSTRUCTION		18. PHYSICAL CHARACTERISTICS OF PRIMARY FACILITY				20. PRIMARY FACILITY		U/M	QUANTITY	UNIT COST	COST (2000)
a. PERMANENT		a. NO. OF BLDGS	b. NO. OF STORIES	c. LENGTH	d. WIDTH	a. Type "A" unit (NCO)	Unit	50	\$ 8,363	\$ 3,449.4	
b. SEMI-PERMANENT		e. DESIGN CAPACITY		f. GROSS AREA		b. Type "B" unit (NCO)	"	100	8,878	887.8	
c. TEMPORARY		g. COOLING CAP				c. Type "C" unit (NCO)	"	250	8,283	2,070.8	
15. TYPE OF WORK		19. DESCRIPTION OF WORK TO BE DONE				d.					118.7
a. NEW FACILITY		Modernize 400 single family Wherry housing units in the South Wherry area. Work includes modernization of bathrooms, kitchens to include a dishwasher, provision of laundry facilities, upgrading of interior electrical system and provision of a central A/C system.				21. SUPPORTING FACILITIES					
b. ADDITION						a.					
c. ALTERATION						b.					
d. CONVERSION						c.					
e. OTHER (Specify)						d.					
16. REPLACEMENT		e.									
17. TYPE OF DESIGN						f.					
a. STANDARD DESIGN						g.					
b. SPECIAL DESIGN						h.					
c. DRAWING NO						i.					
						j. Design				118.7	
						22. TOTAL PROJECT COST					\$ 3,568.1
23. QUANTITATIVE DATA (U, M)				25. REQUIREMENT FOR PROJECT							
a. TOTAL REQUIREMENT		These single family Wherry units were constructed in 1952 and acquired in 1957. No major improvements have been accomplished in these units since the initial R&I project.									
b. EXISTING SUBSTANDARD		Total Unit Costs - Type "A" - \$10,145									
c. EXISTING ADEQUATE		Type "B" - 9,176									
d. FUNDED, NOT IN INVENTORY		Type "C" - 8,581									
e. ADEQUATE ASSETS (c + d)											
			AUTHORIZED	FUNDED							
f. UNFUNDED PRIOR AUTHORIZATION											
g. INCLUDED IN FY PROGRAM											
h. DEFICIENCY (e - g - f - d)											
24. RELATED PROJECTS											

1. DATE 15 Feb 73		2. FISCAL YEAR 1974		3. DEPARTMENT ARMY			4. INSTALLATION Ft. Myer							
5. PROPOSED AUTHORIZATION \$ 616,200		6. PRIOR AUTHORIZATION P.L.		7. CATEGORY CODE NUMBER		8. PROGRAM ELEMENT NUMBER		9. STATE/COUNTRY Virginia						
10. PROPOSED APPROPRIATION \$ 616,200		11. BUDGET ACCOUNT NUMBER			12. PROJECT NUMBER		13. PROJECT TITLE Improvements to Existing Public Quarters							
SECTION A - DESCRIPTION OF PROJECT					SECTION B - COST ESTIMATES									
14. TYPE OF CONSTRUCTION		18. PHYSICAL CHARACTERISTICS OF PRIMARY FACILITY				20. PRIMARY FACILITY		U/M	QUANTITY	UNIT COST	COST (\$000)			
a. PERMANENT		a. NO. OF BLDGS	b. NO. OF STORIES	c. LENGTH	d. WIDTH	a. Install Central A/C System	Unit	55		\$	524.3			
b. SEMI-PERMANENT		e. DESIGN CAPACITY	f. GROSS AREA			b.								
c. TEMPORARY		g. COOLING CAP	h. COST (\$)			c.								
15. TYPE OF WORK		19. DESCRIPTION OF WORK TO BE DONE				21. SUPPORTING FACILITIES								
a. NEW FACILITY		Install central air conditioning systems in 55 officer and NCO housing units				a. Ext Electric System				\$	91.9			
b. ADDITION						b.								61.9
c. ALTERATION						c.								
d. CONVERSION						d.								
e. OTHER (Specify)						e.								
16. REPLACEMENT						f.								
17. TYPE OF DESIGN						g.								
a. STANDARD DESIGN						h.								
b. SPECIAL DESIGN						i.								
c. DRAWING NO						j. Design					30.0			
					22. TOTAL PROJECT COST						\$	616.2		
SECTION C - BASIS OF REQUIREMENT														
23. QUANTITATIVE DATA (U/M _____ )					25. REQUIREMENT FOR PROJECT									
a. TOTAL REQUIREMENT					Project provides central air conditioning systems for all units at Fort Myer with the exception of Quarters 1, occupied by the Chief of Staff, Army.									
b. EXISTING SUBSTANDARD					Thirty-seven of the 55 units exceed \$10,000 unit cost. The total cost of these 37 units is \$462,500. The unit numbers are: 2, 5, 6, 7, 8, 11 A & B, 12A & B, 12 A & B, 14 A&B, 15 A & B, 16 A & B, 17, 19 A & B, 20 A & B, 21 A & B, 22 A & B, 24 A & B, 25 A & B, 26 A & B, 27 A & B and 28.									
c. EXISTING ADEQUATE														
d. FUNDED, NOT IN INVENTORY														
e. ADEQUATE ASSETS (C + D)														
					AUTHORIZED		FUNDED							
f. UNFUNDED PRIOR AUTHORIZATION														
g. INCLUDED IN FY _____ PROGRAM														
h. DEFICIENCY (a - e - f - g)														
24. RELATED PROJECTS														

Mr. SIKES. What portion of this year's improvements program is for junior officers and what part is for enlisted personnel?

General COOPER. Two thousand nine hundred are for company grade and enlisted personnel. There are five general-officer units and 113 field-grade officer units. The remainder is necessary for such items as utilities and supplies. These are all different types and categories of housing.

Mr. PATTEN. When you say you will provide a central air-conditioning unit, do you mean within that house?

General COOPER. That would apply to one particular house. When I say utilities I mean the electrical lines and so forth.

Mr. PATTEN. It wouldn't be like the steam plant down on South Capital Street which supplies all of these buildings. It is within the unit?

General COOPER. It could be if there were some isolated cases like that. I don't know if we have any.

Mr. PATTEN. Your justifications say "Upgrading the Wherrys and provision of a central air-conditioning system."

General COOPER. Right.

Mr. PATTEN. That is within the unit?

General COOPER. Yes, sir. If it was a Wherry and multiple housing, you might provide the same outside unit for several houses. But it is central air-conditioning rather than room air-conditioning. I am sorry I mislead you.

Mr. PATTEN. I never saw a unit that would serve more than one house. I would like to see what it looks like.

General COOPER. You can have a central air-conditioning system.

Mr. PATTEN. They deliver the steam for this building from down the street, the same with the Cannon and other buildings. And in a housing authority we often have a 200- or 300-family project which will have a central heating unit. You don't mean it in that sense. You are merely modernizing.

General COOPER. In most cases one air-conditioner per house. We have a central chilling plant to provide chilled water to quite a few different barracks, for example.

Mr. PATTEN. Is it efficient?

General COOPER. Yes, sir; more efficient than having the individual unit.

Mr. SIKES. What is your estimate of your improvements backlog and is this a realistic figure?

General COOPER. The improvement backlog of about \$250 million does not include the requirements for those units which were declared inadequate under Public Law 92-545. We believe this to be a realistic figure which can be overcome by an annual program of about \$25 million. An annual program at a higher level than \$25 million creates problems in that excessive numbers of personnel must be denied housing during the rehabilitation work.

Mr. SIKES. How do you establish priorities on this program? Do you improve the worst units first?

General COOPER. Yes, sir. I would say in the first instance we establish priorities based on what the commands recommend to us.

Mr. SIKES. What does that mean? What do they usually recommend?

General COOPER. They normally recommend the units to be improved

that will provide the greatest benefit. If there are some units that are substandard, they cannot improve those now. In general you are correct. Obviously it is not the case for the five general officers.

Mr. SIKES. How do you draw the line between an improvement project and a minor construction project?

General COOPER. An improvement project is usually a larger project for a large number of units that is done on a considered and planned basis. Minor construction projects are to take care of small units as Mr. Bearman explained this morning. Minor construction has to have a sense of urgency. We have only \$1.5 million for minor construction as compared to \$28 million for general improvements we plan to do as part of this program.

Mr. SIKES. Which units are you proposing to modernize at Fort McNair?

General COOPER. At Fort McNair we propose to modernize 5 of the 15 large houses.

Mr. SIKES. What will be included in the modernization?

General COOPER. We have the details. It is a very thorough rehabilitation of the kitchens, central air-conditioning, although two of them have been previously air-conditioned, modernize the interior electrical system, modernize the plumbing system, and improve the basement and laundry areas.

Mr. SIKES. What would be the unit cost?

General COOPER. About \$33,000 apiece.

Mr. PATTEN. On the minor construction, I take it, if there is \$500 worth of work you want to do but it is over your program limit, you could let it go and do it as minor construction next year?

General COOPER. No. Normally to qualify for minor construction, you would do it at that time.

Mr. PATTEN. You say this requirement provides for financing improvements which exceed limitations on the family housing operation and maintenance program.

General COOPER. That is right. But improvement programs differ from the O. & M. programs. Operation and maintenance is normal fixing whereas minor improvements include such items as upgraded wiring so you could put in room air-conditioners.

Mr. PATTEN. You couldn't use it to get something done. If you take Fort Carson where you were \$400 over the cost, you couldn't let it go and do it as minor construction, a carport or something else.

General COOPER. I think it is really the nature of it as opposed to the dollar amount whether you use O. & M.

Mr. PATTEN. In other words, you think your minor construction is really legitimate?

General COOPER. Yes, sir.

Mr. PATTEN. I don't know what you will get done with \$1.5 million. You are the biggest landlord in the world. Is this what you want? How much did you ask for?

General COOPER. That is all we asked for. We have the big improvement program.

Mr. PATTEN. If we gave you \$5 million, you wouldn't take it?

Mr. SIKES. What is the last time these units at McNair were modernized?

General COOPER. They have had improvements to them right along. I can give you the details for the record as to the maintenance.

[The information follows:]

Funds expended from the "Family housing operation and maintenance" account for maintenance and repair work to these quarters during fiscal year 1970 to fiscal year 1973 are as follows:

	Fiscal year—			
	1970	1971	1972	1973
Quarter 1.....	\$1,846	\$6,295	\$17,529	\$1,229
Quarters 3.....	6,016	567	16,295	1,021
Quarters 5.....	11,358	1,350	4,851	1,734
Quarters 8.....	7,083	5,553	3,563	9,068
Quarters 14.....	5,058	1,726	4,921	5,904

Mr. SIKES. The sum of \$33,000 seems like a rather large amount unless it has been an excessively long time since any work was done.

General COOPER. There has been work done on them, but there hasn't been any major rehabilitation or major modification of these houses. This is the first time. You can waste money by doing things in bits and dabs which might cost you \$2,000 or \$3,000. But this is a major overhaul. We haven't done that before to these houses and it has been discussed for 5 years that I know of.

#### MINOR CONSTRUCTION

Mr. SIKES. Turn to minor construction. Place page 91 in the record.  
[The page follows:]

1. DATE 15 Feb 73	2. FISCAL YEAR 1974	3. DEPARTMENT ARMY			4. INSTALLATION VARIOUS
5. PROPOSED AUTHORIZATION \$ 1,500,000		6. PRIOR AUTHORIZATION P.L.	7. CATEGORY CODE NUMBER 711	8. PROGRAM ELEMENT NUMBER 8 80 11 A	9. STATE/COUNTRY VARIOUS
10. PROPOSED APPROPRIATION \$ 1,500,000		11. BUDGET ACCOUNT NUMBER 21-97X0700 P1830		12. PROJECT NUMBER	
					13. PROJECT TITLE Minor Construction

SECTION A - DESCRIPTION OF PROJECT				SECTION B - COST ESTIMATES							
14. TYPE OF CONSTRUCTION	18. PHYSICAL CHARACTERISTICS OF PRIMARY FACILITY				20. PRIMARY FACILITY		U/M	QUANTITY	UNIT COST	COST (\$000)	
a. PERMANENT	<input checked="" type="checkbox"/>	a. NO. OF BLDGS	b. NO. OF STORIES	c. LENGTH	d. WIDTH	Minor Construction				\$ 1,500.0	
b. SEMI-PERMANENT		e. DESIGN CAPACITY	f. GROSS AREA								
c. TEMPORARY		g. COOLING CAP.	h. COST (\$)								
15. TYPE OF WORK	19. DESCRIPTION OF WORK TO BE DONE				21. SUPPORTING FACILITIES					\$	
a. NEW FACILITY		Minor alterations and additions-expansion-extensions to housing units and other real property facilities primarily serving family housing				a.					
b. ADDITION	<input checked="" type="checkbox"/>					b.					
c. ALTERATION	<input checked="" type="checkbox"/>					c.					
d. CONVERSION						d.					
e. OTHER (Specify)		e.									
16. REPLACEMENT		f.									
17. TYPE OF DESIGN		g.									
a. STANDARD DESIGN		h.									
b. SPECIAL DESIGN	<input checked="" type="checkbox"/>	i.									
c. DRAWING NO		j.									
					22. TOTAL PROJECT COST						\$1,500.0

23. QUANTITATIVE DATA (U/M _____ )			25. REQUIREMENT FOR PROJECT	
a. TOTAL REQUIREMENT			DOD Instruction 7150.6, 20 October 1969, subject: Financing the Department of Defense Family Housing Program - Administration & Management of Funds, and DOD Instruction 5100.37, 7 April 1971, subject: Delegation of Authority to Approve Family Housing Projects Performed Pursuant to 10 USC 2674, as amended, prescribe that improvements over \$500 per dwelling unit and under \$300,000 per project will be accomplished as minor construction under the Family Housing Construction Program. This requirement provides for financing improvements which exceed limitations on the Family Housing Operation & Maintenance Program. It also provides available sources for financing any unforeseen urgent requirements which cannot wait for inclusion in a subsequent fiscal year Family Housing Construction Program.	
b. EXISTING SUBSTANDARD				
c. EXISTING ADEQUATE				
d. FUNDED, NOT IN INVENTORY				
e. ADEQUATE ASSETS (c + d)				
	AUTHORIZED	FUNDED		
f. UNFUNDED PRIOR AUTHORIZATION				
g. INCLUDED IN FY _____ PROGRAM				
h. DEFICIENCY (a - e - f - g)				
24. RELATED PROJECTS				

Mr. SIKES. What progress have you made in awarding projects for last year's money?

Mr. BEARMAN. We received the actual moneys in March of this year. They have now been distributed to the major commands and obligations are beginning to take place. With the moneys that were given to us in fiscal year 1972, as of January 31 we had a 35-percent obligation. This low obligation is due to the problem we have encountered with the inability of the local facility engineers to design and obligate a program of this magnitude without a long leadtime. This leadtime has now been overcome and we can see that obligations are going up. The \$10 million between fiscal year 1972 and 1973 have gone a long way in eliminating the requirements we have for junior officers and enlisted personnel.

Mr. SIKES. Have all of the funds been obligated?

Mr. BEARMAN. Not all, sir; no, sir.

Mr. SIKES. Will they all be obligated during the fiscal year?

Mr. BEARMAN. No, sir. I think there will be some carryover into next fiscal year because of, as I say, this lag in the process of the obligation by the local facilities engineers.

Mr. SIKES. Could you estimate the amount?

Mr. BEARMAN. I will have to furnish that for the record.

[The information follows:]

As of June 30, 1973, \$3.2 million of \$5.4 million for minor construction in the fiscal year 1972 program has been obligated. Obligation of the remainder is anticipated during fiscal year 1974. Of the \$5.4 million in the fiscal year 1973 program \$1.4 million has been obligated as of this date. We expect to obligate 70-80 percent of the unobligated balance during fiscal year 1974 with the remainder obligated in early fiscal year 1975.

#### PLANNING

Mr. SIKES. Turn to planning. Insert page 92 in the record.

[The page follows:]

1. DATE 15 Feb 73		2. FISCAL YEAR 1974		3. DEPARTMENT ARMY		4. INSTALLATION VARIOUS CONTINENTAL AND OVERSEAS						
5. PROPOSED AUTHORIZATION \$ 200,000		6. PRIOR AUTHORIZATION P.L.	7. CATEGORY CODE NUMBER 711	8. PROGRAM ELEMENT NUMBER 8 80 11 A	9. STATE/COUNTRY VARIOUS							
10. PROPOSED APPROPRIATION \$ 200,000		11. BUDGET ACCOUNT NUMBER 21-07X0700 BP 1840		12. PROJECT NUMBER		13. PROJECT TITLE Advance Planning and Design						
SECTION A - DESCRIPTION OF PROJECT				SECTION B - COST ESTIMATES								
14. TYPE OF CONSTRUCTION		18. PHYSICAL CHARACTERISTICS OF PRIMARY FACILITY			20. PRIMARY FACILITY		U/M	QUANTITY	UNIT COST	COST (\$000)		
a. PERMANENT		a. NO. OF BLDGS	b. NO. OF STORIES	c. LENGTH	d. WIDTH	Advance Planning & Design		N/A	N/A	\$ 200.0		
b. SEMI-PERMANENT		e. DESIGN CAPACITY		f. GROSS AREA		a. Advance Planning & Design		( )	( )	( )		
c. TEMPORARY		g. COOLING		CAP COST IS		b.		( )	( )	( )		
15. TYPE OF WORK		19. DESCRIPTION OF WORK TO BE DONE			c.		c.		( )	( )		
a. NEW FACILITY		Architectural and engineering planning and design all for family housing dwelling units and properties includes in the Defense Family Housing Management Account.			d.		d.		( )	( )		
b. ADDITION					21. SUPPORTING FACILITIES		e.		e.		( )	( )
c. ALTERATION					a.		f.		f.		( )	( )
d. CONVERSION					b.		g.		g.		( )	( )
e. OTHER (Specify)					c.		h.		h.		( )	( )
16. REPLACEMENT		d.		i.		i.		( )	( )	( )		
17. TYPE OF DESIGN		e.		j.		j.		( )	( )	( )		
a. STANDARD DESIGN		f.		k.		k.		( )	( )	( )		
b. SPECIAL DESIGN		g.		l.		l.		( )	( )	( )		
c. DRAWING NO		h.		m.		m.		( )	( )	( )		
		i.		n.		n.		( )	( )	( )		
		j.		o.		o.		( )	( )	( )		
		k.		p.		p.		( )	( )	( )		
		l.		q.		q.		( )	( )	( )		
		m.		r.		r.		( )	( )	( )		
		n.		s.		s.		( )	( )	( )		
		o.		t.		t.		( )	( )	( )		
		p.		u.		u.		( )	( )	( )		
		q.		v.		v.		( )	( )	( )		
		r.		w.		w.		( )	( )	( )		
		s.		x.		x.		( )	( )	( )		
		t.		y.		y.		( )	( )	( )		
		u.		z.		z.		( )	( )	( )		
		v.		aa.		aa.		( )	( )	( )		
		w.		ab.		ab.		( )	( )	( )		
		x.		ac.		ac.		( )	( )	( )		
		y.		ad.		ad.		( )	( )	( )		
		z.		ae.		ae.		( )	( )	( )		
		aa.		af.		af.		( )	( )	( )		
		ab.		ag.		ag.		( )	( )	( )		
		ac.		ah.		ah.		( )	( )	( )		
		ad.		ai.		ai.		( )	( )	( )		
		ae.		aj.		aj.		( )	( )	( )		
		af.		ak.		ak.		( )	( )	( )		
		ag.		al.		al.		( )	( )	( )		
		ah.		am.		am.		( )	( )	( )		
		ai.		an.		an.		( )	( )	( )		
		aj.		ao.		ao.		( )	( )	( )		
		ak.		ap.		ap.		( )	( )	( )		
		al.		aq.		aq.		( )	( )	( )		
		am.		ar.		ar.		( )	( )	( )		
		an.		as.		as.		( )	( )	( )		
		ao.		at.		at.		( )	( )	( )		
		ap.		au.		au.		( )	( )	( )		
		aq.		av.		av.		( )	( )	( )		
		ar.		aw.		aw.		( )	( )	( )		
		as.		ax.		ax.		( )	( )	( )		
		at.		ay.		ay.		( )	( )	( )		
		au.		az.		az.		( )	( )	( )		
		av.		ba.		ba.		( )	( )	( )		
		aw.		bb.		bb.		( )	( )	( )		
		ax.		bc.		bc.		( )	( )	( )		
		ay.		bd.		bd.		( )	( )	( )		
		az.		be.		be.		( )	( )	( )		
		ba.		bf.		bf.		( )	( )	( )		
		bb.		bg.		bg.		( )	( )	( )		
		bc.		bh.		bh.		( )	( )	( )		
		bd.		bi.		bi.		( )	( )	( )		
		be.		bj.		bj.		( )	( )	( )		
		bf.		bk.		bk.		( )	( )	( )		
		bg.		bl.		bl.		( )	( )	( )		
		bh.		bm.		bm.		( )	( )	( )		
		bi.		bn.		bn.		( )	( )	( )		
		bj.		bo.		bo.		( )	( )	( )		
		bk.		bp.		bp.		( )	( )	( )		
		bl.		bq.		bq.		( )	( )	( )		
		bm.		br.		br.		( )	( )	( )		
		bn.		bs.		bs.		( )	( )	( )		
		bo.		bt.		bt.		( )	( )	( )		
		bp.		bu.		bu.		( )	( )	( )		
		bq.		bv.		bv.		( )	( )	( )		
		br.		bw.		bw.		( )	( )	( )		
		bs.		bx.		bx.		( )	( )	( )		
		bt.		by.		by.		( )	( )	( )		
		bu.		bz.		bz.		( )	( )	( )		
		bv.		ca.		ca.		( )	( )	( )		
		bw.		cb.		cb.		( )	( )	( )		
		bx.		cc.		cc.		( )	( )	( )		
		by.		cd.		cd.		( )	( )	( )		
		bz.		ce.		ce.		( )	( )	( )		
		ca.		cf.		cf.		( )	( )	( )		
		cb.		cg.		cg.		( )	( )	( )		
		cc.		ch.		ch.		( )	( )	( )		
		cd.		ci.		ci.		( )	( )	( )		
		ce.		cj.		cj.		( )	( )	( )		
		cf.		ck.		ck.		( )	( )	( )		
		cg.		cl.		cl.		( )	( )	( )		
		ch.		cm.		cm.		( )	( )	( )		
		ci.		cn.		cn.		( )	( )	( )		
		cj.		co.		co.		( )	( )	( )		
		ck.		cp.		cp.		( )	( )	( )		
		cl.		cq.		cq.		( )	( )	( )		
		cm.		cr.		cr.		( )	( )	( )		
		cn.		cs.		cs.		( )	( )	( )		
		co.		ct.		ct.		( )	( )	( )		
		cp.		cu.		cu.		( )	( )	( )		
		cq.		cv.		cv.		( )	( )	( )		
		cr.		cw.		cw.		( )	( )	( )		
		cs.		cx.		cx.		( )	( )	( )		
		ct.		cy.		cy.		( )	( )	( )		
		cu.		cz.		cz.		( )	( )	( )		
		cv.		da.		da.		( )	( )	( )		
		cw.		db.		db.		( )	( )	( )		
		cx.		dc.		dc.		( )	( )	( )		
		cy.		dd.		dd.		( )	( )	( )		
		cz.		de.		de.		( )	( )	( )		
		da.		df.		df.		( )	( )	( )		
		db.		dg.		dg.		( )	( )	( )		
		dc.		dh.		dh.		( )	( )	( )		
		dd.		di.		di.		( )	( )	( )		
		de.		dj.		dj.		( )	( )	( )		
		df.		dk.		dk.		( )	( )	( )		
		dg.		dl.		dl.		( )	( )	( )		
		dh.		dm.		dm.		( )	( )	( )		
		di.		dn.		dn.		( )	( )	( )		
		dj.		do.		do.		( )	( )	( )		
		dk.		dp.		dp.		( )	( )	( )		
		dl.		dq.		dq.		( )	( )	( )		
		dm.		dr.		dr.		( )	( )	( )		
		dn.		ds.		ds.		( )	( )	( )		
		do.		dt.		dt.		( )	( )	( )		
		dp.		du.		du.		( )	( )	( )		
		dq.		dv.		dv.		( )	( )	( )		
		dr.		dw.		dw.		( )	( )	( )		
		ds.		dx.		dx.		( )	( )	( )		
		dt.		dy.		dy.		( )	( )	( )		
		du.		dz.		dz.		( )	( )	( )		
		dv.		ea.		ea.		( )	( )	( )		
		dw.		eb.		eb.		( )	( )	( )		
		dx.		ec.		ec.		( )	( )	( )		
		dy.		ed.		ed.		( )	( )	( )		
		dz.		ee.		ee.		( )	( )	( )		
		ea.		ef.		ef.		( )	( )	( )		
		eb.		eg.		eg.		( )	( )	( )		
		ec.		eh.		eh.		( )	( )	( )		
		ed.		ei.		ei.		( )	( )	( )		
		ee.		ej.		ej.		( )	( )	( )		
		ef.		ek.		ek.		( )	( )	( )		
		eg.		el.		el.		( )	( )	( )		
		eh.		em.		em.		( )	( )	( )		
		ei.		en.		en.		( )	( )	( )		
		ej.		eo.		eo.		( )	( )	( )		
		ek.		ep.		ep.		( )	( )	( )		
		el.		eq.		eq.		( )	( )	( )		
		em.		er.		er.		( )	( )	( )		
		en.		es.		es.		( )	( )	( )		
		eo.		et.		et.		( )	( )	( )		
		ep.		eu.		eu.		( )	( )	( )		
		eq.		ev.		ev.		( )	( )	( )		
		er.		ew.		ew.		( )	( )	( )		
		es.		ex.		ex.		( )	( )	( )		
		et.		ey.		ey.		( )	( )	( )		
		eu.		ez.		ez.		( )	( )	( )		
		ev.		fa.		fa.		( )	( )	( )		
		ew.		fb.		fb.		( )	( )	( )		
		ex.		fc.		fc.		( )	( )	( )		
		ey.		fd.		fd.		( )	( )	( )		
		ez.		fe.		fe.		( )	( )	( )		
		fa.		ff.		ff.		( )	( )	( )		
		fb.		fg.		fg.		( )	( )	( )		
		fc.		fh.		fh.		( )	( )	( )		
		fd.		fi.		fi.		( )	( )	( )		
		fe.		fj.		fj.		( )	( )	( )		
		ff.		fk.		fk.		( )	( )	( )		
		fg.		fl.		fl.		( )	( )	( )		
		fh.		fm.		fm.		( )	( )	( )		
		fi.		fn.		fn.		( )	( )	( )		
		fj.		fo.		fo.		( )	( )	( )		
		fk.		fp.		fp.		( )	( )	( )		
		fl.		fq.		fq.		( )	( )	( )		
		fm.		fr.		fr.		( )	( )	( )		
		fn.		fs.		fs.		( )	( )	( )		
		fo.		ft.		ft.		( )	( )	( )		
		fp.		fu.		fu.		( )	( )	( )		

