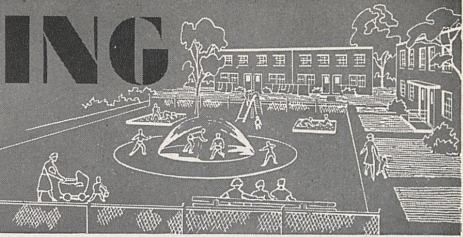


FW3.7.1/39

PUBLIC HOUSING

Weekly News

FROM AMERICAN COMMUNITIES ABOLISHING
SLUMS AND BUILDING LOW-RENT HOUSING



Federal Works Agency - John M. Carmody, Administrator

Vol. 1, No. 39 - May 7, 1940

U. S. Housing Authority - Nathan Straus, Administrator

Slum Areas of St. Louis Cost \$5,500,000 a Year

St. Louis taxpayers contribute five and a half million dollars each year to maintain slum areas in the city, according to a recent statement by W. C. Connett, Chairman of the St. Louis, Mo., housing authority.

Mr. Connett quoted the City Plan Commission, which had conducted an extensive study of municipal revenue and expenditures.

"Taxes levied in the slum districts," the Commission reported, "amount to only forty percent (40%) of the costs of municipal services furnished these districts . . . The slums are subsidized directly by the higher value residential districts, and by the central downtown business district. The total annual subsidy probably amounts to \$5,500,000 for all of the slum areas in St. Louis."

Heavy tax delinquencies further deplete the revenue from slum areas. From 25 to 40 percent of the taxes levied in slums are normally delinquent; for the higher value residential districts the delinquency ratio is from 2 to 5 percent.

The yearly cost of government in a typical slum area was found to be \$53.10 per capita, contrasted with a yearly income in taxes from the same area of \$21.14 per capita. Tax receipts from other sections of St. Louis were, therefore, drawn upon to the extent of \$31.96 per capita to make up

(Continued on page 2)

Three-way Puerto Rican Program To Rehouse 4,470 Island Families

Some 1,075 Puerto Rican low-income families were assured decent homes at reasonable rentals recently when Administrator Nathan Straus approved two USHA loans totaling \$2,953,000, to the Puerto Rico and San Juan (P. R.) housing authorities. The loans cover the construction of projects in six municipalities: Aguadilla, Humacao, Isabela, Rio Piedras, Yauco, and San Juan. In all the cities except San Juan, the projects will be developed by the Puerto Rico Housing Authority, at an average construction cost of \$1,220 per dwelling. The construction cost of the San Juan housing authority's project will average \$1,420 per dwelling.

The Puerto Rico Housing Authority is empowered to develop projects anywhere on the island, except in Ponce, San Juan, and Mayaguez, where local authorities already exist. At present, Puerto Rico Housing Authority developments are being constructed in nine communities. In the whole island 20 USHA-aided projects, providing homes for 4,470 low-income families, now are under way.

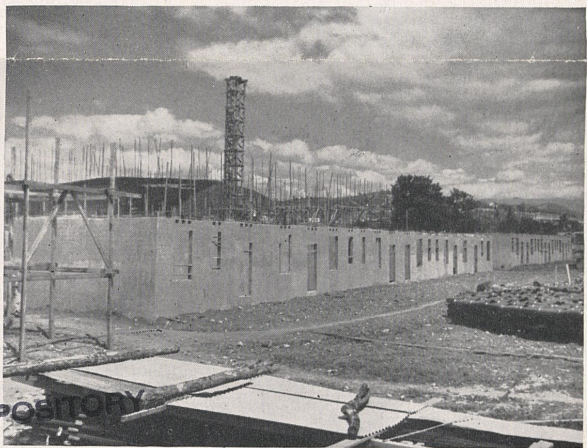
Public housing in Puerto Rico is an excellent example of how local conditions dictate the form a local program must take. Housing authorities there are attacking slum clearance and the shortage of decent

housing on three fronts. In urban communities, where incomes are low and land scarce, the conventional concept of a public housing project is carried out: i. e., a community of dwellings, usually 2-story flats or 3-story apartments, providing homes, playgrounds, and neighborhood facilities. The structures are of reinforced concrete (assuring durability, low maintenance, and safety) with flat concrete roofs and concrete floors. Windows are shuttered and the buildings are painted. Kitchen equipment includes a charcoal-burning range for cooking, a sink, and adequate shelving. Bathrooms have showers and water closets. Utilities consist of water, charcoal, and electricity for lighting.

