

ANNUAL REPORT OF THE
UNITED STATES HOUSING AUTHORITY
FOR THE FISCAL YEAR 1938

LETTER

FROM

THE ADMINISTRATOR
UNITED STATES HOUSING AUTHORITY

TRANSMITTING

ITS REPORT FOR THE FISCAL YEAR ENDING JUNE
30, 1938, WITH SUPPLEMENTARY DATA ON
ACTIVITIES TO DECEMBER 31, 1938



JANUARY 30, 1939.—Referred to the Committee on Banking
and Currency and ordered to be printed with illustration

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1939

ANNUAL REPORT OF THE
UNITED STATES HOUSING AUTHORITY
FOR THE FISCAL YEAR 1939

CONTENTS

1939

DEPARTMENT OF THE INTERIOR

UNITED STATES HOUSING AUTHORITY

WASHINGTON, D. C.

NATHAN STRAUS, *Administrator*

LEON H. KEYSERLING, *Deputy Administrator and General Counsel*

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II



Printed at the Government Printing Office, Washington, D. C., 1939.

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON, D. C.

LETTER OF TRANSMITTAL

DEPARTMENT OF THE INTERIOR,
UNITED STATES HOUSING AUTHORITY,
Washington, January 28, 1939.

To the Senate and House of Representatives:

The United States Housing Authority herewith submits to the Congress its report for the fiscal year ending June 30, 1938, with supplementary data on activities to December 31, 1938.

NATHAN STRAUS, *Administrator.*

CONTENTS

	Page
Letter of transmittal.....	III
List of tables.....	v
List of appendixes.....	vi
Foreword.....	vii
Part 1. Projects Under the New Program.....	1
Rents.....	1
Income groups served.....	5
Financial provisions—Federal and local loans and contributions.....	7
Development costs.....	12
Land.....	22
Elimination of slums.....	23
Labor and employment.....	28
Progress of program.....	30
Local housing authorities and enabling legislation.....	38
Part 2. P. W. A. Housing Division projects and P. W. A. Limited Divi- dend Projects.....	41
Part 3. U. S. H. A. Organization.....	43
Personnel.....	43
Informational services.....	45
The corporation and finances.....	46
Summary and conclusion.....	48
Appendixes.....	49
List of available U. S. H. A. publications.....	62

LIST OF TABLES

Table	
I. Preliminary estimates of average monthly shelter rents per room and per dwelling unit for U. S. H. A. projects covered by approved loan contracts (as of December 31, 1938).....	2
II. Estimated average rent and income groups to be reached in U. S. H. A. projects covered by approved loan contracts (as of December 31, 1938).....	6
III. United States Housing Authority loans and annual contributions and local capital participation for United States Housing Authority projects covered by approved loan contracts (as of December 31, 1938).....	8
IV. Estimated cost of U. S. H. A. projects covered by approved loan contracts (as of December 31, 1938).....	13
V. Net construction costs per dwelling unit of 14 U. S. H. A. projects based on approved main construction contracts compared with costs of private dwellings in the same cities (as of December 31, 1938).....	19
VI. Cost of dwelling facilities of 14 U. S. H. A. projects based on approved main construction contracts compared with applicable statutory limitation (as of December 31, 1938).....	20
VII. Method of meeting equivalent elimination requirement of act on U. S. H. A. projects covered by approved loan contracts (as of December 31, 1938).....	24
VIII. Funds under loan contract, earmarkings outstanding, and total locality and State commitments for U. S. H. A. projects (as of December 31, 1938).....	32

LIST OF TABLES—Continued

Table	Page
IX. Funds advanced to local authorities for U. S. H. A. projects (as of December 31, 1938).....	36
X. States with and without enabling legislation and the localities having housing authorities (as of December 31, 1938).....	39
XI. Total administrative and non-administrative expenses—United States Housing Authority (from November 1, 1937, when U. S. H. A. operations began, to December 31, 1938).....	47

LIST OF APPENDIXES

Appendix	Page
I. Forty-nine P. W. A. Housing Division projects transferred by Executive Order No. 7732 and now owned by the U. S. H. A. (as of December 31, 1938).....	49
II. Average monthly rents per room and per dwelling unit on P. W. A. Housing Division projects applicable to units which were occupied on June 30, 1938 (as of June 30, 1938).....	51
III. Average family size and average family income of tenants residing in 42 P. W. A. Housing Division projects on June 30, 1938 (as of June 30, 1938).....	52
IV. Income and expense statement—P. W. A. Housing Division projects under lease to local authorities from effective date of lease to local housing authority to June 30, 1938.....	53
V. Income and expense statement—P. W. A. Housing Division projects during U. S. H. A. operations from initial occupancy to June 30, 1938, or to effective date of lease to local authority—Projects with rents fixed under the George-Healey Act.....	55
VI. Income and expense statement—P. W. A. Housing Division projects during U. S. H. A. operation from initial occupancy to June 30, 1938, or effective date of lease to local authority—Projects with rents fixed under United States Housing Act of 1937.....	57
VII. Obligations and stocks—P. W. A. limited dividend corporations (as of June 30, 1938).....	58
VIII. Occupancy data of P. W. A. limited dividend projects (as of June 30, 1938).....	59
IX. Balance sheet—United States Housing Authority, November 1, 1937.....	59
X. Balance sheet—United States Housing Authority, June 30, 1938..	60
XI. Reconciliation of surplus—United States Housing Authority, November 1, 1937, to June 30, 1938 (inclusive).....	61

FOREWORD

The United States Housing Act of 1937, which created the United States Housing Authority (U. S. H. A.), is a low-rent housing and slum-clearance measure. It is designed to rid cities of blighted areas; to rehouse slum dwellers; to achieve rents within the financial reach of families in the lowest income group; to promote economical construction; to provide employment; to encourage a thoroughly decentralized housing program drawing its strength from local initiative and responsibility.

It is not the appropriate function of this report to analyze the underlying economic realities which make the improvement of housing conditions a prime national responsibility. Congress has already accepted this responsibility, and recent studies have revealed its hitherto unplumbed depths. The W. P. A. surveys of housing, just made public in summary form, are a veritable mine of information. The Administrator desires to express his appreciation of that agency's efforts to provide a more adequate foundation of facts for an intelligent housing program. The recommendation may also be ventured that a separate treatment of housing conditions would be a most valuable addition to the undertaking of the 1940 census.

Since the Administrator took office on November 1, 1937, the U. S. H. A. has been in actual operation little more than a year. Even at this early stage, however, the U. S. H. A. is in a position to demonstrate substantially that all the aims of the act will be realized and that all its conditions are being successfully met.

We now know that public housing can be and is being produced as economically as private housing; that rents can be and are being reduced to the point where slum dwellers and slum dwellers alone will be served, thus avoiding any possibility of competition with decent private housing; that the small amount of outright expenditure (as distinguished from strictly returnable loans) for public housing makes it one of the most economical and at the same time one of the most durable forms of public improvement; that the machinery of the U. S. H. A. affords a striking illustration of the feasibility of enlisting local capital investment and local outright expenditures in support of local public improvements; and that Federal assistance in financing and in the development of sound standards can be combined with local administration and genuine local responsibility.

ANNUAL REPORT OF THE UNITED STATES HOUSING AUTHORITY FOR THE FISCAL YEAR 1938

PART 1. PROJECTS UNDER THE NEW PROGRAM

RENTS

When the future historian writes about the early stages of the decentralized public housing program sponsored by the United States Government, he will have much to say about rents. For whatever else the U. S. H. A. program contemplates—construction at reasonable cost, employment, fair labor standards, slum clearance—it must, above all, provide homes to be rented at a figure so low that the accommodations will be available to families in the lowest income group. Unless this is achieved, no amount of success in reducing construction costs, in wiping out slums, in creating employment or in effecting any of the other objectives of the act, will justify calling the public housing program a success.

Although several projects will soon be open for occupancy, at this time no project initiated with the aid of the U. S. H. A. is actually in operation. It is therefore impossible to report to Congress rents that are actually being charged to tenants in projects built with U. S. H. A. assistance. But it is possible to supply information as to estimated rents which will be charged on projects covered by loan and annual contributions contracts approved by the President. These rent estimates are based on the same careful computations of building costs, operating costs, and financial terms that enable the private builder to determine his rent schedule prior to the completion of his project. There is every reason to believe that these estimates of rentals are materially higher than the actual rentals which will be charged by the local housing authorities when the projects are open for occupancy.

Before discussing in detail the matter of rents and other aspects of the U. S. H. A. program, a statement of the definitions of "room" and "rent", as used in part 1 of this report, will be helpful. The following definitions have been adopted by the U. S. H. A.:

Room means a space containing a window opening to the outside air and having at least the following area for the use designated:

Living room.—150 square feet.

Dining room.—100 square feet.

Kitchen.—60 square feet either as a separate space or added to a living or dining room. If separate and less than 70 square feet, it must be not less than 7 feet wide.

First bedroom.—120 square feet.

Second bedroom.—100 square feet.

Third bedroom.—70 square feet.

Half-room means (1) a dining space not less than 60 square feet in area in addition to the minimum required area of the living room or kitchen to which it is added, or (2) a kitchenette, being either a separate space or a space added to another room, having adequate kitchen equipment and at least 3 feet of passage

clearance in front of such equipment. Space required for such equipment and passage clearance is in addition to the minimum required area of the living room or dining room to which it is added.

Room count is the total of all rooms and half-rooms, half-rooms being counted as one-half each. Bathrooms, halls, closets, laundries, utility rooms, storage rooms and community or recreation rooms are not counted as rooms.

Shelter rent means the charge established (or estimated) for the use of a dwelling excluding the furnishing of any utilities (i. e., water, heat, heating of water, light, cooking fuel, or refrigeration energy).

Shelter rent plus utility charge means "shelter rent" as defined above, plus the charge established (or estimated) for the furnishing of such utilities (i. e., water, heat, heating of water, light, cooking fuel, or refrigeration energy) as are supplied by the project and which are included in the stipulated periodic payments by the tenant.

Statutory rental value means "shelter rent plus utility charge" less any charge included therein for refrigeration energy, plus the value or cost to the tenant of any of the following which are not included in "shelter rent plus utility charge": Water, heat, heating of water, light, and cooking fuel.

The following table (table I) lists the U. S. H. A. projects covered by approved loan contracts as of December 31, 1938, and gives the preliminary estimates of average monthly shelter rents per room and per dwelling unit.

In submitting this table, the Administrator wishes to emphasize that the estimates appearing in it are U. S. H. A.'s, which may not always be identical with those of the local authorities. Intensive study is constantly being made to the end that actual rents may be even lower than these estimated rents.

TABLE I.—*Preliminary estimates of average monthly shelter rents per room and per dwelling unit for U. S. H. A.-aided projects covered by approved loan contracts (as of Dec. 31, 1938)*

[These rents are preliminary estimates, made by the U. S. H. A. at the time of loan contract, as an assurance that projects will be within reach of low-income families living in substandard housing in each particular community. They are conservative estimates, subject to revision by the local authorities. It is anticipated that actual rents will be substantially lower, often by as much as 10 to 15 percent]

Location of project	Project No.	Estimated average monthly shelter rent ¹	
		Per room ¹	Per dwelling unit
Alabama:			
Birmingham.....	Ala-1-1.....	\$4.00	\$16.00
Mobile.....	Ala-2-1.....	3.50	15.25
Do.....	Ala-2-2.....	3.50	13.50
California:			
Los Angeles County.....	Cal-2-1.....	4.00	17.25
Do.....	Cal-2-2.....	4.00	16.75
Oakland.....	Cal-3-1.....	4.00	16.00
Do.....	Cal-3-2.....	3.75	15.50
San Francisco.....	Cal-1-1.....	3.50	15.00
Do.....	Cal-1-2.....	3.75	16.25
District of Columbia:			
Washington.....	DC-1-1.....	3.50	16.50
Do.....	DC-1-2.....	3.50	14.00
Do.....	DC-1-3.....	3.50	14.50
Do.....	DC-1-4.....	3.50	16.75
Florida:			
Jacksonville.....	Fla-1-1.....	3.75	16.25
Orlando.....	Fla-4-1.....	3.00	12.50
Pensacola.....	Fla-6-1.....	3.50	14.50
Do.....	Fla-6-2.....	3.00	12.50
St. Petersburg.....	Fla-2-1.....	3.50	14.75
Tampa.....	Fla-3-1.....	3.50	15.25
Georgia:			
Atlanta.....	Ga-6-1.....	3.00	11.75
Do.....	Ga-6-2.....	2.50	10.25
Do.....	Ga-6-3.....	3.00	11.75
Do.....	Ga-6-4.....	2.50	10.00

¹ See definitions beginning on p. 1.

TABLE I.—Preliminary estimates of average monthly shelter rents per room and per dwelling unit for U. S. H. A.-aided projects covered by approved loan contracts (as of Dec. 31, 1938)—Continued

Location of project	Project No.	Estimated average monthly shelter rent	
		Per room	Per dwelling unit
Georgia—Continued.			
Augusta.....	Ga-1-1.....	\$3.50	\$13.75
Do.....	Ga-1-2.....	3.00	13.25
Columbus.....	Ga-4-1.....	3.00	13.00
Do.....	Ga-4-2.....	2.50	10.00
Savannah.....	Ga-2-1.....	3.25	14.50
Do.....	Ga-2-2.....	3.00	11.25
Hawaii:			
Honolulu.....	TH-1-1.....	3.25	14.75
Illinois:			
Chicago.....	Ill-2-1.....	4.25	18.50
Peoria.....	Ill-3-1.....	4.00	16.00
Indiana:			
Anderson.....	Ind-6-1.....	3.25	14.00
Delaware County.....	Ind-4-1.....	3.00	12.75
Kokomo.....	Ind-7-1.....	2.75	12.25
Muncie.....	Ind-5-1.....	3.00	12.75
Vincennes.....	Ind-2-1.....	2.50	11.75
Kentucky:			
Covington.....	Ky-2-1.....	3.50	16.00
Do.....	Ky-2-2.....	3.50	15.25
Frankfort.....	Ky-3-1.....	2.50	9.25
Lexington.....	Ky-4-2.....	3.00	12.50
Louisville.....	Ky-1-1.....	3.75	15.50
Do.....	Ky-1-2.....	3.50	14.25
Louisiana:			
New Orleans.....	La-1-1.....	4.00	15.75
Do.....	La-1-2.....	3.50	12.75
Do.....	La-1-3.....	4.00	14.75
Do.....	La-1-5.....	3.50	13.00
Do.....	La-1-7.....	3.00	13.50
Do.....	La-1-8.....	3.00	13.00
Maryland:			
Annapolis.....	Md-1-1.....	3.75	14.25
Baltimore.....	Md-2-1.....	3.75	15.75
Do.....	Md-2-2.....	3.75	15.75
Do.....	Md-2-3.....	3.75	15.75
Do.....	Md-2-4.....	3.75	15.75
Do.....	Md-2-5.....	3.75	15.75
Do.....	Md-2-6.....	3.75	15.75
Do.....	Md-2-7.....	3.75	15.75
Massachusetts:			
Boston.....	Mass-2-1.....	4.00	15.75
Do.....	Mass-2-2.....	4.00	16.75
Do.....	Mass-2-3.....	4.00	16.00
Do.....	Mass-2-4.....	3.75	14.00
Cambridge.....	Mass-3-1.....	4.00	15.75
Holyoke.....	Mass-5-1.....	3.50	15.00
Michigan:			
Detroit.....	Mich-1-1.....	4.00	16.25
Do.....	Mich-1-2.....	4.00	16.75
Do.....	Mich-1-4.....	4.00	17.50
Do.....	Mich-1-5.....	4.25	19.00
Nebraska:			
Omaha.....	Nebr-1-1.....	3.75	17.50
New Jersey:			
Asbury Park.....	NJ-7-1.....	3.75	15.75
Elizabeth.....	NJ-3-1.....	4.50	18.25
Newark.....	NJ-2-1.....	4.75	19.75
Do.....	NJ-2-2.....	4.75	19.50
Do.....	NJ-2-5.....	4.75	19.50
Do.....	NJ-2-6.....	4.75	19.50
North Bergen.....	NJ-4-1.....	4.75	19.00
Trenton.....	NJ-5-1.....	4.25	16.50
Do.....	NJ-5-2.....	4.50	18.25
New York:			
Buffalo.....	NY-2-1.....	3.50	13.00
Do.....	NY-2-2.....	3.75	13.25
Do.....	NY-2-3.....	3.75	14.50
New York City.....	NY-5-1.....	5.00	20.50
Do.....	NY-5-2.....	5.00	20.00
Do.....	NY-5-3.....	4.75	19.50
Syracuse.....	NY-1-1.....	4.00	16.00
Utica.....	NY-6-1.....	4.00	17.25
Yonkers.....	NY-3-1.....	4.25	16.75