Mr. SIKES. I would like to have for the record the planning obligations for the past 3 years and those projected for fiscal 1974.

General COOPER. You recognize, sir, that is really kind of a breakage. Most of planning funds are in the individual houses.

Mr. SIKES. I understand that.

[The information follows:]

The total planning obligations, including breakage, through April 30, 1973 are as follows:

<i>Fiscal Year</i>	
1971 -----	\$1, 051, 958
1972 -----	1, 741, 343
1973 -----	1, 066, 490
1974 (estimate) -----	2, 500, 000

#### RENTAL GUARANTEE HOUSING

Mr. SIKES. We will turn to "rental guarantee housing." Insert page 93 in the record.

[The page follows:]

#### FAMILY HOUSING, DEFENSE—FISCAL YEAR 1974 BUDGET

##### RENTAL GUARANTY HOUSING

###### *Program justification*

The 175-unit rental guaranty housing project in Germany authorized under section 507 of Public Law 90-110 is completed and occupied.

The 370-unit project in Korea authorized by the same public law is under construction. Present schedules anticipate full beneficial occupancy during the fourth quarter of fiscal year 1973.

It is not foreseen that any payments will be required under the rental guaranty agreements for either of these projects during fiscal year 1974.

Mr. SIKES. We have already discussed this to some extent. I think it will be adequate if you provide a discussion for the record telling how this program operates, and comparing it to the lease-construction program.

[The information follows:]

Rental guaranty housing (RGH) represents a means of providing adequate housing in foreign countries on private land using private money and private design and specifications.

Under the RGH program the sponsor agrees to rent units to tenants designated by the United States at stipulated rental rates. The United States guarantees occupancy of at least 97 percent for a period of 10 years provided the sponsor satisfactorily performs the standard of management, maintenance, and operation required in the contract documents. There is also normally a 10-year post guaranty option period during which U.S. designated tenants have priority rights of occupancy without guaranty.

The contracts for RGH projects stipulate a maximum guaranteed monthly rental in the amount established by law and a maximum average monthly rental equal to 97 percent of the statutory guaranteed rental.

Individual tenants collect their quarters allowance and lease their units directly from the sponsor. These rents include basic rental, maintenance, and management. Utility charges for heat, hot water, lights, and cooking are paid by the tenant to the utility company and are not included in the maximum average rental rate established by public law.

In the case of lease-construction an agreement is reached with the builder to construct to local criteria but providing such amenities (light fixtures, washer, and dryer connections) as would not normally be found in foreign construction in return for a leasing agreement over a specified period of time. If the leasing agreement does not permit the United States to terminate on notice of 1 year or less then funds must be obligated for the term of the notice period. If the lease contains no notice clause, obligations will be made to cover the full term of the lease at the time it is consummated.

All leased housing is operated as adequate Government quarters with the Government assuming responsibility for operation and maintenance. The occupant forfeits his quarters allowance. Leasing of large blocks of apartments, existing or under construction, provides immediate housing with the least long range risk to the United States.

### DEBT PAYMENT

Mr. SIKES. Turn to "Debt payment." Insert pages 94, 95, 96 through 98, 99 through 101, and 102 in the record.

[The pages follow:]

#### DEBT PAYMENT

[In thousands of dollars]

	Fiscal year 1972 actual	Fiscal year 1973 estimate	Fiscal year 1974 estimate
<b>TOA: Interest and other expense:</b>			
Capehart.....	\$15,771	\$14,805	\$13,928
Wherry.....	3,922	3,559	3,386
Subtotal.....	19,693	18,364	17,314
<b>MIP:</b>			
Capehart.....	600	563	527
Wherry.....	158	144	137
Subtotal.....	758	707	664
Servicemen's.....	1,047	940	925
Total obligating authority.....	21,498	20,011	18,903
<b>Financing adjustment:</b>			
Less:			
Unprogramed, start of year.....	-1,132	-436	-343
Reimbursements: Capehart rentals.....	-211	-250	-250
Reprogramming.....	-83		
Unprogramed, end of year.....	+436	+343	
Budget authority.....	20,508	19,668	18,310
Plus appropriation used for debt reduction:			
Capehart.....	20,606	21,350	22,331
Wherry.....	5,398	5,389	5,670
Total.....	26,004	26,739	28,001
Transfers among accounts.....		222	
Appropriation.....	46,512	46,629	1 46,311

#### Appropriation recapitulation:

	Amount
Capehart.....	\$36,193
Wherry.....	9,193
Servicemen's mortgage insurance premium.....	925
Total.....	1 46,311

<sup>1</sup> The appropriation request for debt payment is in lump sum for the Department of Defense and not restricted by military department or defense agency. The amount footnoted is within that total.

### PROGRAM JUSTIFICATION

Fund requirements of \$3,785,617 for Capehart housing costs for fiscal year 1974 have been estimated on the basis of mortgage payments and related expenses for housing constructed under the provision of title IV, Public Law 84-345 (Capehart housing). The financing of this program is for the reduction of a debt of \$338,506,909. The funding request is for the principal, interest, and insurance premiums on Capehart mortgages.

The attached tables show the following data in support of debt payment requirements for Capehart housing: the number of Capehart units by location owned as of July 1, 1973; the original mortgage; the amount owed as of July 1973; the estimated payments required for fiscal year 1974 anticipated reimbursements; available resources; and the total amount required for fiscal year 1974.

15 February 1973

DEPARTMENT OF THE ARMY  
FAMILY HOUSING, DEFENSE - FY 1974 BUDGET  
DEBT PAYMENT - CAPEHART HOUSING

<u>LOCATION</u>	<u>NUMBER UNITS ACQUIRED</u>	<u>ORIGINAL MORTGAGE</u>	<u>AMOUNT OWED AS OF 1 JULY 1973</u>	<u>FY 1974 PAYMENTS</u>
Fort McClellan, Ala.	300	\$ 4,928,000	\$ 2,643,785	316,111
Redstone Arsenal, Ala.	586	9,010,600	4,895,845	587,138
Fort Rucker, Ala.	1,498	23,980,400	14,422,766	1,578,537
Fort Huachuca, Ariz.	875	14,030,057	8,026,565	920,168
Yuma Test Station, Ariz.	209	3,400,820	1,983,023	218,358
Pine Bluff, Ark.	34	559,200	283,578	35,843
Fort Irwin, Calif.	140	2,309,307	1,549,290	156,475
Fort Ord, Calif.	2,084	31,127,314	19,249,043	2,055,893
Oakland AT, Calif.	88	1,436,757	834,090	94,714
Presidio of San Francisco, Calif.	98	1,612,191	930,517	106,279
US Disciplinary Bks, Calif.	60	989,377	557,624	65,152
Fort Carson, Colo.	500	8,089,856	4,264,675	520,971
Bridgeport Defense Area, Conn.	112	1,818,800	938,513	117,157
Hartford Defense Area, Conn.	128	2,079,640	1,079,931	133,437
Fort Benning, Georgia	1,300	19,922,940	11,751,949	1,296,672
Fort Stewart, Georgia	461	7,430,635	3,941,385	480,976
Fort Shafter, Hawaii	100	1,713,600	958,173	109,995
Schofield Bks, Hawaii	2,190	35,720,484	21,248,416	2,343,236
Tripler Army Hospital, Hawaii	150	2,409,435	1,346,820	154,682
Fort Leavenworth, Kansas	500	8,187,152	4,770,537	537,514
Fort Riley, Kansas	1,300	21,420,819	14,367,251	1,427,682
Fort Campbell, Ky.	1,219	20,032,976	13,002,074	1,333,636
Fort Knox, Ky.	2,392	35,733,612	20,473,701	2,314,339
DA Receiving Station, LaPlata, Md.	12	195,365	101,852	12,537
Fort Detrick, Md.	63	1,038,000	570,120	66,609

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DEPARTMENT OF THE ARMY  
 FAMILY HOUSING, DEFENSE - FY 1974 BUDGET  
 DEBT PAYMENT - CAPEHART HOUSING

15 February 1973

<u>LOCATION</u>	<u>NUMBER UNITS ACQUIRED</u>	<u>ORIGINAL MORTGAGE</u>	<u>AMOUNT OWED AS OF 1 JULY 1973</u>	<u>FY 1974 PAYMENTS</u>
Fort Meade, Md.	1,400	\$ 22,172,048	\$ 13,605,860	\$ 1,444,813
Fort Ritchie, Md.	157	2,587,301	1,605,919	171,171
Baltimore-Washington Defense Area, Davidsonville, Md.	16	253,300	143,624	16,680
Boston Defense Area, Mass.	120	1,979,200	1,031,846	127,006
Fort Devens, Mass.	1,199	19,634,581	13,300,158	1,330,409
US Army Natick Lab, Hudson, Mass.	35	576,860	400,815	39,123
Fort Leonard Wood, Missouri	2,829	45,833,849	29,546,510	3,029,776
Fort Dix, New Jersey	902	14,834,932	8,816,046	970,401
Fort Monmouth, New Jersey	370	5,812,000	3,260,870	380,366
New York Defense Area, Morristown, N.J.	32	524,200	306,073	34,556
White Sands Missile Range, N. M.	460	7,505,712	4,438,871	495,790
New York Defense Area, Brooklyn, N. Y.	16	263,522	151,481	17,404
Fort Totten, N. Y.	130	2,103,000	1,255,653	140,364
Stewart AFB, N. Y.	300	4,949,700	2,980,410	326,294
Seneca Ord Depot, Ramulus, N. Y.	120	1,953,974	1,256,587	132,272
Fort Wadsworth, N. Y.	66	1,074,637	602,070	71,778
Fort Bragg, N. C.	1,867	26,554,413	14,475,040	1,726,191
Fort Sill, Okla.	349	5,737,537	3,604,695	388,505
New Cumberland General Depot, Pa.	91	1,435,900	763,750	92,142
Providence Defense Area, R. I.	76	1,215,600	642,314	78,092
Fort Hood, Texas	1,300	20,913,115	13,591,686	1,402,369
William Beaumont Army Hosp, Texas	125	2,061,800	1,210,737	135,918
Killeen and Gray AFB, Texas	125	1,817,600	954,012	116,636
Fort Bliss, Texas	1,406	21,682,376	13,799,712	1,432,960
Dugway PG, Utah	50	820,100	467,800	54,063

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DEPARTMENT OF THE ARMY  
FAMILY HOUSING, DEFENSE - FY 1974 BUDGET  
DEBT PAYMENT - CAPEHART HOUSING

15 February 1973

<u>LOCATION</u>	<u>NUMBER UNITS ACQUIRED</u>	<u>ORIGINAL MORTGAGE</u>	<u>AMOUNT OWED AS OF 1 JULY 1973</u>	<u>FY 1974 PAYMENTS</u>
Fort Belvoir, Va.	618	\$ 10,195,553	\$ 5,968,042	\$ 672,421
Fort Eustis, Va.	823	11,942,278	6,811,630	778,816
Fort Lee, Va.	1,114	17,085,700	9,685,698	1,120,675
Fort Story, Va.	150	2,438,800	1,254,160	156,319
Norfolk Defense Area, Va.	42	687,000	396,520	45,288
Fort Lawton, Wash.	66	1,082,771	537,391	69,402
Seattle Defense Area, Wash.	92	1,514,860	784,402	97,098
Fort Lewis, Wash.	1,731	28,354,831	18,215,665	1,875,537
Truax AFB, Wisc.	110	2,085,373	1,479,411	141,431
Panama Canal Zone (Pacific Side)	330	5,399,483	3,242,057	357,394
Panama Canal Zone (Atlantic Side)	200	3,289,273	2,543,162	223,461
Fort Buchanan, P. R.	<u>100</u>	<u>1,599,673</u>	<u>1,184,709</u>	<u>108,585</u>
Total	<u>35,316</u>	<u>\$ 559,150,189</u>	<u>\$ 338,506,909</u>	<u>\$ 36,785,617</u>
Total FY 1974 Mortgage Payments.....				\$ 36,785,617
Rounded to.....				36,786,000
Less Anticipated Reimbursements.....				- 250,000
Less Application of Resources.....				- 343,000
FY1974 Appropriation.....				\$ 36,193,000

## PROGRAM JUSTIFICATION

Fund requirements of \$9,192,632 for Wherry housing for fiscal year 1974 are estimated on the basis of mortgage payments covering Wherry housing acquired by the Army. The financing of this program is for the reduction of a debt of \$87,012,622. The funding request is for principal, interest and insurance premiums on these mortgages.

The attached table shows the number of Wherry units by location owned as of July 1, 1973; the original mortgage; the amount owed as of July 1, 1973, and the payments required for fiscal year 1974.

15 February 1973

DEPARTMENT OF THE ARMY  
 FAMILY HOUSING, DEFENSE - FY 1974: BUDGET  
 DEBT PAYMENT - WHERRY HOUSING

<u>LOCATION</u>	<u>NUMBER UNITS ACQUIRED</u>	<u>ORIGINAL MORTGAGE</u>	<u>AMOUNT OWED AS OF 1 JULY 1973</u>	<u>FY 1974 PAYMENTS</u>
Fort McClellan, Ala.	140	\$ 1,098,558	\$ 687,355	\$ 66,297
Redstone Arsenal, Ala.	120	813,615	474,334	48,693
Fort Huachuca, Ariz.	500	4,085,102	2,691,912	216,889
Fort Ord, Calif.	1,000	8,119,396	4,727,465	488,201
Presidio of S. F., Calif.	500	3,553,900	2,394,756	243,357
Fitzsimons GH, Colo.	200	1,291,173	793,931	90,322
Fort Benning, Ga.	800	5,964,006	3,254,849	369,189
Hunter AFB, Ga.	500	3,690,986	2,318,537	233,288
Fort Sheridan, Il.	100	753,310	547,760	48,620
Fort Benjamin Harrison, Ind.	300	2,182,339	1,408,603	133,527
Fort Leavenworth, Kansas	227	1,835,010	1,034,627	112,118
Fort Riley, Kansas	400	2,633,421	1,427,782	163,415
Fort Campbell, Ky.	1,200	8,735,342	4,993,528	542,439
Fort Knox, Ky.	1,700	12,592,007	6,916,395	777,253
Aberdeen PG, Md.	796	5,590,198	3,186,863	361,020
Army Chemical Center, Md.	554	3,966,060	2,274,521	251,827
Fort Meade, Md.	788	5,786,302	3,296,321	351,823
Fort Devens, Mass.	202	1,568,963	1,031,194	98,187
St Louis Support Ctr, Mo.	120	772,831	473,492	54,193
Fort Dix, N. J.	1,000	7,699,391	4,645,620	462,270
Fort Monmouth, N. J.	600	4,648,074	2,841,548	277,143
Bayonne MOT, N. J.	156	1,048,228	677,725	68,192
White Sands PG, N. M.	235	1,922,758	1,156,931	114,180
Fort Hamilton, N. Y.	685	4,935,518	3,048,074	317,857
Stewart AFB, N. Y.	284	2,315,338	1,426,029	136,781

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15 February 1973

DEPARTMENT OF THE ARMY  
 FAMILY HOUSING, DEFENSE - FY 1974 BUDGET  
 DEBT PAYMENT - WHERRY HOUSING

<u>LOCATION</u>	<u>NUMBER UNITS ACQUIRED</u>	<u>ORIGINAL MORTGAGE</u>	<u>AMOUNT OWED AS OF 1 JULY 1973</u>	<u>FY 1974 PAYMENTS</u>
Fort Bragg, N. C.	2,000	\$ 15,196,018	\$ 8,410,992	\$ 930,865
Fort Sill, Okla.	500	3,822,105	2,268,456	240,002
Carlisle Bks, Pa.	152	1,062,467	658,018	69,610
Letterkenny Depot, Pa.	48	341,818	240,274	22,260
Fort Bliss, Texas	800	6,352,530	3,390,849	397,714
Fort Hood, Texas	568	4,295,520	2,511,571	259,130
Fort Sam Houston, Texas	840	6,103,513	3,670,063	405,289
Dugway PG, Utah	400	3,257,741	1,959,527	199,128
Fort Belvoir, Va.	459	3,334,445	1,874,639	206,887
Fort Eustis, Va.	412	3,163,771	1,907,175	186,456
Fort Lee, Virginia	300	2,206,194	1,212,288	135,482
Fort Buchanan, P. R.	<u>237</u>	<u>1,788,323</u>	<u>1,178,618</u>	<u>112,728</u>
Total	<u>19,823</u>	\$ <u>148,526,271</u>	\$ 87,012,622	\$ 9,192,632
Total FY 1974 Mortgage Payments.....				\$ 9,192,632
Rounded to.....				\$ 9,193,000

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## PROGRAM JUSTIFICATION

The purpose and scope of the above program is to provide for the payment of premiums due on mortgage insurance for mortgages on housing purchased by military personnel under section 222 of the Housing Act of 1954, amended by the Housing and Urban Development Act of 1968, and for continuing premium payments for a widow of a deceased serviceman for 2 years after his death, or until the date the widow disposes of the property, which ever occurs first. The maximum amount insurable by FHA is \$33,000. The premium rate is one-half of 1 percent of the average outstanding balance of the mortgage.