Each project has a community building where space is provided for social and recreational activities. Outside are children's play areas, spray pools, and walks. Landscaping is simple, consistent with the lowest possible maintenance costs. Ten of the twenty projects in Puerto Rico follow this general pattern. Five of the ten are being built in crowded slum areas; the others on vacant or near-vacant land.

In sections where the tenants will come from both urban and rural environments, and where land is not too expensive, a semi-

(Continued on next page)



Shacks like this in San Juan, P. R., are being demolished to make way for public housing projects.

In Ponce, P. R., 300 units of the "Ponce de Leon" project are rapidly nearing completion.

UK LIBRARIES

rural housing program is being developed. Here, one- and two-family dwellings are constructed on individual plots of ground, ranging in size from one-half to one and one-half acres each. Present plans call for 9 such developments, giving low-income tenants an opportunity to raise a part of the food necessary for family sustenance. Structures in the semi-rural projects will be of concrete with sloping roofs. In some instances, bids for prefabricated concrete panel construction have been invited.

Equipment for the semi-rural projects includes a kitchen range (charcoal burner), shelving, and individual pit privies. Shower houses are located so as to serve small groups of families. The dwellings will be wired for electric lights. These projects usually will include a small store to supply the immediate needs of tenants. Here, as in urban communities, play areas and spray pools enhance the livability of the project.

In Ponce, poorer families live in make-shift shacks jammed closely together throughout whole neighborhoods. Food is expensive; many families barely manage to feed themselves. Money for shelter is out of the question. To meet these conditions, the Ponce housing authority has developed the unique plan of furnishing land and utilities, and allowing the tenant to provide his own house. The authority clears the slum by moving to improved sites the closely crowded houses. There they are repaired and painted, and set up in blocks of four. Each family thus obtains a large yard, a sanitary toilet, shower and laundry tray, and a supply of pure water. The cost to the tenant will be approximately \$1 a month. The site for this project, which is known as Caserio Borinquen, contains 29 acres, of which the city has donated nearly one-third. The city also will supply free water and street and yard lighting. The electrical distribution system will be donated by the Utilization of Water Resources Board. Project streets are to be maintained by the insular government. The project will provide homes for 340 families.

Following is a tabulation of Puerto Rican projects, showing location, size, and net construction costs arranged in groups according to the date of Presidential approval.

Date project approved by President	Location	Project	Number of units	Average net construction cost	
5-26-39	Ponce.....	*1-1	300	\$1,226	
		1-2	280		
		*2-1	420		
10-6-39	San Juan.....	3-1	210	1,468	
		Fajardo.....	3-1	210	951
		Mayaguez.....	4-1	476	1,220
		Ponce.....	1-3	116	1,262
*1-4	120				
12-26-39	Bayamon.....	1-5	340	114	
		3-5	133	1,169	
		3-3	120		
		3-4	152		
		3-2	194		
2-3-40	Manati.....	2-2	132		1,419
		2-3	402		
		3-8	199		
3-29-40	San Juan.....	3-8	199	1,220	
		Humacao.....	3-6		223
		Isabela.....	3-7		170
		Rio Piedras.....	3-9		256
		Yauco.....	3-10		143
	San Juan.....	2-4	84	1,420	

*Under construction.

39 New Authorities Bring Total to 415

Reports of new local housing authorities continue to flow in at an accelerated pace. During the last week word has been received concerning 39 new authorities, set up in Arkansas, Georgia, Kentucky, Louisiana, and Texas. Added to the previous figure of 376 (see PUBLIC HOUSING, No. 38), this brings the total of all local authorities (as of April 27) to 415, of which 137 are county authorities.

Following is a list of the 39 additional authorities. It is to be noted that all but three are county authorities, set up primarily to develop rural housing programs.

ARKANSAS: Benton County Housing Authority, Madison County Housing Authority.