TABLE I.—Preliminary estimates of average monthly shelter rents per room and per dwelling unit for U. S. H. A.-aided projects covered by approved loan contracts (as of Dec. 31, 1938)—Continued

Location of project	Project No.	Estimated average monthly shelter rent	
		Per room	Per dwelling unit
North Carolina:			
Wilmington	NC-1-1	\$3.25	\$14.00
Do.	NC-1-2	2.75	11.50
Ohio:			
Cincinnati	Ohio-4-1	4.25	17.75
Do.	Ohio-4-2	4.25	17.75
Cleveland	Ohio-3-1	4.00	18.50
Do.	Ohio-3-2	4.00	16.00
Do.	Ohio-3-4	4.00	16.50
Columbus	Ohio-1-1	4.00	15.00
Dayton	Ohio-5-1	4.00	17.25
Do.	Ohio-5-2	3.75	16.25
Toledo	Ohio-6-1	4.25	18.00
Warren	Ohio-8-1	3.75	16.00
Youngstown	Ohio-2-1	4.00	16.50
Zanesville	Ohio-9-1	3.50	15.25
Pennsylvania:			
Allentown	Pa-4-1	3.50	17.00
Chester	Pa-7-1	3.75	15.75
Philadelphia	Pa-2-1	4.50	19.75
Do.	Pa-2-2	4.25	17.50
Do.	Pa-2-3	4.25	16.50
Pittsburgh	Pa-1-1	4.00	16.25
Do.	Pa-1-2	4.00	15.25
Do.	Pa-1-3	4.25	17.75
Reading	Pa-9-1	3.75	16.50
South Carolina:			
Charleston	SC-1-1	3.75	15.00
Do.	SC-1-2	3.75	16.00
Do.	SC-1-3	2.75	12.25
Do.	SC-1-4	2.75	11.75
Columbia	SC-2-1	3.50	15.00
Do.	SC-2-2	3.25	12.75
Tennessee:			
Chattanooga	Tenn-4-1	3.25	13.75
Knoxville	Tenn-3-1	3.50	15.50
Do.	Tenn-3-2	3.25	14.50
Memphis	Tenn-1-1	3.25	14.50
Do.	Tenn-1-2	3.00	13.00
Texas:			
Austin	Tex-1-1	2.50	9.00
Do.	Tex-1-2	2.25	7.75
Do.	Tex-1-3	2.50	8.25
Brownsville	Tex-7-1	1.75	8.25
Corpus Christi	Tex-8-1	3.00	13.00
Do.	Tex-8-2	2.75	12.25
Do.	Tex-8-3	2.75	11.75
El Paso	Tex-3-1	2.50	11.00
Fort Worth	Tex-4-1	2.75	11.25
Do.	Tex-4-2	2.50	10.25
Houston	Tex-5-1	2.50	10.75
Do.	Tex-5-2	2.50	10.75
San Antonio	Tex-6-1	2.00	7.25
Vermont:			
Burlington	Vt-1-1	3.50	16.00
West Virginia:			
Charleston	WVa-1-1	3.75	15.75
Do.	WVa-1-2	3.75	15.75
Huntington	WVa-4-1	3.25	13.50
Do.	WVa-4-2	3.25	13.50
Do.	WVa-4-3	3.25	13.25
Parkersburg	WVa-5-1	3.50	15.00

The local housing authorities and the U. S. H. A. are cooperating in designing projects whose rentals will be the lowest achieved in recent times for decent housing, public or private

INCOME GROUPS SERVED

An essential part of any report on the low-rent aspects of the U. S. H. A.'s program is a discussion of the estimated incomes of the families to be served. Rent is a relative figure, not one which can be arbitrarily termed "high" or "low." Low-rent housing as used in the act means more than decent, safe, and sanitary dwellings costing the tenants less than similar accommodations would cost them elsewhere. What the act means by low-rent housing is decent, safe, and sanitary dwellings within the financial reach of families of low income. Furthermore, the act provides that the U. S. H. A.-assisted projects shall be available solely for families whose net income at the time of admission does not exceed five times the statutory rental value (as defined on p. 1), except that in the case of families with three or more minor dependents, the ratio can be as high as 6 to 1.

Nor does the act stop there, for it goes on to describe "families of low-income" as meaning "families who are in the lowest income group and who cannot afford to pay enough to cause private enterprise in their locality or metropolitan area to build an adequate supply of decent, safe, and sanitary dwellings for their use." Most State legislation and the terms of the loan contracts are even more specific in limiting tenancy to low-income families now living in substandard homes.

It is obvious, therefore, that in addition to being satisfied that the proposed rents on the projects are as low as adequate financial aid, sound design and economic management can make them, the U. S. H. A. must also be satisfied that the projects will be tenanted by those families who are in the lowest income group, and by those families only.

As has been pointed out above, none of the U. S. H. A. projects is actually tenanted as yet. But before a project is approved, careful surveys are made to determine exactly how low the project's rents must be in each locality in order that the project will be clearly within reach of the major group of families who are eligible for tenancy as defined in the act. Table II shows the estimated average income groups to be reached in the U. S. H. A. projects covered by approved loan contracts as of December 31, 1938. It should be noted that the ratio of income to rent, as planned for these projects, is considerably lower than the maxima authorized by the act. The actual ratio of income to rent will vary with differing local situations, but it is expected that in most cases local authorities will establish maximum income limits considerably lower than the legal upper limit and that consequently the average income of the families to be housed will be far lower than the highest income permissible under the terms of the act.

TABLE II.—*Estimated average rent and income groups to be reached in U. S. H. A.-aided projects covered by approved loan contracts (as of Dec. 31, 1938)*

Estimated average monthly shelter rent ¹ per dwelling	Estimated average income group to be reached	140 U. S. H. A. projects covered by approved loan contracts in 73 cities and 2 counties		
		North	South	Total
\$8.00-\$9.99.....	\$450-\$549.....	.....	26	6
\$10.00-\$11.99.....	\$550-\$649.....	1	14	15
\$12.00-\$13.99.....	\$650-\$749.....	5	20	25
\$14.00-\$15.99.....	\$750-\$849.....	13	30	43
\$16.00-\$17.99.....	\$850-\$949.....	31	6	37
\$18.00-\$19.99.....	\$950-\$1,049.....	12	.....	12
\$20.00-\$21.99.....	\$1,050-\$1,149.....	2	.....	2
Totals.....	.....	64	76	140

¹ See definition beginning on p. 1.

² Includes 2 projects with estimated average monthly shelter rents of \$7.25 and \$7.75, respectively.

It will be seen from the above table (table II) that 20 southern projects and 1 northern project will serve families with average annual incomes from \$450 to \$649. Fifty-six southern and 49 northern projects will serve families with average annual income levels between \$650 and \$949. The remaining 14 projects, all in the North, will serve families with average income levels between \$950 and \$1,149. The median shelter rent per dwelling unit for all 76 approved southern projects as conservatively estimated at the present time will be about \$13.80 per month, and for the 64 northern projects, about \$16.80.

Comparison with the family income statistics of the National Resources Committee shows that all the approved southern projects will serve families with income ranges well within the lowest third income group in the southern urban areas and that the projects in the northern cities will serve families well within the lowest third income group in northern urban areas. In other words, the program will serve only the lowest income group and will supply decent housing to families having only about half the income that they would need to rent or purchase modern homes supplied by private enterprise. It will reach into the lowest ranks of those employed in normal industry and will also serve those on relief and in public employment who are receiving allowances which meet a bare minimum subsistence level. In short, it will reach down to the vast majority of those now forced to live in slums. But if a family has no income, or an income absolutely inadequate for minimum subsistence then there is no practical and non-Utopian way to furnish it with decent housing until it receives such minimum income, either from private or public sources.

FINANCIAL PROVISIONS—FEDERAL AND LOCAL LOANS AND CONTRIBUTIONS

The \$800,000,000 provided by the United States Housing Act for slum clearance and low-rent housing is available only for loans at an interest rate at least one-half percent above the cost of money to the Federal Government. These loans involve no subsidy, write-off, or ultimate cost to the Government. They are a solid capital investment.

These Federal loans are limited to not more than 90 percent of the cost of local projects. At least 10 percent must be raised locally, and the demonstrated interest of local investors in the bonds of local housing authorities attests to the soundness of these loans and to the great potentialities of public housing as a field for private investment. Many private investors, especially banks, trust and insurance companies, and other large institutions, have shown a willingness to take up far more than 10 percent of the bonds of local authorities.

In addition to these loans, the act authorizes annual contributions to bridge the gap between the rents which would otherwise have to be charged for decent new housing and the rents which families now living in the slums can afford. These annual contributions are the prime factor reducing rents in the new projects to a level which families now forced to live in slums can afford to pay. There is thus no possible competition with decent private housing.

Under the act, annual contributions paid to local housing authorities (the only authorized recipients of U. S. H. A. financial assistance) cannot exceed the going Federal rate of interest plus 1 percent upon the total development cost of a project, amounting to $3\frac{1}{2}$ or $3\frac{3}{4}$ percent of the development cost. At the present time U. S. H. A. is authorized to spend \$28,000,000 per year for these grants-in-aid. The funds are made available by congressional appropriations. This \$28,000,000 represents the maximum annual cost to the Government of the present U. S. H. A. program.

The annual contributions contracts will be reviewed at the end of 10 years and every fifth year thereafter, in accord with the statutory provision that they be reduced as warranted by changed economic conditions. Every analysis of normal rent and income trends in the past, and every reasonable estimate of probable trends in the future, reinforce our conviction that the annual contributions necessary to achieve rents within reach of "low-income families" and to insure the financial stability of housing projects, will gradually decline.

The lowest-third income group today has a much greater monetary income and can pay a much higher monetary rent than 30 or 40 or 60 years ago, even though its actual condition in life may not be greatly improved. Indeed, there are slum buildings which now bring in more rent than did the same buildings 30 years ago, when they were habitable dwellings. And on the other hand, many forces are at work to eliminate these extremes of poverty which cause this

country so much concern. With a bottom under wages, and with social security in good working order, the "lowest income group" may well be able to pay higher rents than at present, even apart from a general increase in wages and prices.

For these reasons, it must not be presumed that the annual contributions as now contracted for will last for 60 years. All that can be said with certainty is that they will be paid only so long as is necessary to "maintain the low-rent character" of the projects, and that their maximum annual cost on a "pay-as-you-go" basis is fixed by Congress.

But U. S. H. A. annual contributions alone are not sufficient to bring the rents low enough. In recognition of this fact, Congress has required that U. S. H. A. annual contributions cannot be made unless the State, city, county, or other political subdivision in which the project is situated shall contribute, in the form of cash, tax remission, or tax exemption, an amount equal to at least 20 percent of the U. S. H. A. annual contribution. As a second requirement, it is obvious that the local contributions, in addition to satisfying the 20-percent requirement, must in conjunction with the U. S. H. A. annual contributions be sufficient so that rentals in the project will be low enough to reach families in the lowest income group.

It is a tribute to the energy of the local authorities and to their zeal to achieve really low rents that they are supplying local contributions sufficient to meet these two requirements. The form which the local contributions usually take is the exemption of the projects from all local taxation.

The following table (table III) shows the estimated amounts of U. S. H. A. loans and annual contributions, as well as the estimated amounts of the local capital participation for each of the U. S. H. A. projects covered by approved loan contracts as of December 31, 1938.

TABLE III.—U. S. H. A. loans and annual contributions and local capital participation for U. S. H. A.-aided projects covered by approved loan contracts (as of Dec. 31, 1938)

Location of project	Project No.	U. S. H. A. loan ¹	Local capital participation ²	U. S. H. A. annual contributions ³
Alabama:				
Birmingham.....	Ala-1-1.....	\$3,828,000	\$467,110	⁴ \$163,743
Mobile.....	Ala-2-1 and 2.....	1,648,000	204,000	⁴ 70,595
California:				
Los Angeles County.....	Cal-2-1 and 2.....	2,331,000	286,000	⁴ 99,715
Oakland.....	Cal-3-1 and 2.....	2,591,000	318,000	⁴ 110,845
San Francisco.....	Cal-1-1 and 2.....	1,983,000	242,000	⁴ 84,805
District of Columbia:				
Washington.....	DC-1-1, 2, 3, and 4.....	6,600,000	812,000	⁴ 282,415
Florida:				
Jacksonville.....	Fla-1-1.....	1,027,000	125,000	⁴ 43,925
Orlando.....	Fla-4-1.....	548,000	67,000	⁴ 23,415
Pensacola.....	Fla-6-1 and 2.....	1,055,000	130,000	⁴ 45,150
St. Petersburg.....	Fla-2-1.....	950,000	117,000	⁴ 43,931
Tampa.....	Fla-3-1.....	1,524,000	187,000	⁴ 69,846
Georgia:				
Atlanta.....	Ga-6-1, 2, 3, and 4.....	11,661,000	1,429,000	⁴ 498,855
Augusta.....	Ga-1-1 and 2.....	1,369,000	167,000	⁴ 58,555
Columbus.....	Ga-4-1 and 2.....	1,860,000	228,000	⁴ 79,555
Savannah (contract No. 1).....	Ga-2-1.....	727,000	89,000	⁴ 31,080
Savannah (contract No. 2).....	Ga-2-2.....	2,055,000	252,000	⁴ 87,920
Hawaii:				
Honolulu.....	TH-1-1.....	1,012,000	124,000	⁴ 43,295
Illinois:				
Chicago.....	Ill-2-1.....	8,674,000	1,060,000	⁴ 371,035
Peoria.....	Ill-3-1.....	2,559,000	312,000	⁴ 117,278

See footnotes at end of table.