Funds in the amount of \$925,000 are estimated to be required for this program for fiscal year 1974. While the number of cases has declined, the average cost per account has increased reflecting greater loan values for homes remaining in the program and new homes being added.

	Number	Average payment	Amount
Fiscal year 1972.....	12,325	\$85.00	\$1,047,000
Fiscal year 1973.....	10,445	90.00	940,000
Fiscal year 1974.....	9,740	95.00	925,000

Mr. SIKES. Provide for the record the remaining obligations which we have at any of the installations which are to be closed as the result of the recent announcement.

General COOPER. The only installation affected is the Hunter Army Air Field, Ga. where the remaining liability for 500 Wherry units as of July 1, 1973, is \$2,318,537.

Mr. SIKES. What is the total outstanding debt under the Wherry and Capehart programs?

General COOPER. \$425 million.

Mr. SIKES. What length of time will this run at present payment rates?

General COOPER. When we finally liquidate it, I think it will be about 1983 to 1989.

Mr. SIKES. How does that break down for Wherry and Capehart housing?

General COOPER. The outstanding debt as of July 1, 1973, is \$338 million for the Capehart program and \$87 million for the Wherry program.

## OPERATION AND MAINTENANCE

Mr. SIKES. Turn to "Operation and maintenance." Insert in the record pages 103 and 104.

[The pages follow:]

## OPERATION AND MAINTENANCE

[Thousands of dollars]

	Fiscal year 1972 actual	Fiscal year 1973 estimate	Fiscal year 1971 estimate
Operating expenses.....	\$100,615	\$131,114	\$149,40
Leasing.....	9,028	10,283	16,05
Maintenance.....	70,937	97,320	120,44
Total, operation and maintenance program.....	180,580	238,717	285,912
Less: Reimbursements.....	-1,815	-1,964	-2,022
Plus: Unobligated balance lapsing.....	+424		
Budget authority.....	179,189	236,753	283,890
Budget authority:			
Appropriation.....	176,928	236,49	283,890
Transfers among accounts.....	+2,261	+260	
Appropriation (adjusted).....	179,189	236,753	<sup>1</sup> 283,890

<sup>1</sup> The appropriation request for operation and maintenance is in lump sum for the Department of Defense and not restricted by military department or defense agency. The amount footnoted is within that total

15 February 1973

DEPARTMENT OF THE ARMY  
 FAMILY HOUSING, DEFENSE - FY 1974 BUDGET  
 OPERATION AND MAINTENANCE

EXCLUDES LEASED UNITS AND COSTS

	FY 1972 Actual		FY 1973 Estimate		FY 1974 Estimate	
<b>A. INVENTORY DATA</b>						
Units in Being Beginning of Year	129,874		132,157		133,444	
Units in Being End of Year	132,157		133,444		139,455	
Average Inventory for Year Requiring O&M Funding:						
a. Conterminous U. S.	74,334		75,582		78,742	
b. Outside U. S.	56,598		56,749		57,390	
c. Total	130,932		132,331		136,132	
<b>B. FUNDING REQUIREMENTS</b>						
	Total Est. (\$000)	Unit (\$ Cost)	Total Est. (\$000)	Unit (\$ Cost)	Total Est. (\$000)	Unit (\$ Cost)
<b>1. OPERATIONS</b>						
a. Operating Expenses						
(1) Administration	15,625	119	16,697	126	17,555	129
(2) Services	8,002	61	8,265	63	9,261	68
(3) Utility Operations	59,698	456	62,570	473	71,070	522
(4) Furnishings	17,290	132	43,582	329	51,522	378
Subtotal Gross Obligations	100,615	768	131,114	991	149,408	1,097
Less: Anticipated Reimbursements	- 1,815	- 14	- 1,964	- 15	- 2,022	- 15
Subtotal, Operations (Appropriated Funds)	98,800	754	129,150	976	147,386	1,082
<b>2. MAINTENANCE</b>						
a. Maintenance & Repair of Dwellings	61,383	469	80,771	610	99,687	732
b. Maint & Repair of Other Real Property	8,890	68	15,560	118	19,747	145
c. Alterations & Additions	664	5	989	7	1,014	8
Subtotal, Maintenance (Appropriated Funds)	70,937	542	97,320	735	120,448	885
3. GRAND TOTAL O&M EXPENSES (Incl Reimb)	171,552	1,310	228,434	1,726	269,856	1,982
4. GRAND TOTAL O&M EXPENSES (1 & 2 above) (Appropriated Funds)	169,737	1,296	226,470	1,711	267,834	1,967

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## EFFECT OF DEVALUATION ON MAINTENANCE BACKLOG

Mr. SIKES. To be sure the record is clear, are you going to make some progress in cutting down the backlog of essential maintenance and repair in 1974 or will you lose ground?

General COOPER. We will lose ground because of the devaluation in Europe. We had expected originally to cut it back, but now instead of being able to cut it back we are going to actually increase it from \$155 million to about \$157 million.

Mr. SIKES. That is a very regrettable situation. This committee has shared the Army's worries on this problem for a long time. We recognize this is a problem beyond your control. Will you provide some details for the record on what is happening?

General COOPER. Yes, sir.

[The information follows:]

Revaluation has been disastrous to the Army's funding program for operation and maintenance of family housing. The impact has been worldwide, involving all commands.

The major impact has been on the maintenance program. Operation costs (housekeeping services and utilities) are fixed and must be paid. With reduced funds less day-to-day maintenance is possible and fewer maintenance and repair projects can be awarded. Consequently, the backlog of deferred maintenance increases.

In fiscal year 1974 the Army have \$32 million less for O. & M. due to revaluation as of July 11, 1973. It must be recognized that this requirement continues to increase with the change in dollar exchange for foreign currency. (\$31 million in West Germany and \$1.0 million in Japan.) If all of the revaluation were absorbed in the maintenance program this would result in increasing the deferred maintenance backlog to \$157 million at end of fiscal year 1974.

## EFFECT OF REALINEMENTS ON MAINTENANCE BACKLOG

Mr. SIKES. Will there be reductions in the backlog of essential maintenance and repair as a result of recently announced or future base realignment actions?

General COOPER. I will have to provide that for the record, sir.

[The information follows:]

The reduction in maintenance and repair work due to base closures is not significant since the number of family housing units were relatively small.

## HOUSING REFERRAL

Mr. SIKES. Tell us about the Army's housing referral offices. Is the program working satisfactorily. how much are you providing now, and how much did you provide in fiscal 1973?

General COOPER. In the housing referrals, it is working I would say reasonably well. We had at the end of 1971 a total of 182 referral offices. In 1972 we had about the same number.

The number of people in 1972, for example, who reported to the housing referral office was 205,000, and a little more than half of those were actually housed through the efforts of the housing referral office.

Mr. SIKES. You did not give the amounts in your budget for fiscal 1973 and fiscal 1974?

General COOPER. The cost to operate these?

Mr. SIKES. Yes.

General COOPER. We programed \$2.3 million for off-post housing in 1973, and it will be slightly greater than that in 1974. That doesn't include the cost of any of the military people involved.

Mr. SIKES. How many people are to be used in this program, military and civilian, in fiscal years 1973 and 1974? Provide that for the record.

General COOPER. Yes, sir.

[The information follows:]

	Fiscal year 1973	Fiscal year 1974
Civilians.....	319	319
Military.....	114	114

#### LABOR AND UTILITY COSTS

Mr. SIKES. What effect have labor and utility cost increases had on O. & M. dollars in the past 2 years?

General COOPER. On O. & M. dollars we have programed for about a 5-percent increase. We expect it will probably go up more, which will make it difficult. I don't have the exact projection now.

General KJELLSTROM. I have some overall Army figures on utility increases. In the United States we have between 5 and 5½ percent inflationary spiral per year. In Europe where we have some 43,000 family housing units we have a 6- to 7-percent minimum increase in utility costs exclusive of the currency reevaluation problem.

General COOPER. I expect that the cost of utilities will go up even more than 5 percent with the energy crisis.

Mr. SIKES. Provide details on that for the record.

[The information follows:]

The extent of rise in utility costs is very difficult to predict for several reasons. The price of gas will depend upon Federal price controls. The price of coal will depend upon Federal regulations on use of coal with a high sulfur content. These regulations were intended to reduce air pollution. The cost of electricity is expected to be proportional to the cost of coal. Further, revaluation of the dollar and the energy crisis are expected to play havoc with all utility costs. Considering the above, rises in utilities from fiscal year 1973 to fiscal year 1974 are expected to be as follows:

Oil, 30 percent.

Gas, 10 percent.

Coal and electricity, 5 percent.

#### LEASING

Mr. SIKES. Turn to "Leasing" and insert pages 107 through 113 in the record.

[The pages follow:]

#### LEASED HOUSING PROGRAM

[In thousands of dollars]

	Fiscal year 1972 actual		Fiscal year 1973 estimate		Fiscal year 1974 estimate	
	Average units	Cost (thousands)	End year	Cost (thousands)	End year	Cost (thousands)
Domestic leases.....	2,542	\$5,880	3,241	\$7,140	3,241	\$8,167
Foreign leases.....	758	3,148	891	3,143	3,688	7,889
Total.....	3,300	9,028	4,132	10,283	6,929	16,056

## 1. NARRATIVE DESCRIPTION AND JUSTIFICATION

(a) The leasing of family housing in the United States and Puerto Rico and Guam is authorized under the provisions of section 515, Public Law 161, 84th Congress, as amended. Leasing in foreign countries is authorized under title 10, United State Code, section 2675.

(b) The above cited authority restricts the use of domestic leases (United States, Puerto Rico, and Guam) to those locations where (1) there has been a recent and substantial increase in the personnel strength assigned to such military installations and such increase is temporary, or (2) the permanent personnel strength of such military installation is to be substantially reduced in the near future, or (3) the number of military personnel assigned to such military installation is so small as to make the construction of family housing uneconomical, or (4) leasing is required to provide housing for students attending service school academic courses on permanent change of station orders, or (5) construction of family housing has been authorized but not completed or a request for construction is contained in a pending military construction authorization bill. The expenditure for such leased units, including contract rent, maintenance and operation costs, and utilities may not exceed an annual average of \$210 per unit per month for each military department or \$290 per month for any one unit, except that in Hawaii expenditure may not exceed an average of \$255 per unit per month or \$300 per month for any one unit.

(c) In foreign countries it is the policy to lease privately owned family housing only when such leasing is for the benefit of the United States and when (1) Government quarters commensurate with the position of intended occupant are not available and suitable private rental quarters at costs within the maximum allowable housing cost (MAHC) plus station housing allowance are not available and (2) Government leasing is necessary to prevent hardship to eligible personnel which cannot be relieved by establishment of adequate housing allowances.

(d) Family housing leased in accordance with above criteria are designated adequate public quarters and occupants forfeit all quarters allowances.

(e) The total leasing program of \$16,056,000 includes 6,929 leases at an average cost of \$2,317 per unit.

(f) The fiscal year 1974 leasing program is distributed as follows:

## LEASED HOUSING—FISCAL YEAR 1974

Location	Number of units	Cost (thousands)
<b>DOMESTIC LEASING</b>		
Arizona: Fort Huachuca.....	100	\$252
Colorado: Fort Carson.....	300	756
Hawaii.....	200	459
Maryland: Aberdeen Proving Grounds.....	66	166
New Jersey:		
Fort Monmouth.....	160	400
Picatinny arsenal.....	10	25
Virginia:		
JAG School.....	40	101
Foreign Science and Technical Center.....	10	25
USA recruiting CMD.....	1,200	3,070
USA Intelligence CMD.....	30	76
Reserve and ROTC.....	275	712
ARADCOM.....	850	2,125
Total, domestic leasing.....	3,241	8,167
<b>FOREIGN LEASING</b>		
Belgium:		
U.S. elements, NATO.....	104	362
U.S. Army, Europe.....	16	320
England: U.S. Army Europe.....	6	318
Ethiopia: U.S. Army, Europe.....	10	60
Germany: U.S. Army, Europe.....	3,290	5,680
Greece: U.S. Army, Europe.....	1	4
Italy:		
U.S. Army, Europe.....	117	351
U.S. Army Engineering Division.....	2	71
Korea: Office Chief of Engineers.....	20	179
Netherlands: U.S. Army, Europe.....	20	173
Thailand: U.S. Army, Pacific.....	11	131
AC of S, Intelligence: Worldwide.....	26	126
South America: U.S. military missions.....	65	475
Total, foreign leasing.....	3,688	7,889
Grand total, worldwide.....	6,929	16,056

## LEASED HOUSING—FISCAL YEAR 1973

Location	Number of units	Cost (thousands)
<b>DOMESTIC LEASING</b>		
Arizona: Fort Huachuca	100	250
California: Oakland AT	30	76
Colorado: Fort Carson	300	750
Hawaii	100	254
Maryland: Aberdeen Proving Grounds	66	166
New Jersey:		
Fort Monmouth	160	400
Picatinny Arsenal	10	22
Virginia:		
JAG School	40	105
Foreign Science and Technical Center	10	22
USA Recruiting CMD	1,200	2,387
USA Intelligence CMD	40	101
Reserve and ROTC	285	627
ARADCOM	900	1,980
Total, domestic leasing	3,241	7,140
<b>FOREIGN LEASING</b>		
Belgium:		
U.S. elements, NATO	104	362
U.S. Army, Europe	16	320
England: U.S. Army Europe	6	18
Ethiopia: U.S. Army Europe	10	60
Germany: U.S. Army, Europe	606	1,257
Italy:		
U.S. Army, Europe	5	50
U.S. Army Engineering Division	3	15
Korea:		
U.S. Army Security Agency (NSA)	2	10
Office, Chief of Engineers	20	179
Netherlands: U.S. Army, Europe	20	173
Thailand: U.S. Army, Pacific	8	120
AC of S, Intelligence: Worldwide	26	126
South America: U.S. military groups	65	453
Total, foreign leasing	891	3,143
Grand total, worldwide	4,132	10,283

## LEASED HOUSING, FISCAL YEAR 1972

Location	Average number, fiscal year 1972	Cost (thousands)
<b>DOMESTIC LEASING</b>		
Fort Huachuca, Ariz.	79	\$195
Fort MacArthur, Calif.	43	72
Oakland AT, Calif.	28	64
Fort Carson, Colo.	274	533
Fort Leavenworth	429	1,075
Aberdeen Proving Grounds	66	149
Fort Monmouth, N.J.	156	349
JAG School	37	93
ARADCOM	784	1,906
USA Recruiting Command	503	1,126
USAINTC Command	20	41
Reserve and ROTC activities	66	135
Hawaii	57	142
Total, domestic leasing	2,542	5,880
<b>FOREIGN LEASING</b>		
USA, Pacific	8	74
USA, Europe	548	2,016
USA, Southern Command (military missions)	52	457
AC of S, Intelligence	22	99
Office, Chief of Engineers	126	492
USA Security Agency	2	10
Total, foreign leasing	758	3,148
Total, leasing program	3,300	9,028

## EFFECT OF AVERAGE COST LIMITATIONS

Mr. SIKES. What cost limits are proposed for leasing in fiscal year 1974?

General COOPER. For fiscal 1974 there is no increase proposed by the Department of Defense. The average cost is still \$210 a month average and \$290 a month maximum.

Mr. SIKES. Is that adequate?

General COOPER. No, sir. What we would much prefer to do is not have any specific dollar amount.

Mr. SIKES. Are you making any such recommendation to the authorizing committees?

General COOPER. No, we haven't.

Mr. SIKES. Is authorization required?

General COOPER. Authorization is required, and it is in the authorization part of the bill. The no specific average cost is what we recommended to the Office of Secretary of Defense to give us more flexibility.

Mr. SIKES. Did you get it?

General COOPER. No, sir.

Mr. SIKES. I would like to have for the record details on what was requested and the effect of the limitation which is now in operation.

[The information follows:]

The availability of adequate housing for service families is a major factor in recruitment and retention of career personnel. Government leasing of privately owned housing for assignment as public quarters is a proven, flexible and immediate means of obtaining a greater use of existing housing to meet urgent military family housing requirements. Leasing is used pending elimination of the military family housing deficit through other programs designed to provide housing on a permanent long range basis.

With this in mind the Army recommended to OSD that permanent legislation be included in the MILCON Authorization Bill for fiscal year 1974 giving the Secretaries of the Military Departments general authority to lease housing subject to regulations prescribed by the Secretary of Defense. Existing statutory restraints on number of units that may be leased and the amount of rental that can be paid for a leased dwelling unit were to be lifted.

The Army also recommended, should it be decided to seek extension of the existing leasing authority rather than permanent general authority, that the existing law be amended to reflect escalation in costs of leasing by increasing the ceilings on department average monthly expenditure per domestic unit, from \$210 to \$225, and on any one unit from \$290 to \$300.

It is becoming increasingly difficult to obtain leased housing within the present limitation on expenditure, particularly the \$210 average. As existing leases expire rents are raised to the point where the lease must be given up and the Army must seek lower cost rental housing in order to stay within the average unit cost limit. In some cases this means leasing inadequate housing in order to provide shelter for the families of servicemen in high rent areas. In some areas leasing must be curtailed since costs are so high that to continue leasing at the required level in that area would cause the Army's average cost per unit to exceed the statutory limit. The general effect is that the Army is unable to use leasing to its fullest potential as a source of family housing.

## LEASING OVERSEAS

Mr. SIKES. What effect will devaluation have on your lease program overseas?

General COOPER. Ninety percent of the Army's leased family housing program for fiscal year 1974 is for Germany. Currency revaluation increases the estimated dollar amount required for leasing by 39 per-

cent over the amount reflected in the budget. Thus it will be necessary to reduce the number of leased units in order to stay within the total amount of appropriated funds.

Mr. SIKES. At which locations do you propose an increase in ceiling for fiscal year 1974?

General COOPER. The only significant increase will be in Germany. At the beginning of fiscal year 1973 we were authorized 606 leased units in Germany. This was increased to 1,052 units during the second half of fiscal year 1973. We propose to increase leasing in Germany by 2,238 units for a total of 3,290 units in fiscal year 1974.

#### USE OF TURNKEY IN HAWAII

Mr. SIKES. Mr. Nicholas.

Mr. NICHOLAS. Go back, for the moment, to the question of use of turnkey housing in Hawaii in the fiscal year 1973 program.

General COOPER. We don't plan to use turnkey.

Mr. NICHOLAS. The Army is the construction agent for that year's program. I understand the Army did explore the possibility of using turnkey. Did the Army make the decision not to utilize turnkey housing?

General COOPER. Colonel Oliver tells me it wasn't the Army. It was discussed with OSD.

Mr. NICHOLAS. In spite of the fact the Army was construction agent, which under the new guidelines should allow them to make the decision of whether or not you use turnkey, you were apparently directed by OSD not to use turnkey.

Colonel OLIVER. As I recall we were so instructed.

Mr. NICHOLAS. Could you provide for the record any instructions or letters on this subject?

Colonel OLIVER. I don't think we have any.

Mr. NICHOLAS. Could you also provide for the record the results of your examination of the possible use of turnkey procedures after the Army was designated as the construction agency?

[The information follows:]

During the week of April 9, 1973, OSD and the departments held discussions in Hawaii relative to master planning and program execution for military family housing in Hawaii. These discussions included design and construction responsibilities. OSD representatives expressed a preference for conventional construction procedures and the services agreed that these procedures would be used for the fiscal year 1973 program. The procedures (conventional or turnkey) to be used in the fiscal year 1974 program were not established. It was decided and later directed in May 1973 by OSD that the Army and Navy would each design and construct its own fiscal year 1973 program. For the fiscal year 1974 program, OSD directed that the Army would design and construct the 1,000 Army and 600 Navy units to be located in the Aliamanu Crater and that the AF would be the design and construction agent for its 400 units at Hickman AFB.

Additional guidance was (1) that each design and construction agent is responsible for environmental impact assessments; (2) that fiscal year 1973 and fiscal year 1974 projects cited will utilize Government-prepared plans and specifications; (3) that project densities will conform to land use intensities specified in OSD memorandum of December 19, 1972, and (4) that construction agents will coordinate with each other to insure bid openings are at least 6 weeks apart.

## HOMEOWNERS ASSISTANCE FUND, DEFENSE

Mr. SIKES. We will turn to homeowners assistance fund, Defense. We will insert at this point in the record the fiscal data for this appropriation item.

Mr. Reporter, please insert the justification material which is before us in the record at this point.

[The information follows:]

HOMEOWNERS ASSISTANCE FUND, DEFENSE  
SEC. 1—BUDGET SUMMARY DATA—PROGRAM AND FINANCING

[Dollar amounts in thousands]

	Fiscal year 1972 actual		Fiscal year 1973 estimate		Fiscal year 1974 estimate	
	Units	Obligations	Units	Obligations	Units	Obligations
Payments to homeowners <sup>1</sup> .....	344	\$477	225	\$310	150	\$240
Other operating costs <sup>2</sup> .....	1,053	2,847	625	2,690	361	2,060
Acquisition of properties <sup>3</sup> .....	354	2,210	290	2,000	150	1,050
Mortgages assumed <sup>4</sup> .....	354	3,694	290	3,200	150	1,650
<b>Total program</b> .....		<b>9,228</b>		<b>8,200</b>		<b>5,000</b>
Available from prior year.....		-9,075		-11,952		-9,752
Estimated revenue <sup>5</sup> .....	320	-4,530	400	-6,000	300	-4,500
Available for other years.....		11,952		9,752		9,252
Budget authority.....		7,575		0		0
Authorization to spend agency debt receipts.....		0		0		0
Appropriations.....		7,575		0		0

<sup>1</sup> Reimbursements to homeowners for losses; private sales or foreclosures. Work unit, "number of payments."