GEORGIA (All are county housing authorities): Appling, Atkinson, Bacon, Banks, Ben Hill, Brooks, Calhoun, Catoosa, Chattahoochee, Columbia, Dooly, Dougherty, Douglas, Fayette, Hancock, Harris, Houston, Irwin, Jeff Davis, Jones, Laurens, Lee, Liberty, Lumpkin, Meriwether, Newton, Oconee, Stephens, Tattall, Toombs, Treutlen, Turner, Twiggs, and Wheeler County Housing Authorities.

KENTUCKY: City of Richmond Municipal Housing Commission.

LOUISIANA: Monroe Housing Authority.

TEXAS: Eagle Pass Housing Authority.

Rural Housing Program Explained in Leaflet

"Rural Housing," latest in a series of leaflets explaining the USHA program, has been released for distribution. Copies are available upon application to the Informational Service Division, USHA.

"Rural Housing" points out the need for Government assistance in the construction of rural, as well as urban, low-rent housing. "While it has been estimated that a third of the Nation as a whole lives under sub-standard housing conditions, about 60 percent of all American farm families—or approximately 4,000,000—are inadequately housed."

USHA's rural program, the leaflet explains, is the "climax to months of effort on the part of the USHA, the Department of Agriculture, and . . . local authorities." Six USHA-aided rural projects have been approved by the President.

The leaflet explains how the rural program works, and which families will occupy the low-rent farm dwellings. The text is illustrated with a drawing of a standard low-rent farm home and a floor plan showing arrangement of rooms and furniture.

A practical illustration of the plan in operation is supplied by the example of "X" County in the deep South, with a population of about 16,000, about 80 percent of which "now live in crude, unpainted shacks, many of them windowless and unscreened." The "X" County program is explained in detail.

Building Permits for March Register 27 Percent Gain Over February Total

Building permit valuations for new residential construction in March showed an increase of 27 percent over the February total, according to a recent release of the U. S. Department of Labor, Bureau of Labor Statistics. The March total was up 4 percent from March 1939, although for the first quarter of this year there was a 10 percent decline for the corresponding period of 1939.

Permits issued during March provided for 27,763 dwelling units, of which 3,059 were in USHA-aided projects. February permits called for 22,228 units.

Kentucky Housing Association Organizes and Elects Officers

Forrest J. Alvin, Secretary and Executive Director of the City of Covington Municipal Housing Commission, was elected President of the Kentucky Housing Association when the permanent organization was formed recently at a meeting in Lexington.

Other officers elected were: Vice President, George A. Sayer, Louisville; Secretary and Treasurer, Mayor Ward Havely, Lexington; and Consultant, Hugh Meriwether, Lexington. William F. Burke, Chairman of the Covington housing Commission, was named a member of the Board of Directors.

Oliver C. Winston, Director of Region III of the United States Housing Authority, was principal speaker at the meeting, which was attended by housing and city officials of Somerset, Richmond, Madisonville, Paducah, Owensboro, Paris, Louisville, Lexington, Frankfort, and Covington. Plans are being made to form housing commissions at Bowling Green, Hopkinsville, Harlan, and Ashland.

St. Louis Slums Cost \$5,500,000

(Continued from page 1)

the annual deficit, which meant a municipal subsidy of that amount, paid for each resident of the slum area.

The following tabulation gives the results of a City Plan Commission study of two specific areas in St. Louis, one a slum district, and one a higher value residence district.

Item	Slum district	Mid-town residence district
Population.....	7, 235	9, 269
Net area—acres...	66. 45	183. 17
Yearly cost of government:		
Total.....	\$384, 201. 00	\$293, 198. 00
Percent of income.....	251	73
Per capita.....	\$53. 10	\$31. 64
Per net acre.....	\$5, 782. 00	\$1, 601. 00
Yearly income in taxes:		
Total.....	\$152, 980. 00	\$399, 385. 00
Percent of cost.....	40	136
Per capita.....	\$21. 14	\$43. 09
Per net acre.....	\$2, 302. 00	\$2, 180. 00

5/17/40

State and Municipal Ordinances For Equivalent Elimination

Hundreds of shacks, tenements, and ancient flats are being eliminated every month by local housing authorities and municipalities. Over 33,500 such unfit dwellings have already been abolished in accordance with existing loan contracts.