TABLE III.—U. S. H. A. loans and annual contributions and local capital participation for U. S. H. A.-aided projects covered by approved loan contracts (as of Dec. 31, 1938)—Continued

Location of project	Project No.	U. S. H. A. loan	Local capital participation	U. S. H. A. annual contributions
Indiana:				
Anderson	Ind-6-1	\$880,000	\$107,000	\$37,625
Delaware County	Ind-4-1	427,000	53,000	18,270
Kokomo	Ind-7-1	634,000	78,000	27,125
Muncie	Ind-5-1	1,141,000	139,000	48,790
Vincennes	Ind-2-1	317,000	40,000	13,580
Kentucky:				
Covington	Ky-2-1 and 2	1,947,000	240,000	83,335
Frankfort	Ky-3-1	348,000	43,000	14,875
Lexington	Ky-4-2	891,000	109,000	38,115
Louisville (contract No. 1)	Ky-1-1	4,261,000	520,150	182,250
Louisville (contract No. 2)	Ky-1-2	4,185,000	510,875	191,813
Louisiana:				
New Orleans (contract No. 1)	La-1-1 and 2	8,411,000	1,028,000	359,800
New Orleans (contract No. 2)	La-1-3 and 5	9,830,000	1,204,000	420,560
New Orleans (contract No. 3)	La-1-7 and 8	7,070,000	865,000	302,435
Maryland:				
Annapolis	Md-1-1	478,000	60,000	20,475
Baltimore	Md-2-1, 2, 3, 4, 5, 6, and 7	21,591,000	2,641,000	923,637
Massachusetts:				
Boston	Mass-2-1, 2, 3, and 4	16,924,000	2,072,000	724,010
Cambridge	Mass-3-1	1,815,000	222,000	77,630
Holyoke	Mass-5-1	828,000	103,000	35,455
Michigan:				
Detroit (contract No. 1)	Mich-1-1, 2, and 4	14,257,000	1,743,000	609,879
Detroit (contract No. 2)	Mich-1-5	2,307,000	282,000	105,745
Nebraska:				
Omaha	Nebr-1-1	2,243,000	274,000	102,795
New Jersey:				
Asbury Park	NJ-7-1	675,000	83,000	28,875
Elizabeth	NJ-3-1	2,019,000	248,000	86,380
Newark	NJ-2-1, 2, 5, and 6	8,199,000	1,005,000	350,770
North Bergen	NJ-4-1	863,000	105,000	36,890
Trenton	NJ-5-1 and 2	2,429,000	297,000	103,880
New York:				
Buffalo (contract No. 1)	NY-2-1	3,643,000	445,298	155,835
Buffalo (contract No. 2)	NY-2-2	821,000	101,000	35,140
Buffalo (contract No. 3)	NY-2-3	3,960,000	485,000	169,435
New York (contract No. 1)	NY-5-1 and 2	30,000,000	3,666,000	1,283,310
New York (contract No. 2)	NY-5-3	8,390,000	1,026,000	358,925
Syracuse	NY-1-1	3,930,000	481,000	168,175
Utica	NY-6-1	900,000	110,000	38,500
Yonkers	NY-3-1	2,976,000	364,000	127,295
North Carolina:				
Wilmington	NC-1-1 and 2	1,155,000	143,000	49,455
Ohio:				
Cincinnati	Ohio-4-1 and 2	7,101,000	869,000	303,800
Cleveland	Ohio-3-1, 2, and 4	9,153,000	1,119,000	391,545
Columbus	Ohio-1-1	1,888,000	230,000	80,747
Dayton	Ohio-5-1 and 2	2,624,000	322,000	120,285
Toledo	Ohio-6-1	1,644,000	202,000	75,364
Warren	Ohio-8-1	990,000	122,000	42,385
Youngstown	Ohio-2-1	2,835,000	346,500	121,275
Zanesville	Ohio-9-1	1,349,000	165,000	57,680
Pennsylvania:				
Allentown	Pa-4-1	1,446,000	177,000	61,870
Chester	Pa-7-1	1,948,000	239,000	83,335
Philadelphia	Pa-2-1, 2, and 3	15,118,000	1,848,833	692,938
Pittsburgh (contract No. 1)	Pa-1-1 and 2	6,746,000	824,400	288,596
Pittsburgh (contract No. 2)	Pa-1-3	9,877,000	1,208,000	422,520
Reading	Pa-9-1	1,804,000	221,000	77,175
South Carolina:				
Charleston (contract No. 1)	SC-1-1 and 2	1,017,000	125,000	43,501
Charleston (contract No. 2)	SC-1-3 and 4	1,296,000	159,000	55,440
Columbia	SC-2-1 and 2	1,851,000	227,000	79,205
Tennessee:				
Chattanooga	Tenn-4-1	2,262,000	277,000	96,775
Knoxville	Tenn-3-1 and 2	2,504,000	306,800	114,748
Memphis	Tenn-1-1 and 2	5,541,000	679,000	237,055

See footnotes at end of table.

TABLE III.—U. S. H. A. loans and annual contributions and local capital participation for U. S. H. A.-aided projects covered by approved loan contracts (as of Dec. 31, 1938)—Continued

Location of project	Project No.	U. S. H. A. loan	Local capital participation	U. S. H. A. annual contributions
Texas:				
Austin.....	Tex-1-1, 2, and 3.....	\$643,000	\$78,500	⁴ \$27,507
Brownsville.....	Tex-7-1.....	534,000	66,000	⁴ 22,855
Corpus Christi.....	Tex-8-1, 2, and 3.....	846,000	105,000	⁴ 36,225
El Paso.....	Tex-3-1.....	1,210,000	148,000	⁴ 51,765
Fort Worth.....	Tex-4-1 and 2.....	2,028,000	247,000	⁵ 92,948
Houston.....	Tex-5-1 and 2.....	3,002,000	366,000	⁴ 128,380
San Antonio.....	Tex-6-1.....	3,588,000	438,000	⁵ 164,438
Vermont:				
Burlington.....	Vt-1-1.....	436,000	54,000	⁴ 18,655
West Virginia:				
Charleston.....	WVa-1-1 and 2.....	2,175,000	266,000	⁵ 99,680
Huntington.....	WVa-4-1, 2, and 3.....	2,101,000	259,000	⁴ 89,915
Parkersburg.....	WVa-5-1.....	672,000	82,000	⁴ 28,735
Total.....		320,986,000	39,286,466	13,864,364

¹ Federal loans are provided in contracts at 90 percent of proposed cost. These amounts, as shown in this column, may later, at the option of the U. S. H. A., be increased by $\frac{1}{10}$ in the form of supplemental loans in case of possible overruns. In no event may Federal loans exceed 90 percent of actual cost.

² Local capital participation is provided in contracts to include 10 percent of both the proposed cost and the margin of safety of $\frac{1}{10}$ for possible overruns.

³ In every case the U. S. H. A. annual contribution is matched by local contribution in the form of tax exemption equal in value to at least 20 percent of the figures indicated.

⁴ Federal annual contributions are provided in contracts at $3\frac{1}{2}$ percent of proposed cost plus margin of safety of $\frac{1}{10}$ for possible overruns. In no event may Federal annual contributions exceed $3\frac{1}{2}$ percent of actual cost.

⁵ Federal annual contributions are provided in contracts at 3 $\frac{3}{4}$ percent of proposed cost-plus margin of safety of $\frac{1}{10}$ for possible overruns. In no event may Federal annual contributions exceed 3 $\frac{3}{4}$ percent of actual cost.

The U. S. H. A. annual contributions are in cash. Although the local contributions may also be in the form of cash, as a practical matter this is not feasible. Constitutional and statutory limitations operate to prevent long-term commitments on the part of cities to make cash contributions; prospective changes in local governmental administrations tend to discourage the execution of agreements, even where legal, to contribute cash for a period of years in the future; relief demands and declining tax yields have combined to deplete local treasuries and thus to make local governmental units reluctant to draw upon current income for housing purposes. As a result, in the case of every U. S. H. A. project covered by an approved loan contract as of December 31, 1938, the local contribution will be in the form of an agreement exempting the housing project from local taxation.

The localities have wisely realized that the actual cost to them of public housing is far less than the value to the project of tax exemption. The dollars and cents analysis which had led the localities to appreciate the soundness of investment in public housing is summarized in a quotation from a recent U. S. H. A. pamphlet, *What the Housing Act can do for Your City*:

In calculating the cost, it is a serious mistake to assume that a figure representing the normal tax rate on these new projects reflects the actual loss of revenue sustained by a city when it exempts them from taxation. Taxes, no matter how they may be levied or collected, are paid by people, not by buildings. In a public housing program, a certain number of families move out of slums into decent new homes. Either the slums they were living in or an equivalent number of substandard dwellings are demolished. From a local fiscal point of view, in order to determine the cost of the new housing to the city, the real question is: What taxes were these families paying before, when they lived in the slums?

To take a concrete example, let us assume a \$2,000,000 project to rehouse 400 families in a city of 200,000 population. Full taxes on this project would amount to about \$40,000 a year (at a conservative 2 percent rate, with assessed valuation equal to 100 percent of full valuation), or about \$100 per family. But a study of taxation in slum areas in cities of various sizes shows that taxes actually levied on the former slum homes of these 400 families probably did not exceed \$40 per family per year, based upon an average assessment of \$2,000 for slum homes, and a large proportion of even this amount was undoubtedly delinquent. Thus the actual loss of revenue to the city when it exempts the new project from taxation is not \$40,000, but less than \$16,000.

If the value of all the property in the city is assumed to be about \$400,000,000 (at \$2,000 per capita), the total property tax levy for the whole city would amount to \$8,000,000 a year. Exemption of the 400 rehoused families of very low income from taxation would thus deprive the city of only 0.002 of its annual tax revenue. Furthermore, even this small theoretical loss is offset by the saving in municipal services due to the elimination of several blocks of slum homes, and by the benefits derived from the investment of \$2,000,000 in an enduring public improvement.

These practical considerations—that the slums produce excessive costs rather than revenues, that it is cheaper for a municipality to cooperate in eliminating its slums than to maintain them, that slums waste and consume the wealth that decent homes protect and conserve—have convinced the localities of the wisdom of joining with the Federal Government in attacking an outstanding national evil.

DEVELOPMENT COSTS

In the final analysis, low costs are no less important than low rents. The Administrator is deeply gratified at the cost record being made by the U. S. H. A. and the local authorities. In comparing these costs with the costs of housing undertaken by private enterprise, it must be stressed that such comparisons are futile until it is clear that the costs sought to be compared are in truth comparable.

Does cost include land or only construction? Does it refer to complete dwelling facilities or solely to the structural shell excluding equipment? Does it include administrative and overhead expenses? Does it include architects', attorneys', engineers', and other fees? Are pre-occupancy expenses included? Does it include the cost of slum buildings to be torn down? Is land for future development included? Is the cost of shoddy, speculative buildings being compared with the cost of sound, well-designed, 60-year projects? Are the two compared projects built under similar labor standards? Will one have higher or lower operating and maintenance costs than the other?

The act which the U. S. H. A. is administering contains specific provisions dealing with costs. The concern of Congress that the costs of U. S. H. A.-assisted projects be as low as possible is reflected in two restrictions: First, a limitation based upon comparison with private enterprise, and second, a limitation in terms of dollars and cents.

As to the first limitation, the act requires that the projects must not be of elaborate or expensive design or materials and "that the average construction cost of the dwelling units (excluding land, demolition, and nondwelling facilities) in any such project is not greater than the average construction cost of dwelling units currently produced by private enterprise in the locality or metropolitan area concerned, under the legal building requirements applicable to the proposed site, and under labor standards not lower than those prescribed in this act."

In view of these statutory provisions, to report on costs it is necessary to present data reflecting (a) the estimated construction cost in the sense that the term is usually presented for housing undertaken by private enterprise, and (b) the relationship between the estimated cost of dwelling facilities and the applicable statutory limitation on dwelling facilities' costs.

With reference to the first point, the U. S. H. A. has made an analysis of the factors making up costs and a break-down of over-all costs into basic divisions. This was (and is) an absolutely indispensable step, because without this it is not possible to make a rational comparison between the cost of public housing construction and the cost of private housing construction.

The following table (table IV) shows the estimated costs of U. S. H. A. projects covered by approved loan contracts as of December 31, 1938.

TABLE IV.—Estimated cost of U. S. H. A.-aided projects covered by approved loan contracts (as of Dec. 31, 1938)

[These costs are preliminary estimates used as the basis of loan contracts]

Location of project	Project No.	Number of—		Cost of new housing per dwelling unit						Total cost of new housing	(d) Total cost of slum build- ings to be torn down on project site ^{6 7}	(e) Total cost of land for future de- velopment ⁸	Total cost of entire project
		Rooms ¹	Dwell- ing units	(a) Land ²	(b) Non- dwelling facilities ³	(c) Dwelling facilities			Total per unit				
						Net con- struction ⁴	Equip- ment, archi- tects, and overhead ⁵	Dwell- ing fac- ilities, total					
Alabama:													
Birmingham	Ala-1-1	3,394	860	\$450	\$768	\$3,273	\$454	\$3,727	\$4,945	\$4,253,071			\$4,253,071
Mobile	Ala-2-1	442	100	114	859	3,060	448	3,508	4,481	448,122		\$4,878	453,000
Do	Ala-2-2	1,140	298	220	835	2,760	422	3,182	4,237	1,262,691	\$104,755	13,554	1,381,000
California:													
Los Angeles County	Cal-2-1	1,065	250	161	1,406	2,807	637	3,444	5,011	1,252,753		34,247	1,287,000
Do	Cal-2-2	1,074	253	31	1,638	2,806	634	3,440	5,109	1,292,587		11,413	1,304,000
Oakland	Cal-3-1	1,640	400	601	597	2,733	461	3,194	4,392	1,756,748	360,252		2,117,000
Do	Cal-3-2	640	156	604	598	2,733	462	3,195	4,397	685,887	77,113		763,000
San Francisco	Cal-1-1	493	118	673	658	2,791	607	3,398	4,729	558,000			558,000
Do	Cal-1-2	1,322	300	232	1,459	3,020	586	3,606	5,297	1,588,995	18,355	38,650	1,646,000
District of Columbia:													
Washington	DC-1-1	1,282	282	84	1,398	3,413	589	4,002	5,484	1,546,624		24,376	1,571,000
Do	DC-1-2	962	246	661	553	3,125	527	3,652	4,866	1,197,132	313,868		1,511,000
Do	DC-1-3	1,724	428	733	773	3,178	524	3,702	5,208	2,229,123	380,877		2,610,000
Do	DC-1-4	1,397	301	138	1,250	3,451	600	4,051	5,439	1,637,153		6,847	1,644,000
Florida:													
Jacksonville	Fla-1-1	969	224	142	973	3,238	618	3,856	4,971	1,113,448		27,177	1,140,625
Orlando	Fla-4-1	630	156	117	712	2,220	549	2,769	3,598	561,250	43,140	4,610	609,000
Pensacola	Fla-6-1	518	120	171	754	3,113	540	3,653	4,578	549,361	47,437	26,202	623,000
Do	Fla-6-2	520	120	125	791	3,002	441	3,443	4,359	523,101	18,358	8,541	550,000
St. Petersburg	Fla-2-1	986	242	71	706	2,930	443	3,373	4,150	1,004,420	51,186	9,394	1,065,000
Tampa	Fla-3-1	1,490	350	156	583	3,071	443	3,514	4,253	1,488,307	188,618	16,308	1,693,233
Georgia:													
Atlanta	Ga-6-1	2,475	602	511	718	2,974	650	3,624	4,853	2,921,698	418,302		3,340,000
Do	Ga-6-2	2,362	604	485	743	2,696	584	3,280	4,508	2,723,005	330,995		3,054,000
Do	Ga-6-3	2,588	634	546	654	2,864	620	3,484	4,684	2,969,525	440,475		3,410,000
Do	Ga-6-4	2,297	598	504	631	2,757	617	3,374	4,569	2,732,544	421,456		3,154,000
Augusta	Ga-1-1	683	167	64	828	3,087	533	3,620	4,512	753,501		6,299	759,800
Do	Ga-1-2	728	168	44	741	3,189	548	3,737	4,522	759,633		1,767	761,400
Columbus	Ga-4-1	746	166	213	784	2,702	561	3,263	4,260	707,189	124,091	25,720	857,000
Do	Ga-4-2	1,182	284	180	601	2,560	567	3,127	3,908	1,109,881	100,119		1,210,000
Savannah	Ga-2-1	706	164	250	834	2,971	505	3,476	4,560	747,767	23,132	37,101	808,000
Do	Ga-2-2	1,956	501	342	591	2,506	526	3,032	3,965	1,986,311	207,689		2,284,000

Footnotes at end of table.