<sup>2</sup> DOD and FHA expenses. Work unit, "total number of applications processed, including rejections."

<sup>3</sup> Payments to homeowners for equity in properties acquired by the Government. Work unit, "number of properties."

<sup>4</sup> Value of mortgage balances assumed by the Government on properties acquired. Work unit, "number of mortgages assumed."

<sup>5</sup> Recovery of Government's investment by sale of properties. Work unit, "number of properties sold."

SEC. 1—BUDGET SUMMARY DATA—PERSONNEL SUMMARY

	Fiscal year 1972 actual	Fiscal year 1973 estimate	Fiscal year 1974 estimate
Total number of permanent positions.....	46	30	24
Full-time equivalent of other positions.....			
Average number of all employees.....	45	35	25
Total personnel services obligations <sup>1</sup> (thousands).....	\$702	\$535	\$395

<sup>1</sup> Personnel compensation and personnel benefits.

SECTION 2—PURPOSE

This program provides, pursuant to and in accordance with the provisions of Public Law 89-754 (80 Stat. 1255, 1290), as amended, assistance to military and civilian employee homeowners by reducing their losses incident to disposal of their homes incurred as a result of the closure of military installations or reduction in the scope of operations at such installations. The Secretary of Defense is authorized to acquire title to, hold, manage, and dispose of, or in lieu thereof to reimburse for certain losses upon private sale of, or foreclosure against, any eligible property improved with a one- or two-family dwelling. The property must be situated at or near a military base or installation which the Department of Defense has, subsequent to November 1, 1964, ordered to be closed in whole or in part or at which it has, after October 28, 1969, ordered a reduction in the scope of operations.

The act establishes in the Treasury a fund to be available to the Secretary of Defense for extending such financial assistance to qualified homeowners and pro-

vides that appropriations for the acquisition of properties must be authorized by a military construction authorization act and that no moneys in the fund may be expended except as may be provided in appropriations acts.

### SECTION 3—SCOPE OF OPERATIONS

This program was initiated during the latter part of fiscal year 1968. By the end of fiscal year 1972, a total of 9,762 applications had been received. Action was completed on 9,478 applications; 2,356 were rejected because the applicants did not qualify for assistance, 769 settlements were completed which did not require payment to the applicant and 6,353 applications were processed to payment. Total obligations were \$46.580 million, including \$14.210 million for assumption of 1,612 mortgages. Sales of Department of Defense acquired properties by the Federal Housing Administration amounted to 1,528 units with gross sales amounting to \$19.319 million.

For the current year (fiscal year 1973) we are programing the receipt of 500 new applications and completed action on 625 cases which include 80 rejections, 30 settlements without payment and 515 applications to be processed to payment. Total obligations are programed to be \$8.200 million, including \$3.200 million for assumption of 260 mortgages. Sales of DOD properties by FHA are programed at 400 units with gross sales amounting to \$6 million.

For the budget year fiscal year 1974) we are programing the receipt of 330 new applications and completed action on 361 cases which include 51 rejections, 10 settlements without payment and 300 applications to be processed to payment. Total obligations are programmed to be \$5 million, including \$1.650 million for assumption of 135 mortgages. Sales of DOD properties by FHA are programed at 300 units with gross sales amounting to \$4.500 million.

New appropriations are not requested for fiscal year 1974 because current estimates indicate that the available balance from the funds appropriated in prior years, plus receipts, will be sufficient to fund the program through fiscal year 1974.

### ADDITIONAL REQUEST

Mr. SIKES. General Cooper, your statement on family housing covered the homeowners assistance fund. You indicated that the request this year will be for \$7 million. Is that correct or is that to be an additional request?

General COOPER. That is an additional request, \$7 million of appropriations.

Mr. SIKES. The budget apparently contained no request for additional authorization; is that correct?

General COOPER. That is correct, because we had enough carryover from the previous year.

Mr. SIKES. Must there now be a request for an additional authorization?

General COOPER. Yes, sir, because we anticipate increased requirements in both authorization and appropriation.

Mr. SIKES. How will you accomplish this, by an amended budget request?

General COOPER. Yes, sir, which will be submitted formally to the House and Senate Armed Services Committees.

Mr. NICHOLAS. You said an amended budget request would be submitted to the House and Senate Armed Services Committees. The normal way for amending the President's budget request is for the Office of Management and Budget to send up a supplemental request. Do you know if that is what is anticipated?

General COOPER. I have here the draft of the letter which is to be sent to the chairman of the House and Senate Armed Services Committees.

Mr. SIKES. From whom?

General COOPER. Mr. Sheridan, but it has been cleared by the Office of Management and Budget.  
[Discussion off the record.]

#### INCREASED PROGRAM DUE TO BASE CLOSURES

Mr. PATTEN. The justification material before us indicates that at the time the budget was put together you expected to have an unused balance of \$9,252,000 in this account. This is now anticipated to be \$13,152,000. How did you compute the requirement for an additional appropriation of \$7 million in addition to the unexpectedly large carry-over?

General COOPER. I think those are two separate questions. Basically we just recomputed our estimates. That is the difference between the \$9 million and the \$13 million. We computed the requirement for the additional \$7 million by figuring out how many bases we now know are going to be closed. We have an estimate based on past experience as to how many of these we will have to provide assistance to. The big increase was the base closure announcement of April 17. But the other was just a change in estimate from the time the budget was originally prepared to when we recomputed it after last April.

Mr. PATTEN. Was your original estimate based upon the residual claims for previous base closures, and is your revised estimate based upon the additional claims and workload associated with the recently announced base closures?

General COOPER. That is correct.

Mr. PATTEN. Can you provide us with a breakdown of your estimated obligations of \$46,400,000 for fiscal year 1974?

General COOPER. Yes, sir. Basically payment to homeowners from private sale and closures is \$2,815,000, operating costs, administrative costs of FHA and Office of Chief Engineers, \$5,475,000, acquisition of property—these are the equity payments to the people—\$10,940,000, and mortgage assumption \$27,170,000.

Mr. PATTEN. Can you tell us what revenues you expect during the year?

General COOPER. Yes, sir. During the year we would expect revenues of \$8,805,000. That is from sale of 515 units.

Mr. PATTEN. How firm is that mortgage cost of \$27 million? Would you be familiar with that, General?

General COOPER. That is really an estimate. We can't predict it that accurately. Even though we show a number with five significant figures, we don't know what it will be within plus or minus 25 percent.

#### PRIOR YEAR OBLIGATION RATE

Mr. PATTEN. Your new fiscal year 1973 figures are based upon a considerably lower level of obligations—\$3 million—than your original estimate—\$8,200,000.

General COOPER. Our original estimated obligation of \$8.2 million was based on the assumption we were going to process and complete 625 cases and our most recent estimate was based on completion of only 385 cases. It is not in direct proportion. The type of case makes a difference also.

Mr. PATTEN. Do you know why they would drop that much?

General COOPER. I don't really know specifically. I will find out. I could guess, but I will provide it.

[The information follows:]

A reduction in the cases processed and completed resulted from receipt of fewer cases than anticipated and reflects actual cases rather than estimated cases. In some instances, particularly where a closure occurs over a sufficiently long period of time, there is an improvement in the market which results in fewer applications and lower program costs. We are unable to rely upon a rapid recovery of the market and must prepare for the conditions expected at the time of the closure.

Mr. PATTEN. Can you tell us what is the maximum amount of obligations which you have incurred in any 1 year since this program was initiated?

General COOPER. \$16.8 million in fiscal year 1969.

Mr. PATTEN. How does that compare with what we estimated at the time?

General COOPER. You mean when the bill was originally passed?

Mr. PATTEN. Yes. It was higher than that, wasn't it?

General COOPER. Mr. Lockwood says we estimated higher.

Mr. PATTEN. I think we all did. We were under pressure. I know I was in my district, on account of what was happening then, but we didn't get the benefit of this law.

Have you kept figures over the years which indicate what the rate of obligation is in the years subsequent to a particular base closure?

General COOPER. We can certainly provide data where we did grant assistance because that is fact. As far as projecting this—

[The information follows:]

Our obligations for the past several fiscal years were as follows:

	<i>Millions</i>
Fiscal year 1970-----	\$12.0
Fiscal year 1971-----	8.7
Fiscal year 1972-----	9.2
Fiscal year 1973 (estimate)-----	3.0

Mr. NICHOLAS. Does it extend out like a construction program does, 30 percent the first year, 40 percent the next year?

Mr. PATTEN. I will bet you will find out there are no two situations alike.

General COOPER. Mrs. Sparkman may be the one who knows.

Mr. PATTEN. We are anxious to get you in the act here, Mrs. Sparkman. Do you see any pattern whereby we could estimate the rate of obligation in the years subsequent to a particular base closure?

Mrs. SPARKMAN. No, I can't at this time because it is something that depends on the situation in the particular area.

Mr. PATTEN. I can see that. I know what happened at Raritan Arsenal. Housing was around there and the fellows bought it up, private housing. You wouldn't find that in another area like at Griffiss Air Force Base.

What rate of obligation are you projecting for the fiscal years 1974, 1975, and 1976, and in total for the recently announced base closures?

GENERAL COOPER. We don't have any estimates right now for 1975.

RESALE VALUES OF ACQUIRED UNITS

MR. PATTEN. Generally, what has happened to the resale values of the units which the Government has acquired under this program?

GENERAL COOPER. Normally, we sell it at about the price we acquire it for, but that is slightly misleading because in the meantime we have had to maintain it, fix it up, and as a result it will probably cost us about \$4,000 for a house that we sell.

MR. PATTEN. Don't you have a few bright spots where there was a rising real estate market?

GENERAL COOPER. If it is bright at the time, the people don't come to us for assistance; they take their profit and move on.

MR. PATTEN. That is right.

GENERAL COOPER. If it was not bright when we took it over and then brightened up, I don't know if we have any specific examples of that. I don't think so, sir.

MR. PATTEN. I am familiar with VA experience in my State and the FHA experience with their real estate department. It is a pretty lovely picture and not depressing at all, but your situation is different.

How many of these units do you currently own?

GENERAL COOPER. Mr. Thompson may have that number.

MR. THOMPSON. We have 225 units at present. You have to bear in mind that this is before the homes which we will be acquiring under the expanded program. By virtue of the recently announced closures, we will be acquiring quite a few homes because that will probably be the most advantageous. We haven't had substantial base closure for sometime back, in about fiscal 1971 I would say. So there has been a general phasedown in our activity which has meant to some extent we don't have a large inventory of homes. And that fact is the reason for this relatively low program, and now we encounter something entirely larger. So there will be many more homes, and the new budget figures indicate that we will be expecting to acquire many more homes in fiscal year 1974.

MR. PATTEN. Will someone estimate the resale value of your present inventory?

GENERAL COOPER. It is about \$14,000 a house times the numbers he mentioned.

MR. PATTEN. That is what I had in mind.

MR. MCKAY. Is that your estimated salable value?

GENERAL COOPER. Yes, sir. That is what we sold them for on the average in the past.

MR. PATTEN. I know what we put up for the program. I was wondering what you have to resell. Would you submit a statement of the resale value of those you now own?

[The information follows:]

As of May 31, 1973, we had an inventory of 225 homes. Based on past experience in the program, the average resale value per home has been running at \$14,000. The homes in the inventory should provide revenue of \$2.2 million. The actual amount realized will, of course, depend on future market conditions.

MR. THOMPSON. I think that would probably be in the nature of a correct figure of what we have. You have to bear in mind with regard to the newly announced closure the cost of the homes will increase.

So we will be talking about homes that are worth more. And we know, too, the national economy has resulted in greatly increased real estate values. We have been dealing with homes in the less-populated areas, and some of the closures will involve more expensive homes.

Mr. PATTEN. But you wouldn't multiply \$14,000 by how many units you have.

General COOPER. Yes, sir; \$2.2 million.

Mr. PATTEN. Compared to the amount we have invested in the program—in other words, the program will cost us money?

General COOPER. Yes, sir; the program costs you on the average of about \$4,000 a house.

Mr. PATTEN. This was very meaningful to some young married couples and to others. It will help the morale.

General COOPER. It will make a big difference. That doesn't mean people don't complain, because we give them only 90 percent of appraised value. So they still take a loss. But being able to move out knowing they do have the homeowners assistance program, makes a lot of difference.

Mr. PATTEN. Provide for the record the total obligations which have been incurred or are expected under this program and the total revenues which have been or are expected to result from closure actions prior to January 1973.

[The information follows:]

The total obligation incurred from the beginning of the program through May 31, 1973, was \$49.4 million. An additional obligation of \$46.4 million is expected for fiscal year 1974. This totals \$95.8 million. Revenues which have been received or are expected to be received from homes purchased incident to closures announced prior to January 1973, are estimated at \$26 million.

Mr. PATTEN. That is all. The committee wants to thank you, gentlemen. I guess you got the feeling that housing is something that is close to all of us.

General COOPER. We on our part, without being sycophantic or self-serving, want to thank the committee for the support you have given us.

Mr. PATTEN. We want to thank all of you for your help.

## NAVY-MARINE CORPS FAMILY HOUSING

### WITNESSES

**WILLIAM F. REED, JR., CAPTAIN, CEC, U.S. NAVY, ASSISTANT COMMANDER FOR FAMILY HOUSING, NAVAL FACILITIES ENGINEERING COMMAND**

**FRANCIS A. PEPE, CAPTAIN, U.S. MARINE CORPS, FAMILY HOUSING MANAGEMENT BRANCH, MARINE CORPS FAMILY HOUSING**

**GEORGE T. KORINK, DIRECTOR, PLANNING AND ACQUISITION DIVISION, NAVY FAMILY HOUSING**

**WILLIAM W. McMILLEN, DIRECTOR, MANAGEMENT DIVISION, NAVY FAMILY HOUSING**

**JON R. MOORE, HEAD, REQUIREMENTS BRANCH, NAVY FAMILY HOUSING**

### BIOGRAPHICAL SKETCH OF CAPT. WILLIAM F. REED

Mr. PATTEN. We will insert Captain Reed's biography in the record at this point.

[The document follows:]

CAPT. WILLIAM F. REED, JR.,  
CIVIL ENGINEER CORPS, U.S. NAVY

William Fleming Reed, Junior, was born in Columbus, Ohio, May 5, 1924, son of William F. (now deceased) and Florence (Racle) Reed. He attended Ohio State University prior to entering the U.S. Navy as an enlisted man and subsequently the U.S. Naval Academy on June 12, 1944, on an appointment from his native State. He was graduated and commissioned ensign in the Civil Engineer Corps with the class of 1948 on June 6, 1947 (accelerated course due to World War II), subsequently advancing in rank to that of captain to date from September 1, 1968.

Following graduation from the Naval Academy, he attended the Navy's Civil Engineer Corps Officers School at Port Hueneme, Calif., and underwent further training in tactics and field engineering with the U.S. Army at Fort Riley, Kans., and Fort Belvoir, Va.

Captain Reed received a bachelor of civil engineering degree from Rensselaer Polytechnic Institute in September 1949 and a master of science degree in management from the Naval Post Graduate School in 1962.

His duty assignments include public works duty at the Headquarters, 10th Naval District; transportation and maintenance duty at the Naval Air Station, Quonset Point, R.I.; classified projects manager in the Bureau of Yards and Docks (now the Naval Facilities Engineering Command), and with the Officer in Charge of Construction, Madrid, Spain, as manager of the Estimates and Costs Control Branch.

In April 1957, he reported as assistant resident officer in charge of construction for Area I in Spain and served in that capacity until June 1958. From July 1958 to July 1961, he served as controlled maintenance officer and ships engineer, and subsequently as assistant public works officer at the Naval Air Station, Pensacola, Fla. Following this assignment, he attended the Naval Post Graduate School in Monterey, Calif.

He reported as officer in charge of the Western Pacific Detachment of Amphibious Construction Battalion ONE in June 1962 and served in that capacity until July 1963, when he reported as assistant public works officer for fleet activities at Yokosuka, Japan, and subsequently served as executive officer of the Navy Public Works Center at Yokosuka. He then reported as assistant commander for acquisition in the Chesapeake Division of the Naval Facilities Engineering Command, Washington, D.C., in July 1965.

From August 1967 to September 1968, he served as executive officer, Public Works Department, Naval Support Activity at Danang in the Republic of Vietnam. Returning to Washington, D.C., in November 1968, he had assignments as assistant commander for operations and maintenance, Headquarters, Naval Facilities Engineering Command; staff assistant in the Office of the Assistant Secretary of Defense for Installations and Logistics; and assistant chief of staff for environmental quality in the Office of the Oceanographer of the Navy.

In May 1972 he became assistant commander for housing, Naval Facilities Engineering Command. On June 1, 1973, he was designated deputy commander for facilities management, Naval Facilities Engineering Command and currently serves in that position.

Captain Reed's personal awards include the Bronze Star (with combat "V"); Meritorious Service Medal; Joint Services Commendation Metal; Navy Unit Commendation Medal, and the Republic of Vietnam Cross of Gallantry (with Palm and Frame). In addition, he is eligible to wear campaign and unit awards spanning most of the major conflicts in which the United States has been involved since 1947.

Captain Reed is a member of the American Public Works Association, the Society of American Military Engineers, the Marine Technology Society, and is a registered professional engineer in the State of Ohio.

He is married to the former Elizabeth Gause of Hayward, Calif. They have six children: Patricia Ann, Keith Fox, Catherine Leigh Reed, and Carol Ann, Teresa Maria, and David Joseph Nussbaumer.

## GENERAL STATEMENT

Mr. SIKES. You may proceed, Captain Reed.

Captain REED. Mr. Chairman, and members of the committee, I am Capt. William F. Reed, Jr., assistant commander for family housing, Naval Facilities Engineering Command. It is a privilege to be here and present the proposed family housing program of the Department of the Navy for fiscal year 1974.

This program covers both Navy and Marine Corps requirements. Capt. Francis A. Pepe is with me to represent the Marine Corps.

Our request this year for appropriated funds total \$321,652,000. The request is in three major budget categories, construction, operation and maintenance (including leasing), and debt payment. It covers the acquisition and support of family housing facilities and the administration of housing programs.

## CONSTRUCTION

Under the construction category, it is proposed to expend \$117,675,000 to provide 3,741 new housing units; \$400,000 to provide 100 mobile home spaces; \$10,600,000 for improvements to existing quarters; \$800,000 minor construction; and \$200,000 for advance planning and design. As in prior years, the Secretary of the Navy has provided \$20 million from Navy's budget ceiling to achieve this total funding level. Appropriation of new funds in the amount of \$129,675,000 is requested to accomplish this total construction program.

The 3,741 new housing units will be constructed as 13 projects at 11 locations in the 50 States and at Guam and Iceland. The requirements resulting from our regular annual survey have been reassessed against currently approved force alignments at the new construction locations.

Of the 3,741 new construction units in section 501 for the Navy and Marine Corps, 94.4 percent are for junior officers and enlisted personnel. These men are least able to find suitable family housing in the private economy that they can afford. They are most important to developing a high quality, All Volunteer Navy and Marine Corps. This continues the attention and emphasis we have been giving to meeting the housing needs of the men in these critical categories. In our fiscal year 1972 and fiscal year 1973 programs, 94.4 and 94.9 percent respectively of our new construction units were allocated to meeting the pressing needs of these men and their families.

Eighty-eight percent of the new units will have three or more bedrooms. These larger units are the most difficult for the private economy to provide in the rental housing market, and they give us greater flexibility than two-bedroom units for assignment purposes. I would also like to note, at this point, that the proposed bill includes an increase in the net floor area of the units, primarily for the enlisted and junior officer grades, and that we are also requesting an increase in the average cost per unit to \$27,500 within the continental limits and to \$38,000 per unit overseas.

We feel the space increases are required to provide the increased livability which is necessary if our housing is to be comparable in livability to that being constructed in the civilian sector.

The increase in average cost per unit is vital. As we have progressed through fiscal year 1972 and into fiscal year 1973, we have encountered rising costs which makes accomplishment of our program even with all practicable deducts increasingly difficult. Without an increase in permissible costs, we will not be able to continue to build adequate housing.

This year we are adding 100 spaces to the mobile home park program initiated in fiscal year 1971. These spaces are proposed at locations where there is a shortage of suitable park facilities for military families who live in privately owned mobile homes.

Our request for construction funds also includes \$10.6 million for improvements to public quarters at 29 activities. This amount is approximately 5.8 percent of the unfunded backlog. As in the past, effort is concentrated on correction of functional deficiencies and obsolescence. An increase in this funding level for improvements is anticipated in succeeding years in order to bring our older quarters up to adequate standards and to extend their usable life as housing which contributes to the desirability of Navy life.

#### DEBT PAYMENT

A total of \$30.345 million is required for debt payment. This provides for principal, interest, and mortgage insurance payments on 22,162 Wherry and 19,843 Capehart housing units in the Navy and Marine Corps inventories and for payment of mortgage insurance premiums on FHA-insured dwelling owned by servicemen on active duty.

#### OPERATION AND MAINTENANCE

Mr. Chairman, the last budgetary category presented is for operation and maintenance.

Our request is for \$149.993 million in appropriated funds and approval to spend \$2.667 million in anticipated reimbursements to operate and maintain a total of 91,569 Navy and Marine Corps housing units. The increase of \$20.5 million over fiscal year 1973 is an increase of approximately \$11.4 million or 18 percent in maintenance and approximately \$9.1 million or 13.4 percent in operating expenses. The primary cause of these increases is the rising cost of labor, materials, and utilities.