About one-half of the projects included in the USHA loan contracts are being developed on vacant land and, to secure the necessary "equivalent elimination," the local authorities have enlisted the cooperation of their cities. These cities have agreed to exercise their powers to compel the repair, closing, or demolition of unfit dwellings. State laws and ordinances authorizing public officers to require owners of unfit dwellings to repair, close, or demolish such dwellings have generally been dead letters simply because their enforcement would have forced the tenants of these unfit dwellings out into the street. These tenants lived in the unfit dwellings because they could find nothing better at the rental they could afford to pay. But with the advent of the USHA program, which provides, on the one hand, decent, safe, and sanitary dwellings to low-income families at rentals they can afford to pay, and requires, on the other hand, the elimination of an equivalent number of unfit dwellings, these State laws and ordinances are being enforced.

Consequently, many of the existing laws and ordinances are being reconsidered to determine whether they provide an effective, expeditious, and equitable procedure. This is especially significant to municipalities because of the unprecedented extent of the present slum-elimination program.

Under the incentive of the USHA program, States and municipalities have shown an increasing interest in revising their statutes and ordinances to provide such a valid and expeditious procedure. In 1938 and 1939 the legislatures of six States (Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, and Vermont) passed enabling statutes, known as "police power" or "slum clearance" laws, providing for the exercise of the police power of municipalities under ordinances containing prescribed provisions, to bring about the demolition, repair, or closing of unsafe or insanitary dwellings.

A public officer is designated to issue complaints, after preliminary investigations, to the owners of such dwellings. Following adequate notice and hearing, the public officer may issue an order requiring (or causing, if the owner fails to comply with the order) the demolition, repair, or closing of such dwellings if he finds them dangerous or injurious to the health, safety, or morals of the occupants. Provision is made in the slum clearance law for the application by any person affected by such an order to the proper court for an injunction to restrain the carrying out of the order of the public officer. If no such application to court is made within the time limited, the action by the public officer cannot be later

questioned through any other court proceeding.

Municipalities generally have adopted some ordinances pursuant to their police power providing for the demolition, repair, or closing of dwellings unfit for human habitation. However, the procedure under such an ordinance often includes time-consuming court action, or else the procedure is so inadequate and summary, without descriptive statutory authorization, that local officials fear personal liability in acting under it. An ordinance adopted under a slum clearance law is free from these objections, because it provides for an administrative procedure that is expeditious and protects both local officials and the owners of the dwellings.

The USHA has prepared model ordinances which are available to any housing authorities or cities for use in the States where such slum clearance laws have been passed. The USHA is also assisting in the preparation or revision of similar ordinances for municipalities in other States participating in the USHA program.

After studying such ordinances in a number of cities, the National Institute of Municipal Law Officers prepared a model ordinance containing the best provisions of the ordinances studied. This model ordinance was published by the National Institute of Municipal Law Officers in its Report No. 37 of June 1938 and Report No. 39 of August 1938.

The primary recommendation embodied in the model slum clearance ordinances prepared by this Institute is an administrative procedure requiring proper notice and hearing to interested parties and a finding of facts under designated standards. This procedure makes for the efficient administration of the police power of the municipality in clearing slums and constitutes an added legal protection to the municipality and officers exercising such power. Such model ordinances are prepared to conform to the most typical statutory and constitutional provisions of the States and must be changed to comply with the various requirements in each State.

Family Welfare Convention Features Housing Exhibit

Six hundred welfare executives attended the Family Welfare Association of America's biennial convention in Cleveland, Ohio, April 25-27. The Cleveland Metropolitan Housing Authority and the USHA cooperated in a housing exhibit and consultation service for the executives attending. "Housing in Our Time" was shown and a trip to the nearby housing projects was arranged. The exhibit, prepared especially for the conference, portrayed the social evils attending the slum.

FHA Study Shows Importance of USHA Construction Volume

The volume of USHA-aided construction is of vital importance in areas of low building activity, according to a Federal Housing Administration study published in the "Insured Mortgage Portfolio" for March 1940.

In an article on "Residential Construction During 1939," Kenneth C. Beede, Housing Economist for the FHA, points out that "publicly financed home construction accounted for 12 percent of the total nonfarm building in 1939 as compared with only 2 percent in 1938." He concludes: "It is important, therefore, in analyzing building activity, to take cognizance of the effects of public housing."