TABLE IV.—Estimated cost of U. S. H. A.-aided projects covered by approved loan contracts (as of Dec. 31, 1938)—Continued

[These costs are preliminary estimates used as the basis of loan contracts]

Location of project	Project No.	Number of—		Cost of new housing per dwelling unit						Total cost of new housing	(d) Total cost of slum buildings to be torn down on project site	(e) Total cost of land for future development	Total cost of entire project
		Rooms	Dwell-ing units	(a) Land	(b) Non-dwell-ing facilities	(c) Dwelling facilities			Total per unit				
						Net construction	Equip-ment, archi-tects, and overhead	Dwell-ing facilities, total					
Hawaii:													
Honolulu.....	TH-1-1.....	979	220	\$756	\$793	\$2,893	\$672	\$3,565	\$5,114	\$1,225,000			\$1,125,000
Illinois:													
Chicago.....	Ill-2-1.....	7,234	1,708	602	735	3,850	456	4,306	5,643	9,638,000			9,638,000
Peoria.....	Ill-3-1.....	2,160	540	297	581	3,347	427	3,774	4,652	2,512,011	\$331,089		2,843,100
Indiana:													
Anderson.....	Ind-6-1.....	862	203	185	660	3,076	431	3,507	4,352	883,358	94,642		978,000
Delaware County.....	Ind-4-1.....	478	111	41	804	2,806	444	3,250	4,095	454,594		\$20,406	475,000
Kokomo.....	Ind-7-1.....	758	175	176	572	2,815	466	3,281	4,029	705,000			705,000
Muncie.....	Ind-5-1.....	1,160	274	313	749	2,772	435	3,207	4,269	1,169,593	98,407		1,268,000
Vincennes.....	Ind-2-1.....	377	83	88	744	3,078	297	3,375	4,207	349,193		3,807	353,000
Kentucky:													
Covington.....	Ky-2-1.....	1,207	263	299	901	3,063	429	3,492	4,692	1,234,000			1,234,000
Do.....	Ky-2-2.....	738	168	591	442	3,220	448	3,668	4,701	789,851	141,149		931,000
Frankfort.....	Ky-3-1.....	343	91	163	845	2,676	569	3,245	4,253	387,000			387,000
Lexington.....	Ky-4-2.....	870	206	174	810	3,012	572	3,584	4,568	940,958	49,042		990,000
Louisville.....	Ky-1-1.....	3,298	814	553	682	3,205	407	3,612	4,847	3,945,438	788,562		4,734,000
Do.....	Ky-1-2.....	3,190	788	726	648	3,271	403	3,674	5,048	3,978,191	671,809		4,650,000
Louisiana:													
New Orleans.....	La-1-1.....	2,971	741	579	871	3,419	673	4,092	5,542	4,106,625	739,075		4,845,700
Do.....	La-1-2.....	2,384	656	766	936	3,232	601	3,833	5,535	3,630,653	869,347		4,500,000
Do.....	La-1-3.....	3,458	916	865	702	3,386	621	4,007	5,574	5,105,343	456,657		5,562,000
Do.....	La-1-5.....	3,448	903	424	973	3,357	609	3,966	5,363	4,842,411	519,589		5,362,000
Do.....	La-1-7.....	2,810	644	542	1,112	3,400	624	4,024	5,678	3,656,319	29,681		3,686,000
Do.....	La-1-8.....	3,103	746	289	1,107	3,372	601	3,973	5,369	4,005,471	164,529		4,170,000
Maryland:													
Annapolis.....	Md-1-1.....	380	100	170	593	3,101	425	3,526	4,289	428,945	93,678	9,377	532,000
Baltimore.....	Md-2-1.....	2,858	692	494	722	3,485	431	3,916	5,132	3,551,330	435,170		3,986,500
Do.....	Md-2-2.....	3,621	878	772	688	3,484	462	3,946	5,406	4,746,769	832,131		5,578,900
Do.....	Md-2-3.....	3,347	810	640	674	3,484	439	3,923	5,237	4,242,178	751,622		4,993,800
Do.....	Md-2-4.....	1,067	258	561	715	3,484	434	3,918	5,194	1,339,955	178,215		1,518,200
Do.....	Md-2-5.....	1,669	404	591	772	3,484	433	3,917	5,280	2,132,934	252,066		2,385,000
Do.....	Md-2-6.....	2,490	600	85	858	3,506	413	3,919	4,862	2,917,317		13,683	2,931,000
Do.....	Md-2-7.....	2,082	502	85	929	3,504	419	3,923	4,937	2,478,280		119,720	2,598,000

Massachusetts:												
Boston	Mass-2-1	3,978	1,017	577	570	3,652	477	4,129	5,276	5,366,058	847,942	6,214,000
Do	Mass-2-2	2,787	672	383	640	3,749	509	4,258	5,281	3,549,027	538,973	4,088,000
Do	Mass-2-3	4,317	1,092	447	644	3,657	474	4,131	5,222	5,702,840	770,160	6,473,000
Do	Mass-2-4	1,282	342	732	647	3,545	527	4,072	5,451	1,894,220	167,780	2,032,000
Cambridge	Mass-3-1	1,341	328	609	642	3,305	690	3,995	5,246	1,720,738	295,262	2,017,000
Holyoke	Mass-5-1	707	159	388	826	3,350	635	3,985	5,199	826,693	94,307	921,000
Michigan:												
Detroit	Mich-1-1	1,000	248	691	617	4,072	470	4,542	5,850	1,450,818	-----	1,450,818
Do	Mich-1-2	1,476	355	401	1,002	3,954	460	4,414	5,817	2,064,948	-----	2,064,948
Do	Mich-1-4	9,245	2,150	172	1,155	4,002	404	4,406	5,733	12,325,234	-----	12,325,234
Do	Mich-1-5	1,454	440	306	1,037	3,951	532	4,483	5,826	2,563,511	-----	2,563,511
Nebraska:												
Omaha	Nebr-1-1	2,374	522	98	742	3,072	399	3,471	4,311	2,250,397	241,603	2,492,000
New Jersey:												
Asbury Park	NJ-7-1	527	126	414	493	3,200	617	3,817	4,724	595,194	145,315	750,000
Elizabeth	NJ-3-1	1,720	423	231	890	3,339	519	3,858	4,979	2,106,185	97,284	2,244,000
Newark	NJ-2-1	1,854	444	965	805	3,261	389	3,650	5,420	2,406,525	108,475	2,515,000
Do	NJ-2-2	984	240	704	566	3,483	406	3,889	5,159	1,238,204	105,796	1,344,000
Do	NJ-2-5	1,888	463	418	763	3,461	407	3,868	5,049	2,337,604	432,396	2,770,000
Do	NJ-2-6	1,951	465	614	1,009	3,334	383	3,717	5,340	2,483,000	-----	2,483,000
North Bergen	NJ-4-1	683	170	497	903	3,190	535	3,725	5,125	871,215	87,785	959,000
Trenton	NJ-5-1	472	123	327	698	3,052	721	3,773	4,798	590,113	59,887	650,000
Do	NJ-5-2	1,549	380	253	545	3,282	678	3,960	4,758	1,808,207	240,793	2,049,000
New York:												
Buffalo	NY-2-1	2,756	696	457	657	3,690	482	4,172	5,286	3,678,817	368,834	4,047,651
Do	NY-2-2	596	172	348	435	3,309	545	3,854	4,637	797,532	115,468	913,000
Do	NY-2-3	2,903	771	426	424	3,615	715	4,330	5,180	3,993,737	407,263	4,401,000
New York City	NY-5-1	10,875	2,643	411	843	4,153	489	4,642	5,896	15,582,692	1,010,108	16,592,800
Do	NY-5-2	10,458	2,551	823	893	4,148	466	4,614	6,330	16,148,504	283,404	16,740,200
Do	NY-5-3	6,018	1,476	966	491	3,402	619	4,021	5,478	8,055,788	1,237,212	9,323,000
Syracuse	NY-1-1	2,712	678	724	740	3,346	431	3,777	5,241	3,583,441	813,259	4,366,700
Utica	NY-6-1	922	212	145	868	3,224	480	3,704	4,717	1,000,000	-----	1,000,000
Yonkers	NY-3-1	2,226	545	331	605	3,512	508	4,020	4,956	2,700,880	606,120	3,307,000
North Carolina:												
Wilmington	NC-1-1	498	116	197	731	3,037	694	3,731	4,659	540,456	22,905	572,300
Do	NC-1-2	572	136	223	644	2,976	668	3,644	4,511	613,447	72,266	713,000
Ohio:												
Cincinnati	Ohio-4-1	3,075	750	101	1,136	3,407	399	3,806	5,043	3,782,416	-----	4,000,000
Do	Ohio-4-2	3,075	750	135	1,251	3,407	395	3,802	5,188	3,891,000	217,584	3,891,000
Cleveland	Ohio-3-1	2,493	554	504	804	3,546	464	4,010	5,318	2,946,066	353,934	3,300,000
Do	Ohio-3-2	2,449	627	836	440	3,631	497	4,098	5,374	3,369,310	260,690	3,630,000
Do	Ohio-3-4	2,528	623	259	888	3,606	448	4,054	5,201	3,240,000	-----	3,240,000
Columbus	Ohio-1-1	1,658	456	203	595	2,761	361	3,122	3,920	1,787,494	309,836	2,097,330
Dayton	Ohio-5-1	1,680	400	267	937	3,213	423	3,636	4,840	1,936,000	-----	1,936,000
Do	Ohio-5-2	840	200	149	1,021	3,194	442	3,635	4,806	961,133	-----	961,133
Toledo	Ohio-6-1	1,568	300	298	906	3,182	422	3,604	4,808	1,827,000	-----	1,827,000
Warren	Ohio-8-1	936	274	82	996	3,063	743	3,806	4,884	1,094,108	-----	1,101,000
Youngstown	Ohio-2-1	2,406	600	317	801	3,454	391	3,845	4,963	2,977,649	172,351	3,150,000
Zanesville	Ohio-9-1	1,374	326	71	793	2,914	566	3,480	4,344	1,416,260	70,569	1,499,000

Footnotes at end of table.

TABLE IV.—Estimated cost of U. S. H. A.-aided projects covered by approved loan contracts (as of Dec. 31, 1938)—Continued

[These costs are preliminary estimates used as the basis of loan contracts]

Location of project	Project No.	Number of—		Cost of new housing per dwelling unit						Total cost of new housing	(d) Total cost of slum buildings to be torn down on project site	(e) Total cost of land for future development	Total cost of entire project
		Rooms	Dwell-ing units	(a) Land	(b) Non-dwell-ing facilities	(c) Dwelling facilities			Total per unit				
						Net construction	Equip-ment, archi-tects, and overhead	Dwell-ing facilities, total					
Pennsylvania:													
Allentown	Pa-4-1	1,511	322	\$169	\$1,126	\$3,258	\$438	\$3,696	\$4,991	\$1,607,000			\$1,607,000
Chester	Pa-7-1	1,638	396	227	954	3,272	460	3,732	4,913	1,945,455	\$219,545		2,165,000
Philadelphia	Pa-2-1	2,358	620	438	946	3,465	461	3,926	5,310	3,292,500	86,650		3,378,700
Do	Pa-2-2	4,000	1,000	252	977	3,591	464	4,055	5,284	5,283,800			5,283,800
Do	Pa-2-3	5,119	1,361	634	676	3,450	470	3,920	5,230	7,118,647	1,017,364		8,136,011
Pittsburgh	Pa-1-1	3,420	825	281	1,448	3,565	460	4,025	5,754	4,747,301	195,699		4,943,000
Do	Pa-1-2	1,635	431	444	1,176	3,490	455	3,945	5,565	2,398,628	154,372		2,553,000
Do	Pa-1-3	7,260	1,758	289	1,656	3,469	410	3,879	5,824	10,238,988	736,012		10,975,000
Reading	Pa-9-1	1,722	400	155	1,030	3,118	710	3,828	5,013	2,005,000			2,005,000
South Carolina:													
Charleston	SC-1-1	490	126	644	876	2,823	459	3,282	4,802	605,067	95,333		700,400
Do	SC-1-2	384	90	265	1,006	3,025	476	3,501	4,772	429,500			429,500
Do	SC-1-3	697	162	348	716	2,626	443	3,069	4,133	669,544	104,456		774,000
Do	SC-1-4	532	128	459	573	2,536	438	2,974	4,006	512,759	154,241		667,000
Columbia	SC-2-1	844	200	272	881	3,309	448	3,757	4,910	981,985	64,015		1,046,000
Do	SC-2-2	780	200	165	857	3,101	437	3,538	4,560	911,980	90,003	\$10,017	1,012,000
Tennessee:													
Chattanooga	Tenn-4-1	2,096	496	361	683	2,908	508	3,416	4,460	2,211,918	302,082		2,514,000
Knoxville	Tenn-3-1	1,052	244	87	1,385	3,047	454	3,501	4,973	1,213,295			1,213,295
Do	Tenn-3-2	1,391	320	163	871	3,047	462	3,509	4,543	1,463,729	114,747		1,568,476
Memphis	Tenn-1-1	2,095	478	364	749	2,852	592	3,444	4,557	2,178,021	295,979		2,474,000
Do	Tenn-1-2	2,971	700	403	912	2,819	554	3,373	4,688	3,281,638	402,362		3,684,000
Texas:													
Austin	Tex-1-1	303	86	234	611	2,420	335	2,755	3,600	309,632	19,973	17,114	346,719
Do	Tex-1-2	196	60	305	1,104	2,142	211	2,353	3,762	225,710			225,710
Do	Tex-1-3	140	40	191	583	2,199	217	2,416	3,490	139,589		2,454	142,043
Brownsville	Tex-7-1	660	148	203	783	2,437	374	2,811	3,797	561,913	22,097	9,990	594,000
Corpus Christi	Tex-8-1	371	85	155	673	2,388	253	2,641	3,469	294,887			313,000
Do	Tex-8-2	506	112	117	830	2,426	258	2,684	3,631	406,646			424,000
Do	Tex-8-3	195	45	343	855	2,372	258	2,630	3,828	172,241			205,000
El Paso	Tex-3-1	1,374	318	325	457	2,552	318	2,870	3,652	1,161,444	157,272	26,284	1,345,000