The funds requested will permit the use of \$5.4 million (Navy \$4.5 and Marine Corps \$0.9) for deferred maintenance work. At the beginning of fiscal year 1973, the backlog of deferred maintenance was slightly over \$30 million (Navy \$26 and Marine Corps \$4). The escalating costs of labor and materials during fiscal year 1973 will cause an increase in the dollar amount of the existing backlog, however funds provided will permit a slight (\$1.3 million) reduction. We expect that the deferred maintenance backlog will be approximately \$28.7 million (Navy \$24.6 and Marine Corps \$4.1) as we move into fiscal year 1974.

#### LEASING

In addition to the above funds for operations and maintenance, \$11.639 million is requested for leasing of Navy and Marine Corps housing worldwide. This will permit the leasing of 3,944 units in the

50 States at an estimated cost of \$9.939 million and 438 units overseas at an estimated cost of \$1.700 million.

Mr. Chairman, this concludes my prepared statement. Captain Pepe and members of my staff are here to provide the committee with such additional information as you may desire.

### SUMMARY SHEETS

Mr. SIKES. Insert page i in the record.  
[The page follows:]

#### DEPARTMENT OF THE NAVY—FAMILY HOUSING, DEFENSE, FISCAL YEAR 1974 BUDGET, PROGRAM AND FINANCING

[Thousands of dollars]

	Navy	Marine Corps	Total
Construction of new housing (3,741 units).....	\$117,675		\$117,675
Mobile home facilities (100 units).....	400		400
Subtotal, new construction.....	118,075		118,075
Improvements.....	10,600		10,600
Minor construction.....	800		800
Planning.....	200		200
Total, construction.....	129,675		129,675
Operating expenses.....	63,544	\$12,961	76,505
Leasing (4,382 units).....	11,639		11,639
Maintenance.....	63,273	12,882	76,155
Total, operation and maintenance.....	138,456	25,842	164,299
Debt interest and other expense.....	13,971	180	14,151
Total.....	282,102	26,023	308,125
Less:			
Reimbursements:			
Operation and maintenance.....	-2,492	-175	-2,667
Debt.....	-579		-579
Available from other years: Debt (brought forward)	-1,007		-1,007
Plus: Redemption of agency debt.....	+18		+18
Budget authority.....	278,042	25,848	303,890
Budget authority:			
Appropriation:			
Construction.....	129,675		129,675
Operation and maintenance.....	135,964	25,668	161,632
Debt.....	30,165	180	30,345
Total, appropriation.....	295,804	25,848	321,652
Less: Portion applied to debt reduction.....	-17,762		-17,762
Appropriation (adjusted).....	278,042	25,848	303,890

<sup>1</sup> The appropriation requests for operation and maintenance and for debt payment are in lump sum for the Department of Defense. The amounts footnoted are within those totals

### DEFICIT

Mr. SIKES. Could you tell us the size of your deficits based on the Navy's projected force levels as follows?

Captain REED. Yes, Mr. Chairman. Based upon force levels approved by OSD and projected through end fiscal year 1978, we expect to have a programable or 90 percent deficit of 17,600 for eligible personnel and 5,200 for ineligible personnel. If we eliminate the 10 percent "safety factor," our total Navy deficit for all ranks and rates is 45,500.

These figures assume construction of the 3,741 units requested in this bill.

Mr. SIKES. What effect have pay raises and the marital factor had on the size of your deficit as compared to what you projected last year?

Captain REED. These two factors have worked in somewhat opposite directions, and so have effected no major changes. While increased pay did help some Navy families to find additional suitable housing in the private community, even in spite of increased housing costs, our marital factor has continued its upward trend of the past several years, and thus there was an increased number of Navy families competing for suitable units. Statistically, we find that the net change was a decrease of about 3,400 units from our last year's projected deficit.

Mr. SIKES. Does this year's request represent an adequate level?

Captain REED. As I stated a moment ago, we were cautious in our request this year, due to the extensive realignment which took place in the Navy. However, I would say that the new units we are asking for in this bill represent a sound level. I think we will ask for about the same number of new units next year, but will also request replacement units.

#### MOBILE HOME SPACES

Mr. SIKES. What are the Navy's and Marine Corps' long-term requirements in the area of mobile home spaces? How fast are you meeting these needs?

Captain REED. Essentially after we complete the construction of the 1,500 units we were given in the fiscal year 1973 program, neither the Navy nor the Marine Corps will have a significant remaining requirement for mobile home spaces. The 100 units we are asking for in this bill will conclude our most urgent requirements, but I foresee that we will continue to request about 100 spaces annually for the next 5 years.

#### FAMILY HOUSING IMPROVEMENTS

Mr. SIKES. What is your total backlog in improvements?

Captain REED. The total backlog of improvements, Navy and Marine together, is \$183 million. Of that amount, \$147 million is Navy, the balance is Marine.

Mr. SIKES. How much are you funding for fiscal year 1974?

Captain REED. We requested \$10.6 million. Eventually we expect to get that up to \$25 million a year?

Mr. SIKES. You need \$25 million a year?

Captain REED. We could use it well, sir.

Mr. SIKES. You are far from it. Do you think you have a better prospect for a higher amount in future years?

Captain REED. In future years, yes, sir. This year, \$10.6 million was the most we could budget for improvements.

Mr. NICHOLAS. What could you use practically this year?

Captain REED. \$25 million.

#### INADEQUATE HOUSING UNITS

Mr. SIKES. To what extent do you plan to keep existing substandard units in the Navy and Marine Corps inventory in order to house ineligible personnel?

Captain REED. It is very difficult to give a numerical answer. We

would plan to keep them to the extent that we had a requirement to house ineligible personnel. We would dispose of substandard units as adequate community and Government housing became available.

Mr. SIKES. Do you expect to be able to shift eligible personnel out of substandard units in the near future?

Captain REED. Yes, sir. Now, there is a difference of policy here, as I should point out. The Marines right now put only ineligible people in substandard quarters. The Navy puts both. Where we have a sufficient number of adequate quarters, we restrict the eligibles to the adequate quarters.

Mr. SIKES. When units are declared inadequate, does this mean that eventually you must replace them or tear them down? How many will you replace in the next 5 to 10 years?

Captain REED. Units declared inadequate may be retained as long as the operation and maintenance costs of each specific project are covered by the rental income derived from occupant of the quarters. Over a number of years, however, it is probable that most such projects would become uneconomical to maintain and would thus have to be demolished, if not replaced. I would estimate that over the next 5 years we will request replacement for about 4,000 such units.

Mr. SIKES. What is your policy on programing new units where you have a sufficient number of adequate and inadequate units combined to meet your requirements?

Captain REED. I assume the inadequate units you refer to are military owned units.

Mr. SIKES. Yes.

Captain REED. In such a situation we would only recommend replacement programing, and then on a case by case basis after analysis of the continued operation of the substandard quarters versus new construction.

#### STANDARDS OF HOUSING FOR INELIGIBLES

Mr. SIKES. Do you expect to eventually build replacement units to house the ineligible? To what specifications would you propose to program these units?

Captain REED. Our expectation is that within the next 5 years all military will become eligible for family housing. We would then consider replacing existing substandard military units on a case-by-case basis where an economic analysis indicates it proper to dispose of the older quarters. Replacement units will be constructed to the same standards as present new construction which is equal to FHA multiple family criteria.

Mr. SIKES. In the event you build to current specifications for these lower grade personnel, will you be providing them with much better housing than people of a similar pay level and level of responsibility in the civilian community can obtain? To what extent is this justified?

Captain REED. The housing would be built to FHA specifications as with all our construction, and the bedroom composition set for the family size, which, of course, would increase the number of two bedroom units well above those we are currently programing. That would then be what most of their personnel should rate. Since these lower grades have great difficulty in renting adequate units within their incomes it would probably be better than they could afford off base.

However, these same pay grades are at the point where they are deciding upon the advantage of a service career, and providing them with decent family housing is a major incentive for them to stay in the Navy.

Mr. SIKES. How would their housing compare to that of their civilian counterparts.

Captain REED. I don't know, sir. We will have to look into that.

#### EFFECT OF BASE CLOSURES ON NAVY FAMILY HOUSING REQUIREMENTS

Mr. SIKES. What effect have the recently announced base closures had on the Navy's total housing construction requirements?

Captain REED. We are both acquiring units and leaving units. We are leaving 1,067 substandard units. We are leaving 1,677 adequate units. Of those 735 at the Newport area would have been declared inadequate had we not closed the base.

We are going to acquire, based on sways from other services, 668 at McCoy AFB, Fla., 600, approximately, at Hamilton AFB, Calif.; 10 at Charleston Army Depot and about 323 at Ramey AFB, P.R., which would give us a gain of 1,601, so we are coming out just about even in the adequate quarters we pick up and the adequate quarters we lose.

Mr. PATTEN. I would like to have detailed for the record the effect base closures will have on the BAQ required to be paid to military personnel.

[The information follows:]

After all actions of the shore establishment realignment have been completed, the Navy will lose 1,067 substandard units and 76 adequate public quarters. This will result in the additional BAQ payment of approximately \$1.5 million annually.

Mr. PATTEN. Have all of the projects requested in this bill been checked thoroughly to insure they will still be required after the base realignment actions take place?

Captain REED. Yes sir.

#### ADDITIONAL UNITS NEEDED IN FISCAL YEAR 1974

Mr. PATTEN. In which areas will there be an increased need for family housing as a result of the realignments?

Captain REED. We will have an increased need at San Diego, Calif.; Cecil Field, Fla.; Jacksonville, Fla.; Mayport, Fla.; Oahu, Hawaii; Charleston, S.C., and Norfolk, Va.

Mr. SIKES. What funds are available and what construction conceivably could be undertaken this year in addition to that already requested for fiscal 1974 in order to meet the realignment housing needs?

Captain REED. We have four projects we are not going to build because of the realignment. Two at Long Beach, and one each at Lakehurst, and Newport, which is 1,050 houses for \$26 million.

If we were making this program up right now and had the option, we would build 400 houses at Mayport, and we would build 325 houses at San Diego.

Mr. SIKES. Is land available in all instances?

Captain REED. We have land at Murphy Canyon in San Diego and have planned land exchanges in negotiation with the city of San Diego which would give us additional land. At Mayport, we have located a piece of land which we would have to buy and we believe it is available. It is part of a large tract. We were planning on siting houses there in the forthcoming year.

#### WIVES OPINIONS ON HOUSING

Mr. NICHOLAS. Could you provide more information for the record on the 325 and the 400 units, including the justification for them?

[The information follows:]

As a result of the recently announced shore establishment realignment (SER) within the Navy, there no longer exists a requirement to construct four family housing projects which had previously been authorized and funded by the Congress, but upon which construction had not yet commenced. Specifically, the projects canceled were as follows:

Activity/location	Fiscal year authorizations	Number of units
Naval Complex, Long Beach, Calif. ....	1972	300
Do ..... ..	1973	400
NAS Lakehurst, N.J. .... ..	1973	200
Naval Complex, Newport, R.I. .... ..	1973	150

At several other locations, due to the projected increases in married personnel, we will have a requirement to construct military family housing in addition to that which the local community will be able to provide. In order to utilize funds which were previously made available to us and to provide some relief to the relocated families, it is desired to add additional authorization to the currently pending fiscal year 1974 bill, utilizing previously appropriated funds for the construction.

A number of locations were evaluated in terms of SER impact and land availability, and Norfolk although heavily SER impacted, was subsequently eliminated due to land and siting problems. The two other locations which are most severely impacted are Mayport and San Diego, and it is desired to program 400 units of enlisted housing at Mayport, and 325 units of enlisted housing at San Diego. At both locations we believe that we will have no problems of land availability nor any unusual utility or site development costs. Additionally, informal contact with local FHA personnel at both locations indicate no difficulty with FHA concurrence in the construction of the projects. We would thus desire to build 400 units in Mayport, and 325 units in San Diego using funds already available. The DD forms 1390 for Mayport and San Diego reflecting the post SER personnel figures are attached.

Mr. SIKES. What have been the Navy's impressions, what recommendations have been forthcoming, what changes made as a result of the recent surveys made on the expressed wishes of Navy wives in the area of housing design?

1. DATE 17 Jul 1973		2. DEPARTMENT NAVY		3. INSTALLATION NAVAL STATION, MAYPORT										
4. COMMAND OR MANAGEMENT BUREAU CINCLANTFLT			5. INSTALLATION CONTROL NUMBER 6029-480		6. STATE/COUNTRY FLORIDA									
7. STATUS ACTIVE			8. YEAR OF INITIAL OCCUPANCY		9. COUNTY (U.S.) DUVAL	10. NEAREST CITY 20 Miles East of Jacksonville								
11. MISSION OR MAJOR FUNCTIONS  To provide logistic support for operating forces of the Navy and for dependent activities.				12. PERSONNEL STRENGTH 29 Feb. 1972			PERMANENT		STUDENTS		SUPPORTED		TOTAL	
				OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	(9)		
				896	12774	504								
				870	10528	504								
13. INVENTORY														
LAND		ACRES (1)		LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (1+2+3) (4)						
e. OWNED														
d. LEASES AND EASEMENTS														
c. INVENTORY TOTAL (Except land cost) AS OF 30 JUNE 19														
d. AUTHORIZATION NOT YET IN INVENTORY														
e. AUTHORIZATION REQUESTED IN THIS PROGRAM														
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS														
g. GRAND TOTAL (c + d + e + f)														
14. SUMMARY OF INSTALLATION PROJECTS														
PROJECT DESIGNATION				TENANT COMMAND		UNIT OF MEASURE		AUTHORIZATION PROGRAM		FUNDING PROGRAM				
CATEGORY CODE NO. a	PROJECT TITLE b			c	d	SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h					
711	Family Housing Dwellings (400 Units)				FA	400	10,934	400	10,934					



Captain REED. Yes, sir.

We did conduct a survey. We sent out 16,000 questionnaires. We received over 9,000 responses. Of those who answered, 61 percent were completed by both the husband and wife, and 27 percent by the wife alone; 65 percent of those people expressed overall satisfaction with Navy housing and 20 percent were neutral. We received many opinion-type comments as to what they wanted.

If you were to sum up the results with one word it would be "privacy."

That is the most important thing they seemed to want. In hot areas they wanted air-conditioning; they wanted their own fenced yard, the sort of thing that would allow them to live as a family unit.

I could, if you desire, give you a rundown for the record.

Mr. SIKES. I would like to have that for the record.

[The information follows:]

*Features desired by respondents*

	<i>Percent</i>
(1) Item most important:	
A. Half bath on first floor of two-story unit-----	14.0
B. Secondary eating space-----	4.0
C. More kitchen counter workspace-----	7.1
D. Larger dining space-----	6.3
E. More study space for children-----	3.6
F. More space for entertaining-----	3.7
G. More interior bulk storage space-----	5.2
H. More exterior bulk storage space-----	6.0
I. Patio with privacy fencing-----	5.4
J. Your own fenced-in yard-----	16.5
K. More soundproofing between family units-----	7.4
L. Carports-----	4.5
M. Sidewalks along streets-----	0.8
N. Central air conditioning-----	17.4
(2) Item second most important:	
A. Half bath on first floor of two-story unit-----	9.1
B. Secondary eating space-----	5.0
C. More kitchen counter workspace-----	9.7
D. Larger dining space-----	7.5
E. More study space for children-----	4.7
F. More space for entertaining-----	3.7
G. More interior bulk storage space-----	6.4
H. More exterior bulk storage space-----	7.8
I. Patio with privacy fencing-----	8.7
J. Your own fenced-in yard-----	13.0
K. More soundproofing between family units-----	5.7
L. Carports-----	7.5
M. Sidewalks along streets-----	1.5
N. Central air conditioning-----	9.9

Mr. SIKES. What did they have to say about townhouses, or row houses?

Captain REED. We didn't get a specific answer I could give you on that. Primarily they objected to having to live too close to everyone else, which would apply to townhouses.

Mr. SIKES. Soundproofing would be an important part of that?

Captain REED. Yes, sir.

Mr. SIKES. What are you doing about their recommendations?

Captain REED. We have submitted them to OSD and we are reviewing our design criteria for possible changes. We are informing the field of the survey results and we are encouraging their use when reviewing turnkey projects.

Mr. SIKES. Do you have ceiling lights installed in the rooms, or do you use plugs for lamps?

Captain REED. I think in most cases we have plugs.

Many of our projects are now turnkey and it would depend on what is common practice in the local area.

Mr. SIKES. Do you have a great deal of interest on the part of the wives with regard to ceiling lights?

Captain REED. I am not aware of that item being identified as an issue by the wives.

Mr. SIKES. I think you will find this item of particular interest.

Captain REED. To be honest, I don't think that was a question in the survey.

Mr. SIKES. Let's put it in the next one.

Captain REED. Yes, sir.

#### ADEQUACY OF HOUSING REQUIREMENTS SURVEYS

Mr. SIKES. GAO has raised some questions about the manner in which housing surveys are conducted. What improvements do you feel are needed in this area?

Captain REED. I haven't received a copy of the GAO report, sir, so I am talking a little bit off the top of my head.

Mr. SIKES. We will try to help you get one and then you can make your comments.

Captain REED. Very well. I will make them for the record.

[The information follows:]

On February 14, 1973, GAO advised that during their review of policies and procedures used to determine requirements for family housing construction, they had obtained information which in their opinion cast doubt on the need to construct housing at the Naval Complex East Bay, San Francisco, Calif. The results of the GAO review have still not been received, and we are therefore not certain of the basis for the GAO position. As was pointed out to GAO in an April 11, 1973 response from the Assistant Secretary of Defense (I. & L.), however, the Navy does not concur with the GAO statement.

To quote in part, from the OSD response, "The objective of the DOD family housing program is to assure that married members of the Armed Forces of the United States have suitable housing in which to shelter their families; thus "housing need" is synonymous with all personnel who are unsuitably housed. "\* \* \* your data equates housing need with only eligible personnel and then further reduces this need by 10 percent to effective requirements. You may be assured that the DOD will continue to authorize construction of family housing units only where there is a demonstrated need in order to maximize effective utilization of assets."

The Navy concurs with the OSD response, but we will evaluate thoroughly the final results of the GAO review at such time as they become available.

Mr. SIKES. Are there instances where the Navy has, in making these surveys, classified off-base units as inadequate even though the occupants reported them as adequate? Provide details on that for the record.

[The information follows:]

When an individual reports that his unit is adequate, his response is never changed, unless he has also reported that it takes him over 1 hour to commute from his residence to his duty station, one way, during normal working hours. The number of persons in this category is quite small, and of the approximately 35,000 families living at duty stations where we are requesting construction in this bill, less than 450 such changes or 1.3 percent were made.

Mr. SIKES. The GAO has suggested that the housing referral offices, which are familiar with housing situations in the community, might be a good place to conduct or monitor these surveys. This appears to be a useful suggestion. Will you explore it?

Captain REED. We have previously explored this area Mr. Chairman. Since the inception of the housing referral program, and especially during the past several years as the housing referral offices or HRO's as we call them have continued to expand, the HRO has been one of the primary sources from which we obtain information on conditions in the private community. Our survey, of necessity, however, also explores other sources such as newspaper listings, private realtor contacts, and FHA and VA offices. Moreover, there is a basic functional difference between the HRO and an annual survey. The HRO is established to assist personnel in finding the best possible housing in the community which is available at the time, even though it might be more expensive or too far away, or of an older, less desirable type than our personnel would desire. Any significant diversion of the HRO from this primary effort of locating housing assets would lessen its effectiveness in assisting our personnel. Our survey, on the other hand, attempts to measure the adequacy of the units which our people have found to determine if sufficient private adequate units are in fact being provided. We thus feel that the HRO role should be limited to one of input to our survey, and that conduct of the survey should remain with our professional housing managers who are more oriented to adequacy criteria.

#### COORDINATION WITH FHA AND LOCAL COMMUNITY

Mr. SIKES. Has the Navy made all reasonable efforts to screen the fiscal 1974 request to delete projects for which the community can provide support?

Captain REED. Yes, sir. I should say that as of this time we have FHA certification on all the projects in the 1974 program.

Mr. SIKES. What efforts has the Navy made to explain its housing programs to interested persons in the community and to obtain their support for its program?

In my personal experience this is a matter that has been quite important and at one time the Navy was not doing a good job on it. I have no recent experience, but go ahead and tell me what you can.

Captain REED. First of all, we know that budget circular A-95, and the Environmental Protection Act, require us to have contact with the local communities.

We have directed the field people to be sure they are talking to local town planners as they develop projects. It is a requirement, that when they file an environmental impact assessment with us, they must certify that they have had contact with the townspeople as part of that environmental assessment.

I might add here, sir, this is one of the reasons why, in this bill, we are requesting 24 months in order to get the project obligated in lieu of the 15 we have now. We would put it in the same cycle as regular military construction projects because we find when we go out and talk to the townspeople, we don't necessarily encounter objections, but we do encounter coordination problems that take time to work out.

Mr. PATTEN. Your answer is vague with regard to community support. If I were to give you my notion of what has to be done to get com-

munity support, it is that it will take more muscle than the commander of the base has to get contractors and other people interested, to get them to know your problem.

You have a past master here based on his own experience in his own district.

The effort it takes to work up community support is considerable.

I will ask our chairman to take over because I know what he has in mind. I am sure I do.

Mr. SIKES. I think it is a very important matter. Of course, you want community support. When you start building houses in an area, you are going to run into opposition from certain groups unless they have been sold on what you are doing. It can be done, but it is a matter of going to the various interested groups and making sure they understand your problem, and that the overall economy of their area and significance of the defense effort are more important than any effect for the time being on their own pocketbooks.

I find in most cases, if the matter is properly presented, you will have their support. I think the Navy has been weak on this in the past. I hope you are making a very determined effort now.

Captain REED. We are, sir.