The study includes a tabulation of building permit data in 10 metropolitan areas with the lowest home-building volume per 10,000 population in 1939. Analysis indicates that USHA-aided projects are of a decisive importance in centers of low building activity such as Utica and Syracuse, N. Y.; Trenton, N. J.; Reading and Allentown-Bethlehem-Easton, Pa. The table presented below shows that the proportion of USHA construction to all home building ranges from more than 60 percent in Allentown-Bethlehem-Easton to almost 95 percent in Utica and Trenton.

Areas of Low Building Activity Where USHA Construction is Important: 1939

Metropolitan district	Including USHA		Excluding USHA	
	Total units	Units per 10,000 population	Total units	Units per 10,000 population
Utica, N. Y.....	226	21.2	13	1.2
Trenton, N. J.....	524	40.2	30	2.3
Syracuse, N. Y.....	752	34.8	74	3.4
Reading, Pa.....	490	35.8	90	6.6
Allentown-Bethlehem-Easton, Pa.....	518	26.6	196	10.1

Source: Federal Housing Administration, "Insured Mortgage Portfolio," March 1940.

Even in centers of *high* building activity, the study reveals, the volume of USHA-aided construction is of marked significance, as for example in Miami, Fla., and Charleston, W. Va. In Miami, which in 1939 was the city with the highest home-building volume per 10,000 population in the United States, USHA-aided projects were responsible for more than 20 percent of all residential construction. In Charleston, which was ranked the eighth highest city in the country with respect to home-building volume, USHA-aided projects accounted for almost 40 percent of all home construction, as shown in the table below.

Areas of High Building Activity Where USHA Construction is Important: 1939

Metropolitan district	Including USHA		Excluding USHA	
	Total units	Units per 10,000 population	Total units	Units per 10,000 population
Miami, Fla.....	5,049	411.1	3,974	323.5
Charleston, W. Va.....	1,200	165.8	726	100.3

Source: Federal Housing Administration, "Insured Mortgage Portfolio," March 1940.

President Approves New Loan Contracts

President Roosevelt's recent approval of \$4,879,000 in USHA loans to five housing authorities left only \$46,000,000 (all of which has been earmarked) for the development of additional low-rent housing projects. The new loans will make possible the construction of 1,416 low-rent dwellings.

Local housing authorities with USHA loans now total 170; the loans, \$636,192,000.

Four of the five authorities, representing the cities of North Little Rock, Ark.; New Bern, N. C.; Texarkana, Tex.; and Hopewell, Va., received USHA loans for the first time. The San Francisco, Calif., housing authority, which received the largest of the loans (\$1,701,000), already had received USHA loans for the construction of seven projects.

Estimated net construction costs per dwelling on the new projects average from \$2,178 to \$2,591.

As of May 1, loans have been approved for 408 projects in 185 communities in 32 States, the District of Columbia, Hawaii, and Puerto Rico. The projects will provide homes for \$144,968 low-income families.

A report written by Mrs. Marvel Daines and published by the Citizens Housing and Planning Council of Detroit reveals that Detroit taxpayers are spending \$188,000 annually to maintain a shantytown slum from which the city collects only \$3,000 a year in taxes.

Construction Report Analysis

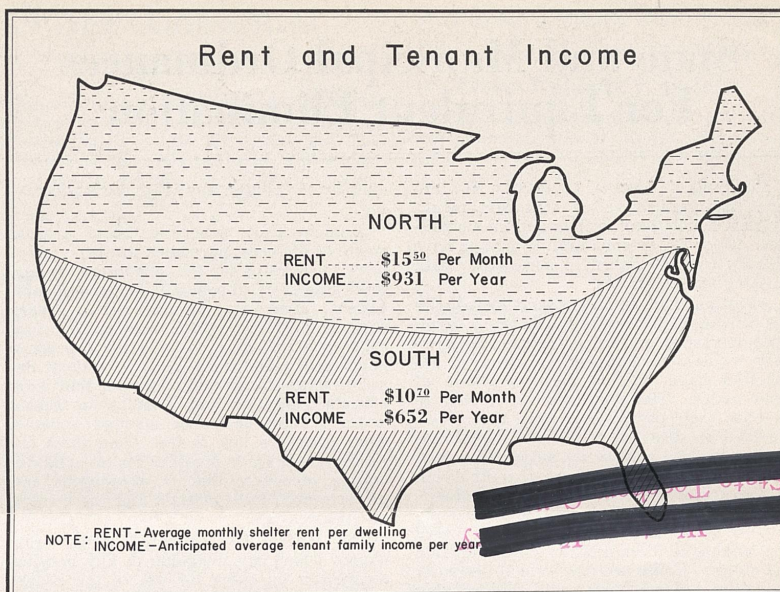
During April, 2 USHA-aided projects were opened, 12 entered the construction stage, and the total of projects under loan contract rose to 408. As of April 20, there were 10,988 units available for occupancy, as against 10,315 units on March 31.