Fort Worth.....	Tex-4-1.....	1,054	252	308	864	2,934	353	3,287	4,459	1,123,588	87,611	-----	1,211,199
Do.....	Tex-4-2.....	1,047	250	139	754	2,654	328	2,982	3,875	968,710	73,377	-----	1,042,687
Houston.....	Tex-5-1.....	1,350	332	197	892	2,735	643	3,378	4,467	1,483,016	44,415	30,569	1,558,000
Do.....	Tex-5-2.....	1,344	328	419	787	2,723	615	3,338	4,544	1,490,329	247,239	40,432	1,778,000
San Antonio.....	Tex-6-1.....	4,876	1,250	258	278	2,201	201	2,402	2,938	3,671,002	315,378	-----	3,986,380
Vermont:													
Burlington.....	Vt-1-1.....	445	101	64	800	3,202	667	3,869	4,733	478,063	-----	6,937	485,000
West Virginia:													
Charleston.....	WVa-1-1.....	1,519	366	328	580	3,107	408	3,515	4,423	1,618,831	152,421	-----	1,771,252
Do.....	WVa-1-2.....	579	138	467	699	3,107	403	3,510	4,676	645,248	-----	-----	645,248
Huntington.....	WVa-4-1.....	330	80	412	679	3,215	485	3,700	4,791	383,251	37,749	-----	421,000
Do.....	WVa-4-2.....	553	136	340	581	3,160	472	3,632	4,553	619,165	5,835	-----	625,000
Do.....	WVa-4-3.....	1,135	284	119	860	3,100	463	3,563	4,542	1,290,000	-----	-----	1,290,000
Parkersburg.....	WVa-5-1.....	628	152	288	755	3,114	609	3,723	4,766	724,448	-----	22,552	747,000
Grand total.....		264,060	64,451	-----	-----	-----	-----	-----	-----	328,555,023	26,751,663	1,388,655	356,695,341

¹ See definition beginning on p. 1.

² Includes cost of land to be purchased and value of land to be donated, excluding cost or value of existing slum buildings to be torn down and land for future development; expenses of acquiring such land; and the local authority's administrative, carrying, and contingency expenses applicable to these land items.

³ Includes construction cost of site improvements and of non-dwelling buildings, spaces and equipment; pre-occupancy charges; and the local authority's architectural, administrative, carrying, and contingency expenses applicable to these non-dwelling facility items.

⁴ Includes construction (i. e. structural, plumbing, heating, and electrical) cost of dwellings.

⁵ Includes dwelling equipment (such as ranges, refrigerators, screens, etc.); and the local authority's architectural, overhead, carrying, and contingency expenses applicable to dwelling construction and dwelling equipment.

⁶ Includes the cost of slum buildings to be torn down and properly chargeable to clearing old slums and not to new housing; expenses of acquiring slum buildings; demolition and clearing; and the local authority's administrative, carrying, and contingency expenses applicable to these slum-elimination items.

⁷ Does not include any cost for off-site elimination since such cost does not form part of project development cost. For number of dwelling units eliminated on-site and off-site see table VII.

⁸ Includes cost of land to be purchased and value of land to be donated, which is to be used for future development; expenses of acquiring such land; and the local authority's administrative, carrying, and contingency expenses applicable to such land.

It will be noted from the above table IV that the items making up costs include (a) land, (b) nondwelling facilities, (c) dwelling facilities (divided into net construction on the one hand, and equipment, architects and overhead costs on the other hand), (d) the cost of slum buildings to be torn down on the project site, and, (e) the cost of land for future development. The sum of all these items constitutes the total cost of the entire project, but the sum of items (a), (b), and (c) constitutes the total cost of new housing. Item (d), the cost of slum buildings to be purchased and torn down on the project site, represents an expenditure not for new housing for slum dwellers, but rather for removing from the city the shabby, miserable buildings whose continued existence would result in increased drains upon the city's resources and in immeasurable damage to the health and morale of the city. Although the cost of removing the slum buildings may enter into the total cost of an entire public project, it does not enter into the total cost of a private housing venture, for the simple reason that the speculative builder seldom performs the function of slum clearance. Thus, for purposes of fair comparison between the overall costs of public and private housing, item (d) must be omitted.

In a few projects, where it has been especially advantageous, land has been acquired for future development. The cost of such land, as indicated in column (e) of table IV should be allocated to the dwellings ultimately to be built on such land rather than to the cost of new housing now being built.

Another item which enters into the total cost of public housing relates to item (b), nondwelling facilities. This item includes such factors as site improvements, preoccupancy charges, and certain administrative expenses. It also includes the cost of adequate play spaces, community facilities and other health-giving improvements, which may also service an entire neighborhood.

These last items are indispensable in a public housing project which is intended to provide decent living conditions, especially if it is built in a congested area. A public housing project must be so designed and constructed that it will constitute a genuine and permanent neighborhood improvement and provide such public benefits as play spaces, open areas which insure air and sunshine, and a minimum of interior social space. But the private builder, not undertaking the civic task of slum rebuilding, or low-income family rehabilitation, is not faced with the cost of providing these facilities.

The figures in the net construction column of item (c), however, do provide a rough basis for comparison between public and private housing costs. The estimated net construction cost of family dwelling units for U. S. H. A.-assisted projects, as shown in this column, are computed upon a basis of items in general corresponding to the items entering into the net construction costs for private construction shown in the building permit data collected and published by the Bureau of Labor Statistics of the United States Department of Labor.

With respect to the U. S. H. A.-assisted projects covered by approved loan contracts as of December 31, 1938, the estimated net construction cost of dwellings per unit averaged \$3,087 for the 75 localities represented. The Bureau of Labor Statistics of the United States Department of Labor has collected the average value of building permits for private dwellings in 71 of these localities for the first 10 months of 1938: The average for these 71 communities was \$3,685.

Thus the cost of private construction was \$598 more per dwelling unit than the comparable average estimated construction costs of U. S. H. A.-assisted projects in an almost identical list of cities.

Of course, the above figures on the U. S. H. A. projects are only estimates. But it should be pointed out that in almost every one of the first 14 U. S. H. A. projects on which the main construction contracts have been let, the actual costs will be substantially less than the preliminary estimated costs used as the basis of loan contracts. On the average, the actual construction cost of dwellings on these 14 projects, based on approved construction contracts, is 11.6 percent less than the preliminary estimates. The relationship between the net construction costs on these U. S. H. A. projects and the comparable net construction cost of private dwellings as shown by building permits in the same cities is shown in table V.

TABLE V.—*Net construction costs per dwelling unit of 14 U. S. H. A.-aided projects based on approved main construction contracts compared with costs of private dwellings in the same cities (as of Dec. 31, 1938)*

Location of project	Project No.	Net construction cost per dwelling unit of U. S. H. A. projects based on approved construction contracts	Average net construction cost during first 10 months of 1938 of privately constructed dwellings ¹	Amount U. S. H. A. costs are under (-) or over (+) building permit averages
Allentown	Pa-4-1	\$3,123	\$5,737	-\$2,614
Augusta	Ga-1-1	2,575	2,246	+329
Austin	Tex-1-1	2,657	2,644	+13
Do	Tex-1-2	2,174	2,644	-470
Do	Tex-1-3	2,203	2,644	-441
Buffalo	NY-2-1	3,369	4,317	-948
Do	NY-2-2	3,194	4,317	-1,123
Jacksonville	Fla-1-1	2,690	3,974	-1,284
Louisville	Ky-1-1	2,870	3,456	-586
New York	NY-5-1	3,186	3,487	-301
Do	NY-5-2	2,743	3,487	-744
Syracuse	NY-1-1	2,941	5,455	-2,514
Toledo	Ohio-6-1	2,946	4,675	-1,729
Youngstown	Ohio-2-1	2,948	4,673	-1,725
Average (unweighted)		2,830	3,840	-1,010

¹ Based on building permit data tabulated by Bureau of Labor Statistics of the U. S. Department of Labor.

It will be seen from table V that as to 12 of those 14 U. S. H. A. projects upon which main construction contracts had been approved, by the end of 1938, the average net construction cost per dwelling unit ranges from \$301 to \$2,614 less than the average net construction cost during the first 10 months in 1938 of privately constructed dwellings in those same cities; and that the average amount by which U. S. H. A. costs are lower than private costs on all 14 projects is \$1,010.

When it is recognized that in only two projects, as indicated on table V, were building permits for private residential construction lower than those for the U. S. H. A.-assisted projects; that these were only \$13 and \$329 lower; that cost estimates based on building permits average, according to sample studies made by the Bureau of Labor Statistics, about 18 percent less than the actual costs of these private dwellings; that building permit data often include many shacks and other jerry-built dwellings substandard even before they were occupied; and that in these two cities most of the private dwellings were con-

structed under labor standards considerably lower than those to be maintained on the U. S. H. A.-assisted projects in these cities, and that the vast majority of these private dwellings were of frame or other nonfireproof construction, it becomes obvious that the costs of U. S. H. A.-assisted projects are remarkably low.

It is clear that the building permit estimates, since they include all private residential construction regardless of labor standards or compliance with local building ordinances, tend to be lower (substantially so, in many parts of the country) than the maximum cost levels applicable under the statutory canon providing for comparison with private industry.

The record is even more impressive with respect to the other statutory canon, i. e., the dollars and cents limitation. The act specifies that no dwelling unit shall cost more than \$4,000 or more than \$1,000 per room (excluding land, demolition, and nondwelling facilities) unless the project is located in a city having a population in excess of 500,000, in which case the limitations are \$5,000 per dwelling unit and \$1,250 per room.

It should be noted in this connection that the dollars and cents limitation in the act relates to the cost of dwelling facilities and excludes land, demolition, and nondwelling facilities. The cost of dwelling facilities includes not only the net construction cost (as shown on table IV) but also dwelling equipment, architects' and engineers' fees, overhead and carrying charges, and an allowance for changes and extras. Just how the room and dwelling unit costs of dwelling facilities on projects for which construction bids have been approved on 14 U. S. H. A. projects compare with the applicable statutory limitations on room and dwelling unit costs may be seen from table VI.

TABLE VI.—Cost of dwelling facilities of 14 U. S. H. A.-aided projects based on approved main construction contracts compared with applicable statutory limitation (as of Dec. 31, 1938)

Location of project	Project No.	Estimated number of—		Dwelling facilities cost ² per room ¹		Dwelling facilities cost ² per dwelling unit	
		Rooms ¹	Dwelling units	Applicable statutory limitation	Based on approved construction contract bids	Applicable statutory limitation	Based on approved construction contract bids
Allentown, Pa.....	Pa-4-1.....	1,511	322	\$1,000	\$822	\$4,000	\$3,857
Augusta, Ga.....	Ga-1-1.....	701	167	1,000	774	4,000	3,251
Austin, Tex.....	Tex-1-1.....	315	86	1,000	855	4,000	3,132
Do.....	Tex-1-2.....	196	60	1,000	802	4,000	2,620
Do.....	Tex-1-3.....	142	40	1,000	768	4,000	2,680
Buffalo, N. Y.....	NY-2-1.....	2,872	668	1,250	946	5,000	4,069
Do.....	NY-2-2.....	610	173	1,250	1,098	5,000	3,874
Jacksonville, Fla.....	Fla-1-1.....	998	230	1,000	805	4,000	3,453
Louisville, Ky.....	Ky-1-1.....	3,377	786	1,000	824	4,000	3,540
New York, N. Y.....	NY-5-1.....	10,658	2,553	1,250	911	5,000	3,761
Do.....	NY-5-2.....	12,967	3,161	1,250	808	5,000	3,313
Syracuse, N. Y.....	NY-1-1.....	2,780	673	1,000	875	4,000	3,554
Toledo, Ohio.....	Ohio-5-1.....	1,602	354	1,000	882	4,000	3,680
Youngstown, Ohio.....	Ohio-2-1.....	2,466	618	1,000	884	4,000	3,529

¹ See definition beginning on p. 1.

² Includes net construction cost of dwellings, dwelling equipment, and the local authority's architectural overhead, carrying and contingency expenses applicable to dwelling construction and dwelling equipment. It excludes land, demolition, and nondwelling facilities.

During the initial period of the U. S. H. A.'s operation, there were many who felt that the statutory limitations would prevent operations in cities with high building costs. Since the index of building costs is always subject to sharp and rapid fluctuations, predictions as to the future are difficult. With respect to the immediate program, however, it may be stated that not only have the statutory limitations not retarded the program, but, as table VI shows, the costs based on approved construction bids are well under the statutory maxima. There are several reasons for these lower costs, but accident is not among them.

First, there is the method of awarding contracts only after public advertisement and to the best bidder. As a consequence, spirited, close bidding prevails, a factor which is fair to bidders and fruitful of results. Second, for the most part these are large projects, which means that the usual advantages of large-scale purchasing and of constructing scores of duplicate units will be present. Third, certain risks which bidders normally must figure on have been eliminated. For example, the agreements made with national and local building labor organizations (discussed in greater detail on p. 1) mean reduced contractors' risks and consequently reduced costs. Fourth, these projects are constructed under familiar local building regulations and in accordance with normal local building practices. Fifth, the projects are simple in design and the plans and specifications are specific and clear. Sixth, the experimental public housing (such as the work of the P. W. A. Housing Division) and controlled tests and standardization of building materials over the past few years have crystallized to the extent that many money-saving techniques and job procedures are available to professionally alert architects and contractors.

Last, but most important of all, the low costs reflect painstaking care and study by the technical staffs of the local authorities and of the U. S. H. A. Every detail of design and construction has been considered and investigated in a determination to reduce costs to the utmost limit and to promote economy of construction and of operation.

There are two factors which make especially noteworthy the costs achieved by the local authorities. In the first place, the U. S. H. A.-assisted projects are designed and constructed to last 60 years, with low operating and maintenance costs throughout the entire period. Certainly, a development built to last 20 years would be cheaper in the first instance though more extravagant in the long run. It is to the credit of the local housing authorities and their architects that they have achieved types of projects which are simple in design and of permanent materials, so that the cost of items which loom large in operating expenses—paint, heat, insurance, replacements, repairs—will be reduced to a minimum.