Mr. SIKES. In the event that you have not done this in all cases, would you be willing to request that the authorizations for these projects be shifted to other locations such as those we discussed previously for relocating personnel?

Captain REED. Sir, we have contacted many different segments of each community in an effort to sell our projects. We feel that we have the support of a majority of the townspeople at all locations, however in the event a condition of overwhelming local opposition were to develop we would, of course like the opportunity to shift to another location.

#### COST OF CONSTRUCTION

Mr. SIKES. Tell us something about the status of prior-year Navy housing programs, what problems you have had with cost limitations, et cetera.

Captain REED. We have awarded all of fiscal 1972 except for Washington, D.C., which I am sure you realize is caught up in local community problem, as to whether or not we build at Bolling/Anacostia.

In 1973 so far we have awarded Camp Pendleton, Calif., Twenty-nine Palms, Calif., Charleston, S.C. and just recently Guam. We find as we go through the year that we are having more and more trouble with cost. If you will look at the Engineering News Record Cost Index or the Boeckh Index applying to residential housing, you will find January and February of this year that the index was increasing at twice the average rate through calendar year 1972, and this is our problem.

In Guam we were frankly very lucky. We negotiated with the contractor for about 6 weeks after we opened bids. We had face-to-face negotiations finally with the two low bidders. By rearranging the project, by using some existing sites that we really had planned to use for next year, and by taking quite a few deductions from the contract, we are able to get it in at exactly the program average.

In Charleston we had to take a substantial number of deductions. I can read it for you now or give it to you for the record.

At Twenty-nine Palms and Camp Pendleton, which were the first two projects awarded this year, we were very fortunate. It was a large project, collectively 500 units, and we got that without deducts.

We are in serious trouble with cost in Bermuda, which is in the fiscal year 1973 program. Cost projections on Bermuda lead us to believe that we are going to have difficulty in getting this project within the overseas program average.

It appears that the remaining units for the balance of the year can be accomplished with turnkey projects. We have already gone to the contractors and told them that we cannot use the space overage that turnkey permits. The law allows a 15 percent increase over conventional square footage on turnkey if the builder is able to prove that that is what he has been building in the area.

We now allow only a 5 percent increase in floor area, and would probably have to turn down more if offered, in order to get possible cost reductions.

We have tentatively identified in all the remaining projects, sidewalks, patios, fencing, landscaping, TV antennas, and vanities as deductive items. They are included in the contract but are identified as prospective deducts in order to facilitate awards.

#### SITE PROBLEMS

Mr. PATTEN. Have you any comment to make on your siting problems? Have you any major problems with this in the prior-year programs?

Captain REED. As you perhaps know, we have had a considerable amount of community resistance in Norfolk. We originally selected a site in Chesapeake, Va., and to say the least, they did not welcome us. Something along the line of what the chairman mentioned, but it gets down to a problem of taxes for sewer connections and taxes for new school construction when you put in a housing project of any size. At Norfolk we have relocated our project and have managed to acquire a piece of land from the Army at Fort Story. We are surveying at this time and expect to build the project there.

We had problems in Oahu due to a shortage of defense land which we have resolved. We had a slight problem at Great Lakes between the communities of Libertyville and Arlington Heights.

As it turned out, it was better for us to build at Libertyville. We obtained a piece of land which was held by the Department of the Army, and we plan to build there.

I think that summarizes our major problems. The sites cause great difficulty. We are running out of places to site housing.

Mr. PATTEN. You mentioned Norfolk, Great Lakes and the like. Does that pretty well cover it?

Captain REED. Yes, sir, those are the places we have had site problems to date.

Mr. PATTEN. We won't be asked about the status of any other Navy housing programs when we get on the floor?

Captain REED. All the others are awarded. We have awarded completely through 1972, except for Washington, D.C.

Mr. PATTEN. Yes, we know about that.

Captain REED. As I have said, in 1973 we dropped three projects because of the base closures. We have awarded Pendleton, Twentynine

Palms, Guam, and Charleston. We have a site for Oahu, and in summary, we have a site for everything else.

#### DEDUCTIVE ITEMS

Mr. SIKES. Provide for the record a listing of prior-year projects and what deducts you have had to make.

[The information follows:]

#### FISCAL YEAR 1973 PROGRAM DEDUCT ITEMS (PROJECTS AWARDED TO DATE)

##### MCB CAMP PENDLETON, CALIF. (400 UNITS)

None.

##### MCB TWENTYNINE PALMS, CALIF. (100 UNITS)

None.

##### NC CHARLESTON, S.C. (200)

Shower/tub rods vice sliding doors.  
 Asphalt vice concrete driveways.  
 Delete all tot lots and recreation equipment.  
 Wall-hung lavatories vice vanities.  
 Delete all street sidewalks.  
 Delete patios.  
 Delete trees and shrubs.  
 Delete brick (furnish prefinished hardboard).  
 Delete vent inserts (certain doors).  
 Hinged vice sliding door—medicine cabinets.

##### NC GUAM (230 UNITS)

Delete separation island curbs and gutters on arterial road.  
 Delete seeding beyond 50 feet from house line.  
 Revise front yard slope (maximum 17 percent).  
 Delete play area equipment.  
 Delete carports, keep exterior storage, driveway and connection sidewalk, retain original setback for house.  
 Delete electric power service at arterial road. (Future extension.)  
 Delete 500 feet of arterial road. (Future extension.)  
 Reduce parapet height 6 inches (from 1'6" to 1'0").  
 Delete privacy screen.  
 Delete built-up roofing, use sprayed-on urethan.  
 Revise EM rear and side yard grading, conform to FHA minimum criteria.

#### COST LIMITATIONS

Mr. SIKES. Do you feel that the average unit cost limits requested for fiscal year 1974 will be adequate?

Captain REED. I feel they will be adequate. I also feel, as I said before, that we really will need them.

Mr. SIKES. Going back to the 1973 program, do you feel you may have to come in for an increased limit in 1973 for some of those projects, or do you think you will be able to build adequate housing without new legislation?

Captain REED. Yes, sir, we do. Some of these 1973 jobs are going to be opened and awarded after we would expect this bill to be passed and we will need to use the cost limitation in this bill for some of them.

Mr. PATTEN. When do you expect this bill to be passed?

Captain REED. I am planning for November.

## TURNKEY

Mr. PATTEN. What fiscal year 1973 and 1974 projects will utilize turnkey?

Captain REED. In 1973 we used turnkey at Pendleton, Twentynine Palms, Guam, and Charleston. Those are the four we have awarded. We are sure we will also use it at Orlando.

A simpler way to answer that would be that in 1973 we expect to use conventional construction in Washington, D.C. and Oahu. We still have some doubt regarding New Orleans, as a turnkey location and are evaluating it for conventional construction. Everything else will be turnkey construction.

In fiscal year 1974 Keflavik will be conventional. The Naval Home, housing (5 units), is going to be handled as part of the overall construction which will be conventional. Oahu is still being evaluated.

Mr. PATTEN. Captain, would you say the Navy is satisfied with the result of this technique for housing construction?

Captain REED. If you can get a large enough package, yes, sir.

Mr. PATTEN. Would you have a word to say about its limitations?

Captain REED. It requires the bidder to put forth considerable effort for design. It costs him more to make a bid submittal, and therefore I think you need a bigger project in order to get the bidder to put forth that effort.

## FHA HOUSING

Mr. PATTEN. What is the status of the Navy's 236 military set-aside program?

Captain REED. As you know, HUD has imposed a moratorium on that. In 1971, we had 1,706 units authorized by HUD at six different locations. We have 669 units completed and occupied. About 637 units are under construction. We have 400 units that are held up. They were to be in Norfolk, but there was an environmental problem.

In 1972, out of 1950 units, at 14 locations, we have 100 completed and occupied, 448 under construction, and 1,402 units awaiting resolution of various problems. Over half the units, 750, were caught in the moratorium.

In 1973, we have a request for 2,125 that passed through OSD, and that is in limbo, because of the moratorium.

Mr. PATTEN. How many more of these units do you feel that you need?

Captain REED. We think about 1,200 more for our fiscal year 1974 requirement. They would be at Charleston, Norfolk, San Diego, and Oahu. Oahu is, I think, a particularly critical area for all three services.

Mr. PATTEN. What are your suggestions for legislation or administrative measures that would provide better HUD support for Navy personnel off base?

Captain REED. Well, sir, there are two or three things. One, it impinges on 236. This would probably be an administrative measure wherein HUD would set a standard method for determining a man's pay for eligibility either for 236 or for any other offbase unit, such as using his pay, BAQ, and subsistence and not worrying about any other fringe payments he may temporarily receive.

You will find this all over the country.

A second one OSD has already sponsored is the idea of HUD insuring mortgages in high-risk areas, in areas where there is a base but there is no firm civilian market for housing.

A third one we are playing around with in the Navy—and I must concede we haven't completely formulated it in our minds yet—is a form of mortgage insurance by HUD for sponsors who want to build for military occupants, perhaps lease-construct for the middle-income military man. I am thinking of a program which would be eligible for FHA mortgage insurance and offer the sponsor the same tax advantages as section 236 housing. Rents would be established similar to section 236, based on amortization of market rate interest, expenses, and 6-percent profit on original equity investment, and would be lower than for conventional lease construction. The Government would lease the housing for assignment as public quarters, and retain option to purchase at termination of lease period.

Mr. PATTEN. I thought you were going to mention also this question of housing in isolated areas. They look at the future of the base and its impact on the community for housing. They get to playing with that, and they pass it up. The Army has that problem.

Captain REED. The high-risk insurance would apply to that.

Mr. PATTEN. Is that what you meant by high risk?

Captain REED. Yes, sir, it is an area where there is no residual civilian market.

Mr. PATTEN. Where you moved out there wouldn't be a market?

Captain REED. That is correct.

Mr. PATTEN. Is that a real factor in 10 percent of the cases or 20 percent of the cases?

Mr. KORINK. It is where we have an isolated location.

Captain REED. Camp LeJeune would be an example.

#### HOUSING DENSITY

Mr. SIKES. What effect will the new OSD density requirements have on your ability to provide adequate housing?

Captain REED. They are going to increase our density substantially. We realize the reasons they put them in and we realize that to a certain extent you have got to consider what you define as the buildable area of the project, but if we were to apply them strictly we would be getting up to about eight four-bedroom units an acre or more. That is an awful lot of children per acre. As I say, we would expect to debate with them on exactly what the buildable area was in many instances in order to get ourselves a more livable project.

If you were to apply it straight out across the board, it would not be good.

#### RENTAL GUARANTEE HOUSING

Mr. SIKES. Are you having the same problems on rental guarantee programs overseas that other services are having?

Captain REED. The rental guarantee program is just ineffective. We cannot get a feasible project at \$225 a month.

#### LEASING

Mr. SIKES. What about the leasing program? Is that more satisfactory?

Captain REED. Yes, sir, it is.

Mr. SIKES. Do you expect to be able to use all of the leases you are requesting?

Captain REED. Through fiscal year 1974, yes, sir.

Mr. SIKES. How many of your current leasing points are unused?

Captain REED. We have 439 out of our 3,944 unused.

Mr. SIKES. Will that level continue through 1974? Do you think you will be able to improve it?

Captain REED. It will continue through 1974. It will go up, I would guess, by the end of 1974. When we have to start renewing leases, it will start going down.

#### SHIFT IN BUDGET BOGEY

Mr. DAVIS. Before we get into the line items, can you identify the \$20 million that the Navy Department gave up in order to apply that amount to the housing programs?

Captain REED. No, sir, it becomes unidentifiable. Actually, the way it works, at the very beginning of the planning for the first year—for instance, for fiscal 1975, that starts a couple of weeks yet from now. OSD gets an overall control figure from the Office of Management and Budget to parcel out to Army, Navy, Air Force, and they keep some of them for themselves. When the year started, the Secretary of the Navy looked at the housing figure that OSD had given them, he decided it was not big enough, that he wanted to put more to it, and what he did was take \$20 million out of his total figure, the total obligational authority at the beginning of the year, before he budgeted anything else, and in effect told the rest of the Navy, "You have \$20 million less."

This was before any congressional program was made up.

It was during the initial planning as to what the military construction and family housing total bill would be.

Mr. DAVIS. So we don't know whether it came out of procurement or personnel or where it came from?

Captain REED. No, sir. To be completely honest the Navy couldn't tell you. The Navy got a total pot and decided to allocate \$20 million of that total pot, off the top, to housing.

Mr. SIKES. We will begin new construction line items.

#### NEW CONSTRUCTION

Mr. SIKES. Insert pages ii through iv and the following page in the record.

[The pages follow:]

DEPARTMENT OF THE NAVY—FAMILY HOUSING DEFENSE, FISCAL YEAR 1974 BUDGET,  
SUMMARY/TABLE OF CONTENTS

	Units	Estimate	
1. Construction summary sheet:			
A. New construction, tab 1:			
California:			
Marine Corps base, Camp Pendleton .....	800	\$21,600,000	
Naval facility, Centerville Beach .....	60	1,800,000	
Marine Corps base, Twenty-Nine Palms .....	200	6,113,000	
Florida: Naval training center, Orlando .....	300	8,100,000	
Hawaii: Naval complex, Oahu .....	600	22,656,000	
Louisiana: Naval complex, New Orleans .....	100	2,400,000	
Maryland: Naval support facility, Thurmont .....	6	200,000	
Mississippi:			
Construction battalion center, Gulfport .....	100	2,500,000	
Naval home, Gulfport .....	5	200,000	
Pennsylvania: Naval complex, South Philadelphia .....	350	9,700,000	
South Carolina: Naval complex, Charleston .....	270	7,606,000	
Guam: Naval complex, Guam .....	800	28,800,000	
Iceland: Naval station, Keflavik .....	150	6,000,000	
Total, new construction .....	3,741	117,675,000	
B. Mobile home facilities .....	100	400,000	
C. Improvements to existing quarters .....		10,600,000	
D. Minor construction .....		800,000	
E. Planning .....		200,000	
F. Rental guarantee housing .....			
G. Other guarantee housing .....			
Total, construction request .....		129,675,000	
2. Debt payments:			
A. Capehart housing .....	\$19,694,000	0	\$19,694,000
B. Wherry housing .....	9,386,000	0	9,386,000
C. Servicemen's mortgage insurance premiums .....	1,085,000	\$180,000	1,265,000
Total, debt payment appropriation request .....	30,165,000	180,000	30,345,000
3. Operation and maintenance, including leasing:			
A. Operation and maintenance .....	124,325,000	25,668,000	149,993,000
B. Leasing .....	11,639,000	0	11,639,000
Total, operation and maintenance appropriation request .....	135,964,000	25,668,000	161,632,000

CONSTRUCTION—NAVY

.. [Thousands of dollars]

	Fiscal year 1972, actual	Fiscal year 1973, estimate	Fiscal year 1974, estimate
Construction of new housing .....	108,511	119,900	117,675
Mobile home facilities .....	4,500	1,725	400
Subtotal, new construction .....	113,011	121,625	118,075
Improvements .....	7,931	9,121	10,600
Minor construction .....	5,113	5,500	800
Planning .....	299	400	200
Total, construction .....	126,354	136,646	129,675
Financing adjustments (net) .....	+9,363	-13,567	
Appropriation .....	135,717	123,079	129,675

MARINE CORPS BASE, CAMP PENDLETON, CALIF.

Mr. SIKES. Insert page 2 in the record.  
[The page follows:]

1. DATE 15 FEB 1973		2. DEPARTMENT NAVY		3. INSTALLATION FY 19 <u>74</u> MILITARY CONSTRUCTION PROGRAM			4. INSTALLATION MARINE CORPS BASE, CAMP PENDLETON						
5. COMMAND OR MANAGEMENT BUREAU CMC				6. INSTALLATION CONTROL NUMBER 8270 551		7. STATE/COUNTRY CALIFORNIA							
8. STATUS ACTIVE				9. YEAR OF INITIAL OCCUPANCY		10. COUNTY (U.S.) SAN DIEGO		11. NEAREST CITY 35 MILES N OF SAN DIEGO, CALIFORNIA					
11. MISSION OR MAJOR FUNCTIONS  To provide training facilities, logistical support for Fleet Marine Force units and other units assigned including specialized schools and other training.				12. PERSONNEL STRENGTH			PERMANENT		STUDENTS		SUPPORTED		TOTAL (9)
				OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)		
				a. AS OF 29 FEB 72	1770	20862	2947	0	0	90	2340	0	28009
				b. PLANNED (End FY 77)	2201	25209	2947	11	0	0	6702	0	37070
13. INVENTORY													
LAND		ACRES (1)		LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)					
a. OWNED		124,410		4,241		174,248		178,489					
b. LEASES AND EASEMENTS		112,910* - 0#		0		1,898* - 0#		1,898					
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 <u>72</u>													
d. AUTHORIZATION NOT YET IN INVENTORY													
e. AUTHORIZATION REQUESTED IN THIS PROGRAM													
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS													
g. GRAND TOTAL (c + d + e + f)													
14. SUMMARY OF INSTALLATION PROJECTS													
PROJECT DESIGNATION				TENANT COMMAND				AUTHORIZATION PROGRAM		FUNDING PROGRAM			
CATEGORY CODE NO. a	PROJECT TITLE b			UNIT OF MEASURE c	SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h					
711	FAMILY HOUSING DWELLINGS (800 UNITS)			FA	800	21,600	800	21,600					

Mr. SIKES. Will this project meet your short-term requirement? What plans do you have for the long term?

Captain PEPE. Construction of the 800 units included within this program will do much to support the short term requirement at MCB Camp Pendleton. The project will support the immediate requirements of the 586 persons unsuitably housed in the community and the additional 112 persons involuntarily separated due to the housing situation.

The long term requirement for housing is predicated on the projected increase in permanent party strength by the year's end. Assuming approval of the requested 800 units within this year's program, the programing of the remaining deficit of 563 will be considered for subsequent years.

Mr. SIKES. You plan to build quite a number of units for field grade and company grade officers. Are not these ranks better able to afford civilian rents?

Captain PEPE. The recent increase in the maximum allowable housing cost for military personnel would indicate that both field grade and company grade officers could well afford to rent family housing units in the civilian community. However, community support in the three and four bedroom type units located in the localities adjacent to MCB Camp Pendleton is almost nonexistent.

The fiscal year 1974 family housing survey revealed that of those housing units under construction or vacant in the community the vast majority were "for sale" and not rental units.

NAVAL FACILITY, CENTERVILLE BEACH, CALIF.

Mr. SIKES. Insert page 6 in the record.  
[The page follows:]

1. DATE 15 Feb 1973		2. DEPARTMENT Navy		3. INSTALLATION NAVAL FACILITY, CENTERVILLE BEACH											
4. COMMAND OR MANAGEMENT BUREAU CINCPACFLT		5. INSTALLATION CONTROL NUMBER 3061-195		6. STATE/COUNTRY CALIFORNIA											
7. STATUS ACTIVE		8. YEAR OF INITIAL OCCUPANCY		9. COUNTY (U.S.) HUMBOLDT		10. NEAREST CITY									
11. MISSION OR MAJOR FUNCTIONS  To conduct oceanographic observations in selected areas in order to provide the U.S. Navy with more extensive information on oceanographic conditions in the area.				12. PERSONNEL STRENGTH 29 Feb		PERMANENT			STUDENTS		SUPPORTED		TOTAL		
				OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	(9)			
				a. AS OF 31 December 72	15	115	2	0	0	0	0	0	132		
				b. PLANNED (End FY 77)	20	255	2	0	0	2	0	0	279		
				13. INVENTORY											
				LAND		ACRES (1)	LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)			TOTAL (\$000) (4)			
a. OWNED #	39	33	2,474	4	2,511										
b. LEASES AND EASEMENTS	1* - 6#	0* - 4#	0	4											
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19	72														
d. AUTHORIZATION NOT YET IN INVENTORY															
e. AUTHORIZATION REQUESTED IN THIS PROGRAM															
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS															
g. GRAND TOTAL (c + d + e + f)															
14. SUMMARY OF INSTALLATION PROJECTS															
PROJECT DESIGNATION				TENANT COMMAND	UNIT OF MEASURE	AUTHORIZATION PROGRAM		FUNDING PROGRAM							
CATEGORY CODE NO. a	PROJECT TITLE b			c	d	SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h						
711	FAMILY HOUSING DWELLINGS (60 UNITS)				FA	60	1,800	60	1,800						

Mr. SIKES. Where are these families now living? If there is a housing shortage, to what do you attribute the vacant civilian units?

Captain REED. As there is a projected increase in the personnel to be stationed at Centerville Beach, many of the families for whom the project is proposed have not yet arrived. As of February 29, 1972, there were 64 families living in the private community, nine of which were unsuitably housed. The few vacant units shown at Centerville Beach on the survey date will probably be utilized by future Navy families, but there were only nine of these units. The small size and remote nature of the community precludes the possibility of additional community units becoming available, and the project is thus still required for the many other Navy families who will be moving into the area.

Mr. SIKES. You plan to acquire 12 acres of land. Show us the proposed acquisition on a map.

Captain REED. This is a small station near the town of Ferndale in an isolated location in northern California. It has a classified mission which is being expanded and there are no nearby civilian towns of any size.

Mr. SIKES. What is the cost of the land to be bought?

Captain REED. The land will be \$25,000, sir.

MARINE CORPS BASE, TWENTYNINE PALMS, CALIF.

Mr. SIKES. Insert page 10 in the record.