The projects which went into construction during the month are: Ponce, P. R., 152 units; Lexington, Ky., 2 projects of 86 and 206 units; West Palm Beach, Fla., 122 units; Frederick, Md., 50 units; Baltimore, Md., 2 projects of 434 and 393 units; Camden, N. J., 279; Atlanta, Ga., 616; Tampa, Fla., 320; Charlotte, N. C., 108; Nashville, Tenn., 350.

Schedule of Bid Opening Dates ¹

Local authority and project number	Number of units	Date of bid opening
Brunswick (Ga.-9-1).....	128	6- 4-40
Brunswick (Ga.-9-2).....	144	6- 4-40
Charleston (S. C.-1-6).....	129	5-17-40
Dayton (Ohio-5-1-R).....	604	5-28-40
Detroit (Mich.-1-5).....	440	5-21-40
Elizabeth (N. J.-3-2).....	405	5-22-40
Granite City (Ill.-5-1).....	151	5-16-40
Jersey City (N. J.-9-1).....	490	5-16-40
Phoenix (Ariz.-1-3).....	135	6- 1-40
Portsmouth (Ohio-10-1).....	260	5-15-40

¹ There is usually a 30-day period between bid advertising and bid opening.



The above map shows the latest average rents and tenant incomes for the 27 northern and 30 southern projects where local authorities have established rent and income limits, as of April 27, 1940.

The average monthly shelter rent for all 57 projects is \$14.03, and the anticipated average tenant income \$846. The average monthly rent for individual projects ranges from \$6.59 in Austin, Tex., to \$17.86 in Newark, N. J.

Construction Report

Weekly Data

Item	Week ended April 26, 1940	Week ended April 19, 1940	Percentage change
Number of projects under construction.....	199	198	+0.51
Number of dwellings under construction.....	76,173	75,780	+ .52
Total estimated over-all cost ¹ of new housing.....	\$339,144,000	\$337,173,000	+ .58
Average over-all cost ¹ of new housing per unit.....	\$4,452	\$4,449	+ .07
Average net construction cost ² per unit.....	\$2,790	\$2,790	No change

Summary of USHA Program as of April 30, 1940

Item	Projects under loan contract	Projects under construction	Projects being tenanted ³
Number of projects.....	408	202	23
Number of local authorities represented.....	170	113	17
Number of States represented.....	(⁴) 35	(⁴) 28	12
Number of loan contracts.....	243		
Value of loan contracts.....	\$636,192,000		
Number of dwelling units in projects.....	144,968	76,951	11,458
Number of dwelling units available for occupancy.....			10,988
Total estimated development cost ⁵	\$707,347,000	\$371,882,000	\$55,960,000
Total estimated over-all cost of new housing ¹	\$648,800,000	\$341,800,000	\$52,399,000

¹ Includes: (a) Building the house, including structural costs and plumbing, heating, and electrical installation; (b) dwelling equipment, architects' fees, local administrative expenses, financial charges during construction, and contingency expenses; (c) land for present development; (d) nondwelling facilities.

² The cost of building the house, including structural, plumbing, heating, and electrical costs.

³ As of April 20, 1940.

⁴ Including the District of Columbia, Puerto Rico, and Hawaii.

⁵ Includes over-all cost of new housing plus the cost of purchasing and demolishing old slum buildings and the cost of land bought for future development.

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