In the second place, it should be recalled that under the act, prevailing wages are paid on all projects assisted by the U. S. H. A. This, of course, is a commendable requirement and is scrupulously observed by the U. S. H. A. It is mentioned here to emphasize the fact that low costs have been attained under the fair labor standards required by Congress and not by resort to jerry-built construction carried on under what are often reprehensible labor standards.

LAND

No report on the cost of housing would be complete without a discussion of land costs. This item has bulked so large in discussions on housing costs and has such an important effect on total development costs that the Administrator desires to report to Congress one of the U. S. H. A.'s most important policy decisions. This policy is to the effect that the U. S. H. A. will not advance funds for land on which the cost (including the cost of slum buildings to be torn down) exceeds an average of \$1.50 per square foot for the area acquired, unless the local community is willing to bear a substantial part of the excess. This policy has occasionally been misinterpreted and a word of explanation is in order.

The policy does not forbid the acquisition of land costing more than \$1.50 per square foot. What it discourages is the inclusion into approved development costs of land averaging more than \$1.50 per square foot. In recognition of the fact that in some cities it may be desirable to build on slum sites where the cost of land exceeds \$1.50 per square foot, the U. S. H. A. has offered to lend a portion of the excess if the city (which stands so much to gain by the local authority's acquisition and elimination of the slum area) contributes the remainder of the excess or makes some other satisfactory and special contribution to the local housing program.

The average land cost per square foot for all U. S. H. A. projects covered by approved loan contracts is expected to be about 32 cents per square foot. This is particularly significant in view of the fact that more than 55 percent of the projects are to be located on relatively expensive slum sites.

ELIMINATION OF SLUMS

The elimination of slums under the United States Housing Act does not depend in any sense upon whether the new housing projects are built upon slum sites or upon new or relatively vacant sites. Wherever the new construction takes place, the act requires "the elimination by demolition, condemnation, and effective closing, or the compulsory repair or improvement of unsafe or insanitary dwellings situated in the locality or metropolitan area, substantially equal in number to the number of newly constructed dwellings provided by the project."

When the new project includes the elimination on the same site of unsafe or insanitary dwellings substantially equal in number to the number of new dwellings to be constructed, there is obviously compliance with this provision of the act. However, when the new project is constructed on a vacant site, or on a site now occupied by relatively few unsafe or insanitary dwellings, arrangements must be made by the local authority to provide for the elimination of an additional number of unsafe or insanitary dwellings situated in the locality or metropolitan area.

In most cases, the elimination of the necessary number of dwellings, other than on the site of the new project, is accomplished by the localities through exercise of their police powers. All local governments have the inherent right to condemn, close, or force the repair of dwellings which menace public health, safety, or morals. In spite of two generations of public pressure, however, these powers have lain dormant in most communities. For one thing, no means existed for providing decent low-rent homes into which dispossessed families could be moved. But, Congress has not only provided the machinery for building new low-rent homes—it has also recognized the necessity of permitting the "equivalent elimination" to be carried out through the exercise of the local police power. The U. S. H. A. program thus enables cities and towns to compel compliance with local sanitary and building codes and to close up firetraps and slum buildings, in a word, to enforce the law.

The agreement to carry out this "equivalent elimination" is embodied in a contract between the locality and the local housing authority.

As a result of the "equivalent elimination" provision of the act, the projects covered by approved loan contracts as of December 31, 1938, involve the demolition or repair of not less than 64,451 unsafe and insanitary dwelling units. Table VII indicates the method and extent to which this equivalent elimination is to be carried forward in connection with U. S. H. A. projects covered by approved loan contracts as of December 31, 1938.

TABLE VII.—Method of meeting equivalent elimination requirement of act on U. S. H. A.-aided projects covered by approved loan contracts (as of Dec. 31, 1938)

Location of project	Project No.	Number of new dwelling units in project	Estimated number of unsafe or insanitary dwellings to be demolished on site of new projects	Estimated number of unsafe or insanitary dwellings to be demolished, closed, or repaired off-site
Alabama:				
Birmingham	Ala-1-1	860	7	853
Mobile	Ala-2-1	100	0	100
Do	Ala-2-2	298	195	103
California:				
Los Angeles County	Cal-2-1	250	0	250
Do	Cal-2-2	253	0	253
Oakland	Cal-3-1	400	224	176
Do	Cal-3-2	156	89	67
San Francisco	Cal-1-1	118	0	118
Do	Cal-1-2	300	25	275
District of Columbia:				
Washington	DC-1-1	282	0	282
Do	DC-1-2	246	105	141
Do	DC-1-3	428	300	128
Do	DC-1-4	301	0	301
Florida:				
Jacksonville	Fla-1-1	224	4	220
Orlando	Fla-4-1	156	72	84
Pensacola	Fla-6-1	120	118	2
Do	Fla-6-2	120	30	90
St. Petersburg	Fla-2-1	242	61	181
Tampa	Fla-3-1	350	285	65
Georgia:				
Atlanta	Ga-6-1	602	255	347
Do	Ga-6-2	604	289	315
Do	Ga-6-3	634	217	417
Do	Ga-6-4	598	249	349
Augusta	Ga-1-1	167	0	167
Do	Ga-1-2	168	0	168
Columbus	Ga-4-1	166	184	0
Do	Ga-4-2	284	140	144
Savannah	Ga-2-1	164	37	127
Do	Ga-2-2	501	450	51
Hawaii:				
Honolulu	TH-1-1	220	0	220
Illinois:				
Chicago	Ill-2-1	1,708	1,536	172
Peoria	Ill-3-1	540	178	362
Indiana:				
Anderson	Ind-6-1	203	25	178
Delaware County	Ind-4-1	111	0	111
Kokomo	Ind-7-1	175	0	175
Muncie	Ind-5-1	274	112	162
Vincennes	Ind-2-1	83	2	81
Kentucky:				
Covington	Ky-2-1	263	3	260
Do	Ky-2-2	168	88	80
Frankfort	Ky-3-1	91	0	91
Lexington	Ky-4-2	206	30	176
Louisville	Ky-1-1	814	973	0
Do	Ky-1-2	788	909	0
Louisiana:				
New Orleans	La-1-1	741	485	256
Do	La-1-2	656	780	0
Do	La-1-3	916	681	235
Do	La-1-5	903	544	359
Do	La-1-7	644	29	615
Do	La-1-8	746	79	667
Maryland:				
Annapolis	Md-1-1	100	77	23
Baltimore	Md-2-1	692	492	200
Do	Md-2-2	878	740	138
Do	Md-2-3	810	707	103
Do	Md-2-4	258	315	0
Do	Md-2-5	404	391	13
Do	Md-2-6	600	1	599
Do	Md-2-7	502	1	501

¹ Slum buildings on the site paid for by P. W. A. Housing Division; hence no cost appears in column (d) of table IV.

TABLE VII.—Method of meeting equivalent elimination requirement of act on U. S. H. A.-aided projects covered by approved loan contracts (as of Dec. 31, 1938)—Continued

Location of project	Project No.	Number of new dwelling units in project	Estimated number of unsafe or insanitary dwellings to be demolished on site of new projects	Estimated number of unsafe or insanitary dwellings to be demolished, closed, or repaired off-site
Massachusetts:				
Boston.....	Mass-2-1.....	1,017	947	70
Do.....	Mass-2-2.....	672	380	292
Boston.....	Mass-2-3.....	1,092	720	372
Do.....	Mass-2-4.....	342	357	0
Cambridge.....	Mass-3-1.....	328	137	191
Holyoke.....	Mass-5-1.....	159	236	0
Michigan:				
Detroit.....	Mich-1-1.....	248	1,249	0
Do.....	Mich-1-2.....	355	3	352
Do.....	Mich-1-4.....	2,150	3	2,147
Do.....	Mich-1-5.....	440	2	438
Nebraska:				
Omaha.....	Nebr-1-1.....	522	135	387
New Jersey:				
Asbury Park.....	NJ-7-1.....	126	80	46
Elizabeth.....	NJ-3-1.....	423	40	383
Newark.....	NJ-2-1.....	444	0	444
Do.....	NJ-2-2.....	240	36	204
Do.....	NJ-2-5.....	463	280	183
Do.....	NJ-2-6.....	465	0	465
North Bergen.....	NJ-4-1.....	170	63	107
Trenton.....	NJ-5-1.....	123	25	98
Do.....	NJ-5-2.....	380	77	305
New York:				
Buffalo.....	NY-2-1.....	696	49	647
Do.....	NY-2-2.....	172	82	90
Do.....	NY-2-3.....	771	480	291
New York City.....	NY-5-1.....	2,643	512	2,131
Do.....	NY-5-2.....	2,551	82	2,469
Do.....	NY-5-3.....	1,476	1,550	0
Syracuse.....	NY-1-1.....	678	454	224
Utica.....	NY-6-1.....	212	0	212
Yonkers.....	NY-3-1.....	545	308	237
North Carolina:				
Wilmington.....	NC-1-1.....	116	16	100
Do.....	NC-1-2.....	136	91	45
Ohio:				
Cincinnati.....	Ohio-4-1.....	750	8	742
Do.....	Ohio-4-2.....	750	3	747
Cleveland.....	Ohio-3-1.....	554	197	357
Do.....	Ohio-3-2.....	627	100	527
Do.....	Ohio-3-4.....	623	0	623
Columbus.....	Ohio-1-1.....	456	305	151
Dayton.....	Ohio-5-1.....	400	2	398
Do.....	Ohio-5-2.....	200	3	197
Toledo.....	Ohio-6-1.....	380	0	380
Warren.....	Ohio-8-1.....	224	0	224
Youngstown.....	Ohio-2-1.....	600	90	510
Zanesville.....	Ohio-9-1.....	326	37	289
Pennsylvania:				
Allentown.....	Pa-4-1.....	322	0	322
Chester.....	Pa-7-1.....	396	163	233
Philadelphia.....	Pa-2-1.....	620	26	594
Do.....	Pa-2-2.....	1,000	1	999
Do.....	Pa-2-3.....	1,361	526	835
Pittsburgh.....	Pa-1-1.....	825	130	695
Do.....	Pa-1-2.....	431	87	344
Do.....	Pa-1-3.....	1,758	341	1,417
Reading.....	Pa-9-1.....	400	0	400
South Carolina:				
Charleston.....	SC-1-1.....	126	66	60
Do.....	SC-1-2.....	90	0	90
Do.....	SC-1-3.....	162	90	72
Do.....	SC-1-4.....	128	105	23
Columbia.....	SC-2-1.....	200	72	128
Do.....	SC-2-2.....	200	98	102

¹ Slum buildings on the site paid for by P. W. A. Housing Division; hence no cost appears in column (d) of table IV.

TABLE VII.—*Method of meeting equivalent elimination requirement of act on U. S. H. A.-aided projects covered by approved loan contracts (as of Dec. 31, 1938)*—Con.

Location of project	Project No.	Number of new dwelling units in project	Estimated number of unsafe or insanitary dwellings to be demolished on site of new projects	Estimated number of unsafe or insanitary dwellings to be demolished, closed, or repaired off-site
Tennessee:				
Chattanooga.....	Tenn-4-1.....	496	379	117
Knoxville.....	Tenn-3-1.....	244	0	244
Do.....	Tenn-3-2.....	320	105	215
Memphis.....	Tenn-1-1.....	478	251	227
Do.....	Tenn-1-2.....	700	462	238
Texas:				
Austin.....	Tex-1-1.....	86	19	67
Do.....	Tex-1-2.....	60	4	56
Do.....	Tex-1-3.....	40	6	34
Brownsville.....	Tex-7-1.....	148	150	0
Corpus Christi.....	Tex-8-1.....	85	17	68
Do.....	Tex-8-2.....	112	127	0
Do.....	Tex-8-3.....	45	74	0
El Paso.....	Tex-3-1.....	318	418	0
Fort Worth.....	Tex-4-1.....	252	147	105
Do.....	Tex-4-2.....	250	157	93
Houston.....	Tex-5-1.....	332	14	318
Do.....	Tex-5-2.....	328	302	26
San Antonio.....	Tex-6-1.....	1,250	840	410
Vermont:				
Burlington.....	Vt-1-1.....	101	0	101
West Virginia:				
Charleston.....	WVa-1-1.....	366	179	187
Do.....	WVa-1-2.....	138	0	138
Huntington.....	WVa-4-1.....	80	64	16
Do.....	WVa-4-2.....	136	7	129
Do.....	WVa-4-3.....	284	0	284
Parkersburg.....	WVa-5-1.....	152	0	152
Total.....		64,451	26,280	39,163

* Includes 1,785 slum buildings paid for by P. W. A. Housing Division.

From the above table (table VII), it is clear that the amount of slum elimination to be accomplished under the U. S. H. A. program does not at all depend upon whether slum sites or vacant sites are selected for the new buildings. Therefore, determination of the location of a housing project should ordinarily be made by the local authority without consideration of the exact number of slum dwellings on a potential site.

Since there must be equivalent slum elimination in any event, the localities in exercising their freedom of selection between building their new projects on slum sites and on vacant sites have been guided chiefly by the following considerations:

First, the localities must consider costs. In terms of dollars and cents, if the local authority selects a high-priced slum site for its new project, the relatively high cost enters into the cost of the complete project developed by the locality with Federal aid. If, on the other hand, the local authority selects a relatively cheap vacant site, the equivalent elimination is accomplished through the exercise of the normal police power without cost to the local housing authority or to the Federal Government.

Second, the localities must consider housing shortages. Many cities, due to the cumulative lag of a full decade in residential construction, are now confronted with a serious if not a critical housing shortage. Vacancies approach the vanishing point, while "doubling up" of families increases—particularly among low-income families.

To clear slums and rehouse families on the same site results necessarily in a period of a year or more during which the available supply of buildings is actually reduced. This may make it impossible to find any dwellings, however bad, into which the dispossessed families can move. By building their first new homes on vacant sites and by proper timing of off-site slum elimination, these cities are avoiding the danger of making the shortage even more acute.

But in some cities the shortage has already reached such serious proportions that they are forced to take advantage of the provision in the act permitting them to defer "equivalent elimination." Deferring, of course, does not mean permanent abandonment of the "equivalent elimination." Instead, the U. S. H. A. imposes a requirement that the elimination of the required number of unsafe or insanitary dwellings—where such elimination is deferred—must take place within a stated period after the acute shortage has been relieved.

Third, there are other more general considerations which impel the localities sometimes to build their new projects on slum sites, and sometimes on vacant sites. Vacant land has the advantage of lower cost per square foot. This makes it possible to give more space to each family. It often permits the use of simple one-family homes instead of apartments. Vacant sites are easier to acquire because generally held in fewer ownerships. Vacant sites are often not cut up by a rigid street plan, as are slum sites; thus there is opportunity on vacant sites for planning the new project as a unit with the best possible arrangement of the buildings, the recreational areas, and so forth.