[Page 10 follows:]

1. DATE 15 FEB 73		2. DEPARTMENT NAVY		3. INSTALLATION MARINE CORPS BASE TWENTY-NINE PALMS											
4. COMMAND OR MANAGEMENT BUREAU CMC		5. INSTALLATION CONTROL NUMBER 8270 800		6. STATE/COUNTRY CALIFORNIA											
7. STATUS Active		8. YEAR OF INITIAL OCCUPANCY		9. COUNTY (U.S.) SAN BERNARDINO		10. NEAREST CITY 5 MILES N OF TWENTY-NINE PALMS									
11. MISSION OR MAJOR FUNCTIONS To provide personnel, material and services for the maintenance and support of Marine Corps Forces assigned.				12. PERSONNEL STRENGTH			TOTAL (9)								
				PERMANENT				STUDENTS		SUPPORTED					
				a. AS OF 29 Feb 72			OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	
				b. AS OF 30 JUNE 72			310	3020	560	0	91	12	318	0	
				c. PLANNED (END FY 77)			316	3232	521	30	3100	12	330	0	
				13. INVENTORY											
				LAND		ACRES (1)		LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)			
a. OWNED		595,383		1,610		43,165		44,775							
b. LEASES AND EASEMENTS		222 * - 15#		0; * - 35 #		0		35							
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 1972								44,810							
d. AUTHORIZATION NOT YET IN INVENTORY															
e. AUTHORIZATION REQUESTED IN THIS PROGRAM															
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS															
g. GRAND TOTAL (c + d + e + f)															
14. SUMMARY OF INSTALLATION PROJECTS															
PROJECT DESIGNATION				TENANT COMMAND				AUTHORIZATION PROGRAM		FUNDING PROGRAM					
CATEGORY CODE NO. a	PROJECT TITLE b			c	UNIT OF MEASURE d	SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h						
711	Family Housing Dwellings (200 units)				FA	200	6,113	200	6,113						

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Mr. SIKES. The request here is for 200 units. Your survey shows only 140 families unsuitably housed or involuntarily separated. Do realignments generate the need for additional housing?

Captain PEPE. Yes, sir, the fiscal year 1974 family housing survey reflects a programable deficit of 277 units exists at MCB Twentynine Palms. This deficit is a result of a projected increase of 457 military personnel due to relocation of "D" Company, Communications and Electronics School from MCRD, San Diego and establishment of a new artillery unit.

NAVAL TRAINING CENTER, ORLANDO, FLA.

Mr. SIKES. Insert page 14 in the record.  
[The page follows:]

1. DATE 15 FEB 1973		2. DEPARTMENT NAVY		3. INSTALLATION FY 1974 MILITARY CONSTRUCTION PROGRAM			4. INSTALLATION NAVAL TRAINING CENTER, ORLANDO							
5. COMMAND OR MANAGEMENT BUREAU CHNAVTRA			6. INSTALLATION CONTROL NUMBER 6373 700			7. STATE/COUNTRY FLORIDA								
8. STATUS ACTIVE			9. YEAR OF INITIAL OCCUPANCY			10. COUNTY (U.S.) ORANGE		11. NEAREST CITY WITHIN CITY						
12. MISSION OR MAJOR FUNCTIONS To provide basic indoctrination (Recruit Training) for enlisted personnel and primary advanced and/or specialized training for officers and enlisted personnel of the regular Navy and Naval Reserve.				13. PERSONNEL STRENGTH			14. PERMANENT		15. STUDENTS		16. SUPPORTED		17. TOTAL	
				OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	TOTAL (9)		
				a. AS OF 29 FEB 72	285	1395	2502	0	4853	2	82	0	9119	
				b. PLANNED (End FY 77)	492	2198	2502	420	12990	6	67	0	18675	
				18. INVENTORY										
LAND (1)		ACRES (2)		LAND COST (\$000) (3)		IMPROVEMENT (\$000) (4)		TOTAL (\$000) (5)						
a. OWNED		1702		528		55,870		61,158						
b. LEASES AND EASEMENTS (37* - 8# - 0* - 0#)														
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72														
d. AUTHORIZATION NOT YET IN INVENTORY														
e. AUTHORIZATION REQUESTED IN THIS PROGRAM														
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS														
g. GRAND TOTAL (c + d + e + f)														
14. SUMMARY OF INSTALLATION PROJECTS														
PROJECT DESIGNATION				TENANT COMMAND	UNIT OF MEASURE	AUTHORIZATION PROGRAM		FUNDING PROGRAM						
CATEGORY CODE NO. a	PROJECT TITLE b			c	d	SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h					
711	FAMILY HOUSING DWELLINGS (300 UNITS)				FA	300	8,100	300	8,100					

Mr. SIKES. The request is for 300 units. You are acquiring units at McCoy. Do you still need the project set forth here for 300 units?

Captain REED. Yes, sir, we do. It would be a terminal program at Orlando. This would complete the Orlando requirements.

Mr. SIKES. How many units will be obtained from McCoy Air Base?

Captain REED. 668.

Mr. SIKES. What is the distance from the naval training center?

Captain REED. It is about a 20-minute drive.

Mr. SIKES. Will it still be necessary for you to acquire some land?

Captain REED. No, sir, it will not.

Mr. SIKES. Are there questions?

NAVAL COMPLEX, OAHU, HAWAII

Mr. SIKES. Insert page 18 in the record.

[The page follows:]

1. DATE 15 FEB 73		2. DEPARTMENT NAVY		3. INSTALLATION NAVAL COMPLEX, OAHU																		
4. COMMAND OR MANAGEMENT BUREAU VARIOUS			5. INSTALLATION CONTROL NUMBER NOT APPLICABLE		6. STATE/COUNTRY HAWAII																	
7. STATUS ACTIVE		8. YEAR OF INITIAL OCCUPANCY NOT APPLICABLE		9. COUNTY (U.S.)	10. NEAREST CITY INCLUDES ALL NAVY AND MARINE CORPS ACTIVITIES ON ISLAND OF OAHU.																	
11. MISSION OR MAJOR FUNCTIONS To provide homeport support for approximately 71 ships, including fleet service vessels, destroyers and submarines.				12. PERSONNEL STRENGTH		PERMANENT			STUDENTS			SUPPORTED			TOTAL							
				OFFICER (1)		ENLISTED (2)		CIVILIAN (3)		OFFICER (4)		ENLISTED (5)		OFFICER (6)		ENLISTED (7)		CIVILIAN (8)		(9)		
				a. AS OF 29 Feb 73		4027		28158		13923		5		15		205		375		0		46708
				b. PLANNED (End FY 77)		4267		32096		13923		16		163		105		264		0		50834
				13. INVENTORY																		
				LAND			ACRES (1)			LAND COST (\$000) (2)			IMPROVEMENT (\$000) (3)			TOTAL (\$000) (4)						
				a. OWNED			49,477			6329			304,701			311,030						
b. LEASES AND EASEMENTS #			50,339* - 160#			( 2* - 0# )			2,476* - 13,947#			16,423										
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 18 72																						
d. AUTHORIZATION NOT YET IN INVENTORY																						
e. AUTHORIZATION REQUESTED IN THIS PROGRAM																						
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS																						
g. GRAND TOTAL (c + d + e + f)																						
14. SUMMARY OF INSTALLATION PROJECTS																						
PROJECT DESIGNATION																						
CATEGORY CODE NO. a		PROJECT TITLE b				TENANT COMMAND c		UNIT OF MEASURE d		AUTHORIZATION PROGRAM SCOPE e		ESTIMATED COST (\$000) f		FUNDING PROGRAM SCOPE g		ESTIMATED COST (\$000) h						
711		Family Housing Dwellings (600 units)						FA		600		22,042.5		600		22,656						

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Mr. SIKES. The request is for 600 units at a cost of \$22,656,000. Tell us the results of Project Fresh on family housing land requirement projections.

## PROJECT FRESH

Captain REED. Project Fresh results—

Mr. SIKES. Tell us what Project Fresh is.

Captain REED. Project Fresh is a study of all military land requirements in Hawaii for all three services. Included therein are the Navy housing requirements.

It does not excess any land that was ever earmarked for housing. From that standpoint, it does not impact on us. The problem in Oahu is that land is short.

Mr. SIKES. I would like to have additional information on this for the record.

Captain REED. Yes, sir.

[The information follows:]

The specific purpose of Project "FRESH" is twofold: (a) To determine landholding required to support the long-range DOD presence in the State of Hawaii. (b) To determine which landholdings could be released by OSD in consonance with Executive Order 11508, issued by President Nixon in February 1970.

This study is based on the projected force levels of the individual services over the next 15 years.

With regard to family housing, the large continuing multiservice deficit and the small likelihood of community support make the following sites a requirement:

Area :	Usable acres	Area—Continued	Usable acres
Puuloa .....	150	Helemano .....	200
Aliamanu .....	395	Waiawa .....	192
Kaneohe .....	62	Bellows .....	100
Hickam .....	163	FAA site.....	125
Schofield East Range.....	405		

## SITING OF PROJECTS

Mr. SIKES. Where are you proposing to site the units for the Navy's 1972 and 1973 programs?

Captain REED. Half at the Marine Corps Air Station at Kaneohe; the other 350 will be at Puuloa, adjacent to an existing Navy housing area at Iroquois Point.

Mr. SIKES. Will these sites be adequate in terms of the location and density of your family housing areas?

Captain REED. Yes, sir.

Mr. SIKES. Can you get them within the money you are allowed?

Captain REED. We are going to make an awfully good try at that, sir, by site adapting existing designs.

As I mentioned earlier, we are experiencing financial difficulties toward the end of this program. That is going to be quite close.

Mr. SIKES. Where are you proposing to site the 600 units in this year's request? When do you expect this to be resolved?

Captain REED. We feel that the problem is resolved, Mr. Chairman. Our project will be sited at the Aliamanu Crater in a joint Army-Navy housing project.

Mr. SIKES. Do you see any possibility of the community support situation improving or of the Navy population declining on Oahu?

Captain REED. No, sir. We see little probability of a decline in Navy population, and as opposed to increased community support, we feel we may actually lose some that we now have as living costs in Hawaii continue to increase so dramatically.

USE OF TURNKEY IN HAWAII

Mr. NICHOLAS. Do you propose to use turnkey in the fiscal year 1974 program?

Captain REED. That hasn't been settled yet, but that is going to be an awfully big project and it would be a very nice turnkey project.

Mr. NICHOLAS. Could you set out for the record what benefits you feel you might get from using turnkey?

Captain REED. Yes, sir.

Mr. NICHOLAS. And what drawbacks there might be? Relate that to the size of the project?

Captain REED. Yes, sir.

[The information follows:]

Turnkey housing is usually closer to what is available in the community both as to style and amenities; and, therefore, it is more acceptable to the service member. However, a major point is that the turnkey submission contains elements of competition between the bidders as to both site and house engineering, house layout, and the amenities. This gives the buyer the opportunity of looking at different solutions to the same problem and choosing the best. Our evaluation procedure is then such that we have the option of awarding a contract based upon cost per quality point rather than merely the lowest cost; when lowest cost may not be the most satisfactory solution. Also, turnkey removes some bid uncertainty since all proposers are aware of cost and criteria parameters prior to bid.

In the 1974 program all construction will probably be by turnkey with the exception of Keflavik and the Naval Home housing at Gulfport which will be handled as a part of the overall contract, and perhaps Oahu. Oahu will be a joint Army/Navy project and is still being evaluated.

The submission of a turnkey project is more costly to the contractor and therefore a larger number of units is required to get a good number of bids. Some small contractors feel they cannot compete in quality of submittal or perhaps are limited by capacity such that they cannot bid the larger jobs.

Current conversations with general contractors in Hawaii have produced no clear preference for the turnkey mode on the part of local contractors, although two large mainland general contractors have expressed interest. Similiar conversations with homebuilders in Hawaii who do not normally bid conventional housing projects have elicited interest on their part.

NAVAL COMPLEX, NEW ORLEANS, LA.

Mr. SIKES. Insert page 22 in the record.

[The page follows:]

1. DATE 15 Feb 73		2. DEPARTMENT NAVY		3. INSTALLATION FY 1974 MILITARY CONSTRUCTION PROGRAM			5. INSTALLATION NAVAL COMPLEX, NEW ORLEANS							
4. COMMAND OR MANAGEMENT BUREAU VARIOUS				6. INSTALLATION CONTROL NUMBER NOT APPLICABLE			6. STATE/ COUNTRY LOUISIANA							
7. STATUS ACTIVE				8. YEAR OF INITIAL OCCUPANCY NOT APPLICABLE			9. COUNTY (U.S.) ORLEANS PARISH		10. NEAREST CITY WITHIN CITY					
11. MISSION OR MAJOR FUNCTIONS To provide administrative, logistic, and civil engineering support for and supervision of building and outfitting of ships in the Eighth Naval and Marine Corps District activities.				12. PERSONNEL STRENGTH 29 Feb 1972			PERMANENT		STUDENTS		SUPPORTED		TOTAL	
				OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	(9)		
				a. AS OF <del>31 September</del>	254	1186	0	0	0	47	99	1410	2996	
				b. PLANNED (End FY )	394	1341	0	0	0	30	118	1681	3564	
				13. INVENTORY										
				LAND		ACRES (1)	LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)			
				a. OWNED										
b. LEASES AND EASEMENTS														
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 _____														
d. AUTHORIZATION NOT YET IN INVENTORY _____														
e. AUTHORIZATION REQUESTED IN THIS PROGRAM _____														
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS _____														
g. GRAND TOTAL (c + d + e + f) _____														
14. SUMMARY OF INSTALLATION PROJECTS														
PROJECT DESIGNATION				TENANT COMMAND		UNIT OF MEASURE		AUTHORIZATION PROGRAM		FUNDING PROGRAM				
CATEGORY CODE NO. a	PROJECT TITLE b			c	d	SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h					
711	Family Housing Dwellings (100 units)				FA	100	2,400	100	2,400					

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Mr. SIKES. The request is for \$2,400,000. Will it be necessary to acquire land for the project?

Captain REED. No, sir. This will be on Navy land.

NAVAL SUPPORT FACILITY, THURMONT, MD.

Mr. SIKES. Insert page 26 in the record.

[The page follows:]

1. DATE 15 FEB 73		2. DEPARTMENT NAVY		3. INSTALLATION FY 1974 MILITARY CONSTRUCTION PROGRAM		4. INSTALLATION NAVAL SUPPORT FACILITY, THURMONT								
4. COMMAND OR MANAGEMENT BUREAU CNM			5. INSTALLATION CONTROL NUMBER 6206-900		6. STATE/COUNTRY MARYLAND									
7. STATUS ACTIVE			8. YEAR OF INITIAL OCCUPANCY		9. COUNTY (U.S.) FREDERICK		10. NEAREST CITY 5.5 MILES NW OF THURMONT							
11. MISSION OR MAJOR FUNCTIONS To provide facilities and support services as a designated activity in support of the White House. To function as a retreat for the President of the United States.				12. PERSONNEL STRENGTH		PERMANENT		STUDENTS		SUPPORTED		TOTAL		
				OFFICER (1)		ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	(9)	
				a. AS OF 29 Feb 72		10	231							241
				b. PLANNED (End FY 77)		9	237							246
				13. INVENTORY										
LAND		ACRES (1)		LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)						
a. OWNED		9.59		5		447		452						
b. LEASES AND EASEMENTS#		10.95* - 1.02#		( 0* - .450# )		67		67.5						
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72														
d. AUTHORIZATION NOT YET IN INVENTORY														
e. AUTHORIZATION REQUESTED IN THIS PROGRAM														
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS														
g. GRAND TOTAL (c + d + e + f)														
14. SUMMARY OF INSTALLATION PROJECTS														
PROJECT DESIGNATION														
CATEGORY CODE NO. a	PROJECT TITLE b				TENANT COMMAND c	UNIT OF MEASURE d	AUTHORIZATION PROGRAM e		FUNDING PROGRAM f					
711	Family Housing Dwellings (6 units)					FA	6		200		6	200		

## PROJECT WITHDRAWN

Mr. SIKES. The request is for six units at \$200,000. How far are the nearest civilian housing units which could be used?

Captain REED. Well, sir, I have to say here our requirement for this project has disappeared.

Mr. SIKES. You do not require it?

Captain REED. Yes, sir.

Mr. SIKES. It is being withdrawn?

Captain REED. Yes, sir.

NAVAL CONSTRUCTION BATTALION CENTER, GULFPORT, MISS.

Mr. SIKES. Insert page 30 in the record.

[The page follows:]

1. DATE 15 FEB 73		2. DEPARTMENT NAVY		3. INSTALLATION NAVAL CONSTRUCTION BATTALION CENTER, GULFPORT										
4. COMMAND OR MANAGEMENT BUREAU CNM			6. INSTALLATION CONTROL NUMBER 2506 400		5. STATE/COUNTRY MISSISSIPPI									
7. STATUS ACTIVE			8. YEAR OF INITIAL OCCUPANCY		9. COUNTY (U.S.) HARRISON		10. NEAREST CITY WITHIN GULFPORT							
11. MISSION OR MAJOR FUNCTIONS To support Naval construction forces, to provide storage, preservation and shipping facilities for advance base and mobilization stocks.				12. PERSONNEL STRENGTH			13. INVENTORY							
				PERMANENT			STUDENTS			SUPPORTED			TOTAL	
				OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	(9)		
				a. AS OF 29 Feb 72			121	2046	595	0	31	51	157	3001
				b. PLANNED (END FY 77)			105	1864	595	0	56	59	217	2896
				LAND	ACRES (1)	LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)				
a. OWNED	1,106	69		29,928		29,997								
b. LEASES AND EASEMENTS	3,985* - 6#	0		969* - 0#		969								
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72							30,966							
d. AUTHORIZATION NOT YET IN INVENTORY														
e. AUTHORIZATION REQUESTED IN THIS PROGRAM														
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS														
g. GRAND TOTAL (c + d + e + f)														
14. SUMMARY OF INSTALLATION PROJECTS														
PROJECT DESIGNATION				TENANT COMMAND		UNIT OF MEASURE		AUTHORIZATION PROGRAM		FUNDING PROGRAM				
CATEGORY CODE NO. a	PROJECT TITLE b			c	d	SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h					
711	Family Housing Dwellings (100 units)				FA	100	2,500	100	2,500					

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## HOUSING AVAILABLE IN COMMUNITY

Mr. SIKES. The request is for 100 units at \$2.5 million. Tell us about the situation with regard to vacant homes in the community. The committee has been advised there are a considerable number of such houses available.

Do you have up-to-date information on the situation?

Captain REED. I have information as of about 10 days ago, Mr. Chairman.

Mr. SIKES. That is recent enough.

Captain REED. We had contact with 19 organizations in the town. Everyone, including the FHA and the local planning agency, concurred in the project. The homebuilders association in that area is against the project. They say that although FHA has recorded only about 40 or 50 mortgage closures, they know of about 100 more that are likely to come in the next few months and therefore they feel the project should not go ahead.

Mr. SIKES. What is the position of the Navy?

Captain REED. The Navy feels the project should be built.

Mr. SIKES. Do you expect to make further contacts with the local community in an effort to solve the problem?

Captain REED. Yes, sir, we do. I should point out we have 1 year during which we have to recertify this project. If it changes, it would be exactly the same as East Bay, San Francisco, where part of our deficit disappeared after the bill and we will build only a portion of the project.

Mr. SIKES. Are these proposed units requested as partial replacement for leased units?

Captain REED. No, sir.

Mr. SIKES. Do you think an adequate effort has been made to work out this problem at the local level? Have you enlisted the support of the chamber of commerce, the military affairs committee, and so forth?

Captain REED. Of the town? Yes, sir. I know that the skipper of the base has contacted all of the people in the town. He has also had at least two meetings with the homebuilders' association. Our basic problem is that we have been asked to either buy or lease units throughout the town as they become foreclosed and that would become an unworkable situation for us to administer.

Mr. SIKES. You show no significant increase in rental housing through the end of fiscal year 1977. Are there no local plans for civilian rental housing in the next 3 years?

Captain REED. We do, sir, indicate a very slight increase of only eight vacant rental units over the next 5 years, which represents a proportionate share of the vacant units in the community which Navy personnel might expect to occupy in competition both with civilians and with the service personnel from Keesler AFB which is nearby. Most of the limited construction in the area is in homes for sale or in luxury apartments which our lower enlisted personnel, for whom this project is proposed, cannot afford.

NAVAL HOME, GULFPORT, MISS.

Mr. SIKES. Insert page 34 in the record.

[The page follows:]

1. DATE 15 FEB 1973		2. DEPARTMENT NAVY		3. INSTALLATION FY 19 74 MILITARY CONSTRUCTION PROGRAM			4. INSTALLATION NAVAL HOME, GULFPORT								
5. COMMAND OR MANAGEMENT BUREAU CHNAVPERS				6. INSTALLATION CONTROL NUMBER			7. STATE/COUNTRY MISSISSIPPI								
7. STATUS				8. YEAR OF INITIAL OCCUPANCY			9. COUNTY (U.S.) HARRISON		10. NEAREST CITY BILOXI						
11. MISSION OR MAJOR FUNCTIONS  Provide a home for old and disabled men of the Navy and Marine Corps.				12. PERSONNEL STRENGTH			PERMANENT		STUDENTS		SUPPORTED		TOTAL (9)		
							OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)		ENLISTED (7)	CIVILIAN (8)
				a. AS OF 29 FEB 72				0	0	0	0	0	0	0	0
				b. PLANNED (END FY 77)				5	10	0	0	0	0	0	15
				13. INVENTORY											
				LAND		ACRES (1)		LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)			
a. OWNED		TO BE TRANSFERRED FROM THE DEPARTMENT OF AIR FORCE													
b. LEASES AND EASEMENTS															
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 <u>72</u>															
d. AUTHORIZATION NOT YET IN INVENTORY															
e. AUTHORIZATION REQUESTED IN THIS PROGRAM															
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS															
g. GRAND TOTAL (c + d + e + f)															
14. SUMMARY OF INSTALLATION PROJECTS															
PROJECT DESIGNATION				TENANT COMMAND c	UNIT OF MEASURE d	AUTHORIZATION PROGRAM		FUNDING PROGRAM							
CATEGORY CODE NO. a	PROJECT TITLE b					SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h						
711	FAMILY HOUSING DWELLINGS (5 UNITS)				FA	5	200	5	200						

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Mr. SIKES. The request is for five units at \$200,000. What kind of units are these? They seem to be considerably higher cost than the average.