In certain cities slums are either not in a location suitable for new low-rent housing, or are too scattered to facilitate the clearance of one large site. On the other hand, use of vacant land sites may have the disadvantage of involving additional transportation cost and time to tenants, and may also entail increased public and private expenses for schools, roads, and utilities.

Slum site projects are often very convenient to employment and shopping centers, and are usually more accessible to utility, educational, and other public services. Moreover, the rehabilitation of a central slum site may revive a whole neighborhood formerly dead to any private construction or improvement. On the other hand, slum site projects mean higher land costs per acre and therefore more families per acre. Acquisition of slum sites often presents difficulties in assembling parcels and in demolition as well as in housing displaced families while construction of the new project is under way.

It seems clear from the above discussion that each locality must exercise its own unique knowledge of its own particular local conditions in order to determine on what kind of sites it desires to build its new housing projects. The experience of the U. S. H. A. has indicated that the freedom of action afforded to the localities under the act has enabled them to plan and execute "balanced" programs, partly on slum and partly on vacant sites; and this has been accomplished without sacrificing in the slightest the requirement of the act that, no matter where the new projects are built, there must be "the elimination by demolition, condemnation, and effective closing, or the compulsory repair or improvement of unsafe or insanitary dwellings situated in the locality or metropolitan area, substantially equal in number to the number of newly constructed dwellings provided by the project."

LABOR AND EMPLOYMENT

The alleviation of "present and recurring unemployment" is one of the declared purposes of the United States Housing Act. Congress indicated its awareness, at the time the bill was being considered, that any stimulation of building construction, through increase in buying power resulting from direct and indirect employment promotes activity in the entire economic system.

As construction on U. S. H. A. projects is just beginning, it is impossible to furnish the data on pay rolls, man-hours worked, and materials purchased, required under the act to be reported to the Secretary of Labor by contractors engaged on U. S. H. A. projects. But it is possible to estimate the amount of work which will be created under U. S. H. A.'s present authorized \$800,000,000 lending program. It is expected that a total of 270,000,000 man-hours of work will be created at the site by the U. S. H. A. program. More than \$257,000,000 will be paid in wages to laborers at the sites. This outlook is especially significant in view of the estimate that at the close of 1938 there were nearly 1,000,000 building workers totally unemployed.

Based on studies by the Department of Labor's Bureau of Labor Statistics, it is estimated that for every 1 man-hour of direct labor, there will be created 1½ man hours of employment in the mills, mines, quarries, factories, and the transportation industries which supply the building materials. About 38 percent of all the money spent on the U. S. H. A. projects will be used to purchase bricks, steel products, cement, glass, lumber, electrical fixtures, etc. It will take approximately 400,000,000 man-hours of work to supply these materials, so that between the direct and indirect employment created by the program there will be at least 670,000,000 man-hours of work.

Needless to say, the provisions of the act designed to protect labor standards are carefully observed. Prevailing wage rates, as determined or adopted by U. S. H. A. (after being established under local law) are to be paid. Furthermore, the so-called kick-back statute is made applicable and is being vigorously enforced.

In addition, as a matter of policy, the U. S. H. A. is observing labor standards found desirable by the Federal Government and incorporated in other Federal acts. Thus, our loan contracts provide for the right of workers on U. S. H. A.-assisted projects to organize into unions without interference from employers and to bargain collectively. Furthermore, there are conditions in the contracts prohibiting convict labor, prescribing maximum hours of work, requiring safety standards, barring discrimination, and relating to the settlement of claims and disputes, to the frequency of payments, and to the use of convict-made and foreign materials.

No discussion of the labor aspects of the program would be complete without recognition of the cooperation afforded the local housing authorities by the building trades unions. An understanding has been

reached with the Building and Construction Trades Department of the American Federation of Labor that (1) in case jurisdictional disputes arise on any low-rent housing project assisted by the U. S. H. A., no stoppage of work shall take place until such time as the Building and Construction Trades Department of the American Federation of Labor has had full opportunity to adjust the differences between the trades, and that (2) wage rates in effect at the time construction is started on any project shall be maintained during construction of the project. This widely heralded precedent has resulted in the adoption of hundreds of similar resolutions by international unions, local building trades councils, and local unions.

PROGRESS OF PROGRAM

Before presenting in detail the progress of the United States Housing Authority program, it seems desirable to outline the features which distinguish housing from some other forms of public works undertakings.

Because housing is such a substantial and permanent form of public improvement, and because slum clearance and low-rent housing are woven so closely into the whole pattern of municipal improvement, the development of a housing project to the point of occupancy is a long-range undertaking sometimes requiring from a year and a half to 2 years. What is true of one project is even more true of the housing program as a whole. Consequently, there is a period of many months between the time when funds are made available for use by the U. S. H. A. and the time when these funds reflect themselves to any large extent in local reemployment and business stimulation through local construction activity. There is an even longer period between the time when funds are made available for use by the U. S. H. A. and the time when local projects can be opened for occupancy and slum dwellers rehoused. In the opinion of the Administrator, this relatively long time sequence which distinguishes housing from some other forms of public improvement is not to be deemed a defect in a public housing program. It is, rather, a necessary corollary of the unusually durable and widespread improvement in community wealth and community welfare which the rehousing of underprivileged groups and the clearance of slums bring forth. This time sequence is, moreover, in no way peculiar to public housing projects. Any large private residential building venture, with a banker in the same role as the U. S. H. A., will follow approximately the same time schedule.

These generalizations about the characteristics of a public housing program may be illuminated by the following brief description of the procedure which a locality and the United States Housing Authority follow in getting an undertaking under way:

First, a local housing authority is established under State enabling legislation.

Second, the local housing authority makes preliminary studies of the housing conditions in its city, the incomes of families in the slums who need to be rehoused, and the general type of construction and rent scales necessary to meet the need.

Third, on the basis of such preliminary steps, the local authority requests an earmarking from the United States Housing Authority.

Fourth, after the earmarking, detailed arrangements are worked out between the local housing authority and the city government, with respect to the equivalent elimination provisions of the act, the required local contributions, the financing of the 10 percent local capital participation, and other cooperative arrangements between the municipality and the local housing authority.

Fifth, the local authority must devote time to site selection, to a closer determination of necessary rent levels, to the preparation of preliminary plans and to cost estimates.

Sixth, the local authority files with the U. S. H. A. an application for financial assistance. After detailed study of the application in terms of the statutory requirements and objectives of the United States Housing Act, the United States Housing Authority may approve the application and recommend to the President the approval of a loan contract and an annual contributions contract with the local housing authority.

Seventh, after the loan contract is signed, the really difficult work begins. Land acquisition involves finding homes, at least temporarily, for families displaced, and also involves surveys, examination of titles, appraisals, and options. Detailed plans and specifications must be drawn and perfected and bids for construction must be invited. Each of these steps is made an occasion for careful technical review and advice by the United States Housing Authority, in order that every possible saving may be effected, in order that the lowest attainable rents may be reached, and in order that every interest of the Federal Government may be protected.

Eighth, after construction bids are accepted, the actual building of the project gets under way.

Ninth, during the construction period, the process of tenant selection and the establishment of specific policies on tenant eligibility and rentals are undertaken.

In view of this essentially long-range nature of the development of housing projects, the Administrator takes satisfaction in reporting to Congress that by the end of 1938, there were 14 U. S. H. A. projects under construction, which will provide 9,956 new homes. More and more projects are entering the construction stage, and it is estimated that construction will be started on between 75,000 and 80,000 additional dwellings during 1939. In short, the increasing volume of re-employment and construction activity in 1939 and the opening of projects for occupancy in 1939 and 1940 will result from undertakings commenced with funds made available in 1938.

By the same token, the Administrator feels in duty bound to point out to Congress that the maintenance of construction activity and reemployment in 1940, and the opening of additional completed projects in late 1940 and early 1941, depend upon a new authorization of funds being made now for the initial undertaking of additional projects. Since the United States Housing Authority now has no additional funds to earmark, there is a certain prospect of a long hiatus in the housing program when the projects now under way are completed, unless more funds are now authorized to start new projects. It is equally true that the innumerable cities throughout the country with serious housing conditions which have not yet entered the program, the cities already in the program but merely making a commencement in their attack upon their slum problems, and the cities in the 15 States that have not yet enacted enabling legislation, are all precluded from initiating or expanding their programs unless more funds are made available to the U. S. H. A.

Under the provisions of the United States Housing Act of 1937, the United States Housing Authority's lending program was restricted to \$500,000,000, of which \$100,000,000 were to cover the period to July 1, 1938, and of which \$200,000,000 additional were to be made available in each of the succeeding 2 years. By the United States Housing

Act amendments of 1938, the lending power was increased so that an \$800,000,000 authorization became available immediately.

Despite this \$800,000,000 authorization, the actual amount made available for housing loans was in practical effect limited to about \$650,000,000. This is because loan contracts and annual contributions contracts must be entered into simultaneously, and the maximum of \$28,000,000 fixed by the law with respect to annual contributions is sufficient to cover only \$650,000,000 in Federal loans, plus the 10 percent local capital participation, plus the necessary allowance of a margin of 10 percent in estimates of costs to cover possible contingencies.

Substantially all of the sum of approximately \$650,000,000 available for earmarkings and loans has now been earmarked. Table VIII indicates funds under loan contract, the earmarkings outstanding, and the total commitments for each State, as of December 31, 1938.

TABLE VIII.—*Funds under loan contract, earmarkings outstanding and total locality and State commitments for U. S. H. A.-aided projects (as of Dec. 31, 1938)*

Location of project	Loan contracts approved	Earmarkings outstanding	Total commitment for the locality
Alabama:			
Anniston.....		\$540,000	\$540,000
Birmingham.....	\$3,828,000	4,172,000	8,000,000
Gadsden.....		900,000	900,000
Mobile.....	1,649,000		1,649,000
Phenix City.....		500,000	500,000
Total, Alabama.....	5,477,000	6,112,000	11,589,000
California:			
Los Angeles County.....	2,331,000	2,669,000	5,000,000
Los Angeles.....		25,000,000	25,000,000
Oakland.....	2,591,000	2,409,000	5,000,000
San Francisco.....	1,983,000	13,017,000	15,000,000
Total, California.....	6,905,000	43,095,000	50,000,000
Colorado:			
Denver.....		3,000,000	3,000,000
Pueblo.....		1,000,000	1,000,000
Total, Colorado.....		4,000,000	4,000,000
Connecticut:			
Bridgeport.....		6,500,000	6,500,000
Hartford.....		4,500,000	4,500,000
New Britain.....		1,500,000	1,500,000
New Haven.....		5,500,000	5,500,000
Norwalk.....		450,000	450,000
Waterbury.....		1,000,000	1,000,000
Total, Connecticut.....		19,450,000	19,450,000
Delaware:			
Wilmington.....		2,100,000	2,100,000
Total, Delaware.....		2,100,000	2,100,000
District of Columbia:			
Washington.....	6,600,000	8,400,000	15,000,000
Total, District of Columbia.....	6,600,000	8,400,000	15,000,000
Florida:			
Daytona Beach.....		500,000	500,000
Jacksonville.....	1,027,000	2,000,000	3,027,000
Miami.....		2,250,000	2,250,000
Orlando.....	548,000		548,000
Pensacola.....	1,055,000		1,055,000
St. Petersburg.....	959,000		959,000
Sarasota.....		270,000	270,000
Tampa.....	1,524,000	1,500,000	3,024,000
West Palm Beach.....		750,000	750,000
Total, Florida.....	5,113,000	7,270,000	12,383,000

TABLE VIII.—Funds under loan contract, earmarkings outstanding and total locality and State commitments for U. S. H. A.-aided projects (as of Dec. 31, 1938)—Continued

Location of project	Loan contracts approved	Earmarkings outstanding	Total commitment for the locality
Georgia:			
Athens.....		\$570,000	\$570,000
Atlanta.....	\$11,661,000		11,661,000
Augusta.....	1,369,000	1,000,000	2,369,000
Columbus.....	1,860,000		1,860,000
Macon.....		1,750,000	1,750,000
Rome.....		540,000	540,000
Savannah.....	2,782,000	918,000	3,700,000
Total, Georgia.....	17,672,000	4,778,000	22,450,000
Hawaii:			
Honolulu.....	1,012,000	2,388,000	3,400,000
Total, Hawaii.....	1,012,000	2,388,000	3,400,000
Illinois:			
Chicago.....	8,674,000	7,326,000	16,000,000
Peoria.....	2,559,000		2,559,000
St. Clair County.....		1,500,000	1,500,000
Total, Illinois.....	11,233,000	8,826,000	20,059,000
Indiana:			
Anderson.....	880,000		880,000
Delaware County.....	427,000		427,000
East Chicago.....		1,000,000	1,000,000
Fort Wayne.....		1,500,000	1,500,000
Gary.....		2,800,000	2,800,000
Hammond.....		1,800,000	1,800,000
Kokomo.....	634,000		634,000
Marion.....		500,000	500,000
Muncie.....	1,141,000		1,141,000
New Albany.....		450,000	450,000
Richmond.....		600,000	600,000
Vincennes.....	317,000		317,000
Total, Indiana.....	3,399,000	8,650,000	12,049,000
Kentucky:			
Covington.....	1,947,000	753,000	2,700,000
Frankfort.....	348,000	102,000	450,000
Lexington.....	891,000	459,000	1,350,000
Louisville.....	8,446,000	5,000,000	13,446,000
Newport.....		750,000	750,000
Paducah.....		900,000	900,000
Total, Kentucky.....	11,632,000	7,964,000	19,596,000
Louisiana:			
New Orleans.....	25,311,000		25,311,000
Total, Louisiana.....	25,311,000		25,311,000
Maryland:			
Annapolis.....	478,000		478,000
Baltimore.....	21,591,000	1,409,000	23,000,000
Frederick.....		450,000	450,000
Total, Maryland.....	22,069,000	1,859,000	23,928,000
Massachusetts:			
Boston.....	16,924,000	12,076,000	29,000,000
Cambridge.....	1,815,000	2,685,000	4,500,000
Chicopee.....		1,000,000	1,000,000
Fall River.....		2,500,000	2,500,000
Holyoke.....	828,000	972,000	1,800,000
Lawrence.....		1,500,000	1,500,000
Lowell.....		2,700,000	2,700,000
New Bedford.....		2,000,000	2,000,000
Somerville.....		2,000,000	2,000,000
Worcester.....		3,800,000	3,800,000
Total, Massachusetts.....	19,567,000	31,233,000	50,800,000
Michigan:			
Dearborn.....		1,500,000	1,500,000
Detroit.....	16,564,000	13,436,000	30,000,000
Flint.....		3,500,000	3,500,000
Total, Michigan.....	16,564,000	18,436,000	35,000,000

TABLE VIII.—Funds under loan contract, earmarkings outstanding and total locality and State commitments for U. S. H. A.-aided projects (as of Dec. 31, 1938)—Continued