Captain REED. They would be single units. They are one-story detached frame.

Mr. SIKES. For whom?

Captain REED. They would be for the governor of the Naval Home, the executive officer, the medical officer, the chaplain, and the supply officer. Those are the only five officers associated with the home.

Mr. SIKES. Are there no community assets available which can serve the purpose?

Captain REED. These people have duties which pretty well require them to be on the grounds. They work daily with the residents.

NAVAL COMPLEX, SOUTH PHILADELPHIA, PA.

Mr. SIKES. Insert page 38 in the record.

[The page follows:]

1. DATE 15 Feb 1973	2. DEPARTMENT NAVY	3. INSTALLATION NAVAL COMPLEX, SOUTH PHILADELPHIA								
4. COMMAND OR MANAGEMENT BUREAU VARIOUS		5. INSTALLATION CONTROL NUMBER NOT APPLICABLE	6. STATE/COUNTRY PENNSYLVANIA							
7. STATUS ACTIVE	8. YEAR OF INITIAL OCCUPANCY NOT APPLICABLE	9. COUNTY (U.S.) PHILADELPHIA	10. NEAREST CITY WITHIN CITY							
11. MISSION OR MAJOR FUNCTIONS  The primary activity is the U.S. Naval Base with a mission to support the fleet and various Navy and Marine Corps installations with various missions.		12. PERSONNEL STRENGTH								
		PERMANENT			STUDENTS		SUPPORTED		TOTAL	
		OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	(9)
		29 Feb 1972	926	2865	12742	14	329	20	816	
		a. AS OF <del>31 DECEMBER</del>	926	2865	12742	14	329	20	816	17712
		b. PLANNED (End FY 77)	918	3383	12742	36	303	20	864	18266
13. INVENTORY		LAND	ACRES (1)	LAND COST (\$000) (2)	IMPROVEMENT (\$000) (3)	TOTAL (\$000) (4)				
		a. OWNED	1512	3104	224,573	227,677				
		b. LEASES AND EASEMENTS	48							
		c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 <u>72</u>								
		d. AUTHORIZATION NOT YET IN INVENTORY								
		e. AUTHORIZATION REQUESTED IN THIS PROGRAM								
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS										
g. GRAND TOTAL (c + d + e + f)										
14. SUMMARY OF INSTALLATION PROJECTS		CATEGORY CODE NO. a	PROJECT DESIGNATION PROJECT TITLE b	TENANT COMMAND c	UNIT OF MEASURE d	AUTHORIZATION PROGRAM SCOPE e	ESTIMATED COST (\$000) f	FUNDING PROGRAM SCOPE g	ESTIMATED COST (\$000) h	
711	FAMILY HOUSING DWELLINGS (350 UNITS)		FA	350	9,700	350	9,700			

Mr. SIKES. The request is for 350 units. Have base closures changed this requirement?

Captain REED. No. If anything, there might be a slight increase, but it is not appreciable.

NAVAL COMPLEX, CHARLESTON, S.C.

Mr. SIKES. Insert page 42 in the record.

[The page follows:]

1. DATE 15 FEB 73		2. DEPARTMENT NAVY		3. INSTALLATION NAVAL COMPLEX, CHARLESTON											
4. COMMAND OR MANAGEMENT BUREAU VARIOUS		5. INSTALLATION CONTROL NUMBER NOT APPLICABLE		6. STATE/COUNTRY SOUTH CAROLINA											
7. STATUS ACTIVE		8. YEAR OF INITIAL OCCUPANCY NOT APPLICABLE		9. COUNTY (U.S.) CHARLESTON	10. NEAREST CITY 5 MILES NNE OF CHARLESTON, SC										
11. MISSION OR MAJOR FUNCTIONS  Naval Base Charleston provides support for numerous submarines, tenders, destroyers and the shore facilities comprising the total force in the area.				12. PERSONNEL STRENGTH			TOTAL								
				PERMANENT			STUDENTS		SUPPORTED						
				OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)		CIVILIAN (8)			
				a. AS OF 29 FEB 72			1663	14850	11500	62	330	131	522	0	29058
				b. PLANNED (End FY 77)			1799	17167	11500	97	344	108	456	0	31471
				13. INVENTORY											
				LAND		ACRES (1)		LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)			
a. OWNED		16,257		5,471		125,636		131,107							
b. LEASES AND EASEMENTS		989* - 67#		0* - 12#		675* - 0#		687							
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72										131,794					
d. AUTHORIZATION NOT YET IN INVENTORY															
e. AUTHORIZATION REQUESTED IN THIS PROGRAM															
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS															
g. GRAND TOTAL (c + d + e + f)															
14. SUMMARY OF INSTALLATION PROJECTS															
PROJECT DESIGNATION				TENANT COMMAND	UNIT OF MEASURE	AUTHORIZATION PROGRAM		FUNDING PROGRAM							
CATEGORY CODE NO. a	PROJECT TITLE b			c	d	SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h						
711	Family Housing Dwellings (270 units)				FA	270	7,606	270	7,606						

Mr. SIKES. The request is for 270 units at a cost of \$7,706,000.  
No questions.

NAVAL COMPLEX, GUAM, MARIANA ISLANDS

Mr. SIKES. Insert page 46 in the record.  
[The page follows:]

1. DATE 15 FEB 1973		2. DEPARTMENT NAVY		3. INSTALLATION NAVAL COMPLEX, GUAM									
4. COMMAND OR MANAGEMENT BUREAU VARIOUS		5. INSTALLATION CONTROL NUMBER NOT APPLICABLE		6. STATE/COUNTRY MARIANA ISLANDS									
7. STATUS ACTIVE		8. YEAR OF INITIAL OCCUPANCY NOT APPLICABLE		9. COUNTY (U.S.) NOT APPLICABLE		10. NEAREST CITY AGANA, GUAM COMPLEX ACTIVITIES WITHIN COMMUTING DISTANCE							
11. MISSION OR MAJOR FUNCTIONS  To maintain strategic reserve base and to provide logistic support to the Western Pacific and provide limited training facilities.				12. PERSONNEL STRENGTH			13. TOTAL						
				PERMANENT			STUDENTS			SUPPORTED			
				OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	TOTAL (9)	
				a. AS OF 29 FEB 72	770	6700	5160	0	0	18	114	0	12762
				b. PLANNED (END FY 77)	960	9026	5160	0	0	50	144	0	15340
				18. INVENTORY									
LAND		ACRES (1)		LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)					
a. OWNED		22,536		1,211		131,256		132,467					
b. LEASE AND EASEMENTS #		5,357* - 216#		(759* - 81#)		29,469* - 0#		29,550					
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 18		72						162,017					
d. AUTHORIZATION NOT YET IN INVENTORY													
e. AUTHORIZATION REQUESTED IN THIS PROGRAM													
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS													
g. GRAND TOTAL (c + d + e + f)													
14. SUMMARY OF INSTALLATION PROJECTS													
PROJECT DESIGNATION				TENANT COMMAND	UNIT OF MEASURE	AUTHORIZATION PROGRAM		FUNDING PROGRAM					
CATEGORY CODE NO. a	PROJECT TITLE b			c	d	SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h				
711	FAMILY HOUSING DWELLINGS (800 UNITS)				FA	800	28,800	800	28,800				

Mr. SIKES. The request is for 800 units at \$28,800,000.

You say a destroyer squadron will be stationed at Guam in fiscal year 1975. Where is this squadron now based, and what is the purpose in moving it?

Captain REED. The specific squadron of ships has not been nominated. We are tentatively using 1 DLG, 3 DE's, and 1 DDG with the plan calling for a second DDG. All the ships will be coming from either Long Beach, San Diego, or Pearl Harbor. All of which have substantial family housing deficits. The ships are being moved to provide more homeport time by reducing the number of transits from the United States to the WESTPAC operating areas. A total of 31 days saved for each round trip transit. The family members will be eligible to accompany their spouses to Guam. Also, since we have lost about one third of the fleet over the last 3 to 4 years, having these ships homeported to Guam will enable us to more efficiently meet our overseas commitments with a reduced fleet.

Mr. SIKES. You indicate a decrease in rental housing in your long-range projection. Why is there to be a reduction?

Captain REED. Mr. Chairman I must apologize for a typographical error in our justification data book. There is actually a very slight—about 19 units—*increase* in our long-range rental assets.

NAVAL STATION, KEFLAVIK, ICELAND

Mr. SIKES. Insert page 50 in the record.  
[The page follows:]

1. DATE 15 FEB 1973		2. DEPARTMENT NAVY		3. INSTALLATION FY 1974 MILITARY CONSTRUCTION PROGRAM			3. INSTALLATION NAVAL STATION, KEFLAVIK							
4. COMMAND OR MANAGEMENT BUREAU CINCLANTFLT				5. INSTALLATION CONTROL NUMBER 6029-440			6. STATE/COUNTRY ICELAND							
7. STATUS ACTIVE				8. YEAR OF INITIAL OCCUPANCY			9. COUNTY (U.S.) KEFLAVIK		10. NEAREST CITY 1 MILE SW OF KEFLAVIK					
11. MISSION OR MAJOR FUNCTIONS  To provide operational and facilities support for tenants which include a VP squadron, Iceland Defense Force, Marine barracks and outlying radar sites and to provide personnel support activities.				12. PERSONNEL STRENGTH		PERMANENT			STUDENTS		SUPPORTED		TOTAL (9)	
						OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)		CIVILIAN (8)
				a. AS OF 29 FEB 72 =		243	2523	79	0	0	108	440	0	3393
				b. PLANNED (End FY 77)		252	2417	79	0	0	133	359	0	3240
				13. INVENTORY										
LAND		ACRES (1)		LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)						
a. OWNED		0		0		22,978		22,978						
b. LEASES AND EASEMENTS		23,245* - 0#		1* - 0#		182,210* - 0#		182,210						
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 18		72						205,188						
d. AUTHORIZATION NOT YET IN INVENTORY														
e. AUTHORIZATION REQUESTED IN THIS PROGRAM														
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS														
g. GRAND TOTAL (c + d + e + f)														
14. SUMMARY OF INSTALLATION PROJECTS														
PROJECT DESIGNATION														
15. CATEGORY CODE NO. a	PROJECT TITLE b				TENANT COMMAND c	UNIT OF MEASURE d	AUTHORIZATION PROGRAM SCOPE e		ESTIMATED COST (\$000) f		FUNDING PROGRAM SCOPE g		ESTIMATED COST (\$000) h	
711	FAMILY HOUSING DWELLINGS (150 UNITS)					FA	150	6,000	150	6,000		6,000		

## BASE TENURE

Mr. SIKES. The question again is how long are we going to be in Iceland and has this request been received as a result of that situation?

Captain REED. Yes, sir. As Admiral Marschall pointed out the other day, we are aware that in about 6 months a decision should be made and this project would not start inside that 6-months' period.

Mr. SIKES. You will keep the committee posted on developments?

Captain REED. Yes, sir.

Mr. SIKES. In your narrative you mention a dollar limitation on purchases which can be taken off base. Please explain this and tell us if it is a part of our agreement with Iceland. Do we have similar agreements with other overseas locations?

Captain REED. There is an initial take-off limit of \$42 per adult and \$26 for each child under the age of 12. The weekly allowance thereafter for each adult is \$13 and \$10 for each child. These limits apply to commissary, exchange, and mail imported items. The annex to the United States—Iceland Defense Agreement of 1951, contains no provision authorizing Defense Force personnel to remove customs and duty-free commissary items, exchange merchandise, or mail imports to their off-base residences. Accordingly, such goods, absent from the Government of Iceland agreement, would remain subject to the customs law of the Republic of Iceland. Since 1951, Iceland has, at the request of U.S. Military authorities in Iceland, gradually relaxed its customs regulations pertaining to U.S. Armed Forces personnel stationed in Iceland. The last approved increase, by the Government of Iceland, was announced on April 25, 1973.

No other country places such broad take off restriction on U.S. military personnel stationed in their country. Some countries do, however, place limits on those items most susceptible to black marketeering.

## MOBILE HOME FACILITIES

Mr. SIKES. Insert pages 54 and 56 in the record.

[The pages follow:]

1. DATE 15 FEB 73		2. DEPARTMENT NAVY		3. INSTALLATION NAVAL TRAINING CENTER, ORLANDO											
4. COMMAND OR MANAGEMENT BUREAU CHNAVTRA		5. INSTALLATION CONTROL NUMBER 6373 700		6. STATE/COUNTRY FLORIDA											
7. STATUS ACTIVE		8. YEAR OF INITIAL OCCUPANCY		9. COUNTY (U.S.) ORANGE	10. NEAREST CITY WITHIN CITY										
11. MISSION OR MAJOR FUNCTIONS To provide basic indoctrination (Recruit Training) for enlisted personnel and primary advanced and/or specialized training for officers and enlisted personnel of the regular Navy and Naval Reserve.				12. PERSONNEL STRENGTH		PERMANENT			STUDENTS		SUPPORTED		TOTAL		
						OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)	(9)	
				a. AS OF 29 FEB 72		285	1395	2502	0	4853	2	82	0	9119	
				b. PLANNED (End FY 77)		492	2198	2502	420	12990	6	67	0	18675	
				13. INVENTORY											
				LAND		ACRES (1)		LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)			
				a. OWNED		1,702		528		55,870		61,158			
				b. LEASES AND EASEMENTS		37* - 8#		(0* - 0#)		0		0			
				c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 72								61,158			
				d. AUTHORIZATION NOT YET IN INVENTORY											
e. AUTHORIZATION REQUESTED IN THIS PROGRAM															
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS															
g. GRAND TOTAL (c + d + e + f)															
14. SUMMARY OF INSTALLATION PROJECTS															
PROJECT DESIGNATION				AUTHORIZATION PROGRAM				FUNDING PROGRAM							
CATEGORY CODE NO. a	PROJECT TITLE b			TENANT COMMAND c	UNIT OF MEASURE d	SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h						
712	Family Housing Mobile Home Facilities (40 spaces)				FA	40	168	40	168						

1. DATE 15 FEB 73		2. DEPARTMENT NAVY		3. INSTALLATION NAVAL AIR STATION, MEMPHIS											
4. COMMAND OR MANAGEMENT BUREAU CHIEF OF NAVAL AIR TRAINING			5. INSTALLATION CONTROL NUMBER 1452-570			6. STATE/COUNTRY TENNESSEE									
7. STATUS ACTIVE			8. YEAR OF INITIAL OCCUPANCY			9. COUNTY (U.S.) SHELBY		10. NEAREST CITY 18 MILES NORTH OF MEMPHIS							
11. MISSION OR MAJOR FUNCTIONS Maintain and operate facilities, provide services and material to support operations of Naval Air Training.				12. PERSONNEL STRENGTH			PERMANENT		STUDENTS		SUPPORTED		TOTAL (9)		
				OFFICER (1)	ENLISTED (2)	CIVILIAN (3)	OFFICER (4)	ENLISTED (5)	OFFICER (6)	ENLISTED (7)	CIVILIAN (8)				
				a. AS OF 29 Feb 72			456	3901	2046	71	8432	0	0	0	14906
				b. PLANNED (End FY 77)			485	3919	2046	20	8289	8	4	0	14771
				13. INVENTORY											
				LAND		ACRES (1)		LAND COST (\$000) (2)		IMPROVEMENT (\$000) (3)		TOTAL (\$000) (4)			
				a. OWNED		3455		0* - 447#		--		447			
d. LEASES* AND EASEMENT#		64* - 2#		(0* - 1#)											
c. INVENTORY TOTAL (Except land rent) AS OF 30 JUNE 19 72										78,911					
d. AUTHORIZATION NOT YET IN INVENTORY															
e. AUTHORIZATION REQUESTED IN THIS PROGRAM															
f. ESTIMATED AUTHORIZATION - NEXT 4 YEARS															
g. GRAND TOTAL (c + d + e + f)															
14. SUMMARY OF INSTALLATION PROJECTS															
PROJECT DESIGNATION				TENANT COMMAND c	UNIT OF MEASURE d	AUTHORIZATION PROGRAM		FUNDING PROGRAM							
CATEGORY CODE NO. a	PROJECT TITLE b					SCOPE e	ESTIMATED COST (\$000) f	SCOPE g	ESTIMATED COST (\$000) h						
712	FAMILY HOUSING MOBILE HOME FACILITIES (60 SPACES)				FA	60	232	60	232						

Mr. SIKES. You are requesting 100 mobile home spaces at a cost of \$4,000 each. How does this average cost compare to previous years?

Captain REED. In fiscal year 1971 our cost average was \$3,000 per space, and in fiscal year 1972 it was \$4,174 per space. The fiscal year 1973 average is projected about at \$4,000 or a little more per space.

Mr. SIKES. Where are you siting the Orlando project? In view of the expected growth of the total population here, is there room to expand the project if the need arises?

Captain REED. The Orlando mobile home project will be sited on the southern portion of Orlando Naval Training Center next to the Beach Boulevard East Gate. The project could be expanded to the west should the need arise.

Mr. SIKES. At Memphis, what is the off-base mobile home situation?

Captain REED. Memphis has a number of mobile home parks that provide adequate accommodations for Navy personnel, and the supply of private mobile home space is increasing. Even in view of this, however, the Navy currently projects a requirement to construct additional Navy-owned mobile home spaces.

#### IMPROVEMENTS TO EXISTING PUBLIC QUARTERS

Mr. SIKES. Insert pages 58 through 63 in the record.

[The pages follow:]

1. DATE 15 Feb 1973		2. FISCAL YEAR 1974		3. DEPARTMENT NAVY		4. INSTALLATION VARIOUS	
5. PROPOSED AUTHORIZATION \$ 10,600,000		6. PRIOR AUTHORIZATION P.L.		7. CATEGORY CODE NUMBER 71100		8. PROGRAM ELEMENT NUMBER	
10. PROPOSED APPROPRIATION \$ 10,600,000		11. BUDGET ACCOUNT NUMBER		12. LINE ITEM NUMBER		13. LINE ITEM TITLE IMPROVEMENTS TO EXISTING PUBLIC QUARTERS	
SECTION A - DESCRIPTION OF LINE ITEM				SECTION B - COST ESTIMATES			
14. TYPE OF CONSTRUCTION		18. PHYSICAL CHARACTERISTICS OF PRIMARY FACILITY				20. PRIMARY FACILITY	
a. PERMANENT	<input checked="" type="checkbox"/>	a. NO. OF BLDGS.	b. NO. OF STORIES	c. LENGTH	d. WIDTH	e. CONSTRUCTION ALTERATIONS	( ) ( ) ( ) ( ) ( ) ( )
b. SEMI-PERMANENT		e. DESIGN CAPACITY	f. GROSS AREA			b. ADDITIONS & CONVERSIONS	( ) ( ) ( ) ( ) ( ) ( )
c. TEMPORARY		g. COOLING CAP.	COST (\$)			c.	( ) ( ) ( ) ( ) ( ) ( )
15. TYPE OF WORK		19. DESCRIPTION OF WORK TO BE DONE Provide for the:				21. SUPPORTING FACILITIES	
a. NEW FACILITY	<input checked="" type="checkbox"/>	Alterations of kitchens and bathrooms				d. \$ 919.6	
b. ADDITION	<input checked="" type="checkbox"/>	Construction of utility rooms				e. ( ) ( ) ( ) ( ) ( ) ( )	
c. ALTERATION	<input checked="" type="checkbox"/>	Improvement of electrical systems				h. DESIGN ( ) ( ) ( ) ( ) ( ) ( )	
d. CONVERSION	<input checked="" type="checkbox"/>	Improvement of heating system				i. SIOH ( ) ( ) ( ) ( ) ( ) ( )	
e. OTHER (Specify)		Air conditioning				j.	
16. REPLACEMENT		Correction of drainage problems				k.	
17. TYPE OF DESIGN		Construction of carpports				l.	
a. STANDARD DESIGN	<input checked="" type="checkbox"/>	Construction of housing administration and recreational facilities				m.	
b. SPECIAL DESIGN	<input checked="" type="checkbox"/>	Conversion of housing units				n.	
c. DRAWING NO.		Construction of curbs, gutters and sidewalks				o.	
						p.	
						q.	
						r.	
						s.	
						t.	
						u.	
						v.	
						w.	
						x.	
						y.	
						z.	
						22. TOTAL LINE ITEM COST	
						\$10,600.0	
SECTION C - BASIS OF REQUIREMENT							
23. QUANTITATIVE DATA				25. REQUIREMENT FOR LINE ITEM			
(U/W _____)				To update Navy Family Housing by alterations, rehabilitation, additions, and conversion of units. The improvements of electrical and heating systems, modernization of kitchens and bathrooms, improvements of functional layouts, addition of bedrooms and baths, construction of community facilities and the improvement of exterior areas will provide increased liveability and better utilization of existing family housing units.			
a. TOTAL REQUIREMENT		( ) ( ) ( ) ( ) ( ) ( )		These projects will bring the housing units into closer comparability to local community housing in the various areas. This goal is considered to be an instrumental factor in the retention of personnel in the service.			
b. EXISTING SUBSTANDARD		( ) ( ) ( ) ( ) ( ) ( )					
c. EXISTING ADEQUATE		( ) ( ) ( ) ( ) ( ) ( )					
d. FUNDED, NOT IN INVENTORY		( ) ( ) ( ) ( ) ( ) ( )					
e. ADEQUATE ASSETS (c + d)		AUTHORIZED FUNDED					
f. UNFUNDED PRIOR AUTHORIZATION		( ) ( ) ( ) ( ) ( ) ( )					
g. INCLUDED IN FY _____ PROGRAM		( ) ( ) ( ) ( ) ( ) ( )					
h. DEFICIENCY (a - e - f - g)		( ) ( ) ( ) ( ) ( ) ( )					
24. RELATED LINE ITEMS							