Location of project	Loan contracts approved	Earmarkings outstanding	Total commitment for the locality
Mississippi:			
Hattiesburg.....		\$600,000	\$600,000
Laurel.....		630,000	630,000
McComb.....		450,000	450,000
Meridian.....		1,200,000	1,200,000
Total, Mississippi.....		2,880,000	2,880,000
Montana:			
Billings.....		270,000	270,000
Butte.....		900,000	900,000
Great Falls.....		675,000	675,000
Helena.....		300,000	300,000
Total, Montana.....		2,145,000	2,145,000
Nebraska:			
Omaha.....	\$2,243,000	2,000,000	4,243,000
Total, Nebraska.....	2,243,000	2,000,000	4,243,000
New Jersey:			
Asbury Park.....	675,000		675,000
Atlantic City.....		1,250,000	1,250,000
Bayonne.....		1,800,000	1,800,000
Camden.....		2,500,000	2,500,000
Elizabeth.....	2,019,000	1,481,000	3,500,000
Jersey City.....		7,500,000	7,500,000
Long Branch.....		540,000	540,000
Newark.....	8,199,000	4,401,000	12,600,000
North Bergen.....	863,000		863,000
Orange.....		900,000	900,000
Perth Amboy.....		1,350,000	1,350,000
Plainfield.....		900,000	900,000
Trenton.....	2,429,000		2,429,000
Total, New Jersey.....	14,185,000	22,622,000	36,807,000
New York:			
Buffalo.....	8,424,000		8,424,000
New York City.....	38,390,000	14,610,000	53,000,000
Schenectady.....		1,400,000	1,400,000
Syracuse.....	3,930,000		3,930,000
Utica.....	900,000		900,000
Yonkers.....	2,976,000		2,976,000
Total, New York.....	54,620,000	16,010,000	70,630,000
North Carolina:			
Raleigh.....		1,800,000	1,800,000
Wilmington.....	1,155,000	600,000	1,755,000
Total, North Carolina.....	1,155,000	2,400,000	3,555,000
Ohio:			
Akron.....		5,000,000	5,000,000
Canton.....		2,000,000	2,000,000
Cincinnati.....	7,101,000	6,399,000	13,500,000
Cleveland.....	9,153,000	8,847,000	18,000,000
Columbus.....	1,888,000	4,612,000	6,500,000
Dayton.....	2,624,000	3,376,000	6,000,000
Portsmouth.....		1,000,000	1,000,000
Toledo.....	1,644,000	3,756,000	5,400,000
Warren.....	900,000	10,000	1,000,000
Youngstown.....	2,835,000	2,000,000	4,835,000
Zanesville.....	1,349,000		1,349,000
Total, Ohio.....	27,584,000	37,000,000	64,584,000
Pennsylvania:			
Allegheny County.....		2,800,000	2,800,000
Allentown.....	1,446,000		1,446,000
Bethlehem.....		1,000,000	1,000,000
Chester.....	1,948,000		1,948,000
Harrisburg.....		1,500,000	1,500,000
McKeesport.....		900,000	900,000
Philadelphia.....	15,118,000	16,882,000	32,000,000
Pittsburgh.....	16,623,000		16,623,000
Reading.....	1,804,000		1,804,000
Scranton.....		1,000,000	1,000,000
Total, Pennsylvania.....	36,939,000	24,082,000	61,021,000

TABLE VIII.—Funds under loan contract, earmarkings outstanding and total locality and State commitments for U. S. H. A.-aided projects (as of Dec. 31, 1938)—Continued

Location of project	Loan contracts approved	Earmarkings outstanding	Total commitment for the locality
Puerto Rico:			
Ponce.....		\$1,000,000	\$1,000,000
Puerto Rico Housing Authority.....		8,000,000	8,000,000
San Juan.....		3,000,000	3,000,000
Total, Puerto Rico.....		12,000,000	12,000,000
South Carolina:			
Charleston.....	\$2,313,000	704,000	3,017,000
Columbia.....	1,851,000		1,851,000
Greenville.....		800,000	800,000
Spartanburg.....		800,000	800,000
Total, South Carolina.....	4,164,000	2,304,000	6,468,000
Tennessee:			
Chattanooga.....	2,262,000	1,838,000	4,100,000
Johnson City.....		300,000	300,000
Knoxville.....	2,504,000	1,000,000	3,504,000
Memphis.....	5,541,000	1,000,000	6,541,000
Total, Tennessee.....	10,307,000	4,138,000	14,445,000
Texas:			
Austin.....	643,000	500,000	1,143,000
Brownsville.....	534,000		534,000
Corpus Christi.....	846,000	479,000	1,325,000
Dallas.....		6,000,000	6,000,000
El Paso.....	1,210,000	1,000,000	2,210,000
Fort Worth.....	2,028,000		2,028,000
Houston.....	3,002,000	7,000,000	10,002,000
Laredo.....		600,000	600,000
San Antonio.....	3,588,000	5,612,000	9,200,000
Waco.....		900,000	900,000
Total, Texas.....	11,851,000	22,091,000	33,942,000
Vermont:			
Burlington.....	436,000		436,000
Total, Vermont.....	436,000		436,000
Virginia:			
Portsmouth.....		1,500,000	1,500,000
Total, Virginia.....		1,500,000	1,500,000
West Virginia:			
Charleston.....	2,175,000	325,000	2,500,000
Huntington.....	2,101,000		2,101,000
Martinsburg.....		450,000	450,000
Morgantown.....		270,000	270,000
Parkersburg.....	672,000		672,000
Wheeling.....		1,350,000	1,350,000
Total, West Virginia.....	4,948,000	2,395,000	7,343,000
Wisconsin:			
Superior.....		675,000	675,000
Total, Wisconsin.....		675,000	675,000
Totals for all States.....	320,986,000	328,803,000	649,789,000

RECAPITULATION

- (1) Total amounts of loan contracts approved for 73 cities and 2 counties in 22 States, the District of Columbia, and Hawaii..... \$320,986,000
- (2) Total earmarkings outstanding for 120 cities and 3 counties in 27 States, the District of Columbia, Hawaii, and Puerto Rico..... 328,803,000
- (3) Total amount of earmarkings outstanding and loan contracts approved for 151 cities and 4 counties in 29 States, the District of Columbia, Hawaii, and Puerto Rico..... 649,789,000

In connection with the above table, the attention of Congress is directed to the fact that not more than 10 percent of the funds provided for in the act may be expended within any one State.

As indicated in the preceding discussion, the United States Housing Authority program has only recently swung into the stage when construction contracts are entered into and substantial funds commence to flow. Table IX indicates the amounts that had been advanced to local authorities by the end of 1938. There were 130 requisitions honored, totaling \$22,063,892, to be applied toward 88 developments. These funds have until now been used primarily in the preliminary steps of project development, such as land acquisition, surveys, and the preparation of plans and specifications. Funds will now commence to flow in an ever-increasing volume as projects enter the construction stage.

TABLE IX.—Funds advanced to local authorities for U. S. H. A.-aided projects (as of Dec. 31, 1938)

Location of project	Project No.	Amount of funds advanced	Location of project	Project No.	Amount of funds advanced
Alabama:			New Jersey—Continued.		
Birmingham.....	Ala-1-1.....	\$382,000.00	North Bergen.....	NJ-4-1.....	\$18,000.00
California:			Trenton.....	NJ-5-1.....	
Oakland.....	Cal-3-1.....	100,325.00	Do.....	NJ-5-2.....	39,000.00
Do.....	Cal-3-2.....	33,675.00	New York:		
District of Columbia:			Buffalo.....	NY-2-1.....	686,000.00
Washington.....	DC-1-1.....	57,829.00	Do.....	NY-2-2.....	205,000.00
Do.....	DC-1-2.....	14,382.00	New York City.....	NY-5-1.....	3,155,000.00
Do.....	DC-1-3.....	23,076.00	Do.....	NY-5-2.....	2,715,000.00
Do.....	DC-1-4.....	50,713.00	Syracuse.....	NY-1-1.....	1,589,000.00
Florida:			Utica.....	NY-6-1.....	67,425.00
Jacksonville.....	Fla-1-1.....	243,000.00	Yonkers.....	NY-3-1.....	94,000.00
St. Petersburg.....	Fla-2-1.....	90,000.00	North Carolina:		
Tampa.....	Fla-3-1.....	34,500.00	Wilmington.....	NC-1-1.....	8,948.00
Georgia:			Do.....	NC-1-2.....	14,052.00
Augusta.....	Ga-1-1.....	52,950.00	Ohio:		
Do.....	Ga-1-2.....	55,050.00	Cleveland.....	Ohio-3-1.....	408,140.00
Hawaii:			Do.....	Ohio-3-2.....	40,350.00
Honolulu.....	TH-1-1.....	200,000.00	Do.....	Ohio-3-4.....	31,510.00
Illinois:			Columbus.....	Ohio-1-1.....	476,000.00
Chicago.....	Ill-2-1.....	126,000.00	Dayton.....	Ohio-5-1.....	32,900.00
Peoria.....	Ill-3-1.....	4,000.00	Do.....	Ohio-5-2.....	71,100.00
Do.....	Ill-3-2.....	4,000.00	Toledo.....	Ohio-6-1.....	177,000.00
Indiana:			Youngstown.....	Ohio-2-1.....	460,000.00
Delaware County.....	Ind-4-1.....	48,000.00	Pennsylvania:		
Kokomo.....	Ind-7-1.....	48,000.00	Allentown.....	Pa-4-1.....	200,000.00
Muncie.....	Ind-5-1.....	53,000.00	Philadelphia.....	Pa-2-1.....	343,000.00
Vincennes.....	Ind-2-1.....	22,000.00	Do.....	Pa-2-2.....	171,000.00
Kentucky:			Do.....	Pa-2-3.....	67,000.00
Louisville.....	Ky-1-1.....	1,577,000.00	Pittsburgh.....	Pa-1-1.....	729,000.00
Do.....	Ky-1-2.....	850,000.00	Do.....	Pa-1-2.....	371,000.00
Louisiana:			South Carolina:		
New Orleans.....	La-1-1.....	909,185.00	Charleston.....	SC-1-1.....	265,000.00
Do.....	La-1-2.....	1,033,815.00	Tennessee:		
Do.....	La-1-3.....	150,000.00	Chattanooga.....	Tenn-4-1.....	410,000.00
Do.....	La-1-5.....	145,000.00	Knoxville.....	Tenn-3-1.....	66,996.11
Maryland:			Do.....	Tenn-3-2.....	208,003.89
Annapolis.....	Md-1-1.....	27,000.00	Memphis.....	Tenn-1-1.....	71,000.00
Baltimore.....	Md-2-1.....	92,000.00	Texas:		
Do.....	Md-2-2.....	116,000.00	Austin.....	Tex-1-1.....	45,765.00
Do.....	Md-2-3.....	108,000.00	Do.....	Tex-1-2.....	23,990.00
Do.....	Md-2-4.....	32,000.00	Do.....	Tex-1-3.....	18,245.00
Do.....	Md-2-5.....	52,000.00	Corpus Christi.....	Tex-8-1.....	23,000.00
Michigan:			El Paso.....	Tex-3-1.....	22,000.00
Detroit.....	Mich-1-1.....	195,860.00	Fort Worth.....	Tex-4-1.....	43,620.00
Do.....	Mich-1-2.....	175,605.00	Do.....	Tex-4-2.....	35,880.00
Do.....	Mich-1-4.....	397,002.00	San Antonio.....	Tex-6-1.....	48,000.00
Do.....	Mich-1-5.....	55,000.00	West Virginia:		
Nebraska:			Charleston.....	WVa-1-1.....	94,181.00
Omaha.....	Nebr-1-1.....	372,000.00	Do.....	WVa-1-2.....	72,819.00
New Jersey:			Huntington.....	WVa-4-1.....	62,213.84
Asbury Park.....	NJ-7-1.....	22,000.00	Do.....	WVa-4-2.....	84,346.40
Elizabeth.....	NJ-3-1.....	188,000.00	Do.....	WVa-4-3.....	89,439.76
Newark.....	NJ-2-1.....	17,497.00	Total advanced.....		22,063,892.00
Do.....	NJ-2-2.....	10,629.00			
Do.....	NJ-2-5.....	25,195.00			
Do.....	NJ-2-6.....	16,679.00			

Perhaps an even more compelling indication of the expansion of the United States Housing Authority program than the amount of earmarkings, the amount of money under loan contract, and the large number and wide geographic distribution of the cities participating in the program, as indicated by the above tables, is the rapid increase in the number of local housing authorities. This subject is covered in the following section.

LOCAL HOUSING AUTHORITIES AND ENABLING LEGISLATION

Only public housing agencies authorized under State law to engage in low-rent housing and slum clearance are eligible for U. S. H. A. assistance. As a general rule, these public housing agencies are local housing authorities, established as public corporations separate and distinct from the municipalities in which they function. Specifically denied the power to tax, local housing authorities finance their programs from the income of their projects, as well as from other sources of income (such as U. S. H. A. annual contributions). A serious initial difficulty, the lack of funds for those administrative expenses which may not be included in the development cost of a particular project, is gradually being remedied through small appropriations by municipal governments. The obligations of these local housing authorities are not debts enforceable against the State or any of its agencies or political or civil subdivisions.

In the past few years, similar authorities have been created to undertake a wide range of activities in the field of public works generally. But in the field of housing, the use of the authority as the instrumentality for financing, constructing, and operating projects is relatively recent. The local housing authority is the natural result of the feeling that the responsibility for initiating projects, undertaking their construction and supervising their operation are matters which should be placed in competent local hands, with the Federal Government sharing the financial burden and making available technical assistance and the results of its research.

The rapid growth of interest in the U. S. H. A. program and the acceptance of the principle that local authorities are a proper vehicle for the development of public housing are attested by the fact that in November 1937, there were but 46 such authorities and by the end of December 1938 there were 221.

It will be noted from table VIII that commitments have been made for projects of local authorities in 29 States, the District of Columbia, Hawaii, and Puerto Rico. More States are not represented for the reason that enabling housing legislation has been adopted in only 33 States. Even in these 33 States, several of the laws need revision and the U. S. H. A. is cooperating with local officials in the preparation of perfecting amendments. It is interesting to note, in this connection, that the legislatures in each of the other 15 States will meet in 1939 and will thus have an opportunity to pass upon the question of adopting legislation authorizing those States to participate in the U. S. H. A. program.

Table X shows the States which have and do not have enabling housing legislation, and lists the housing authorities known to be in existence on December 31, 1938.

TABLE X.—States with and without enabling legislation and the localities having housing authorities (as of Dec. 31, 1938)

States having legislation:	Localities having housing authorities
Alabama.....	Andalusia, Anniston, Birmingham, Colbert County, Florence, Gadsden, Mobile, Phenix City, Red Level, Selma.
Arkansas.....	Fayetteville.
California.....	Los Angeles city, Los Angeles County, Oakland, San Francisco (city and county).
Colorado.....	Denver (city and county), Pueblo.
Connecticut.....	Bridgeport, Hartford, New Britain, New Haven, Norwalk, Waterbury.
Delaware.....	Wilmington.
District of Columbia.....	District of Columbia.
Florida.....	Daytona Beach, Fort Lauderdale, Jacksonville, Key West, Miami, Miami Beach, Orlando, Pensacola, Sarasota, St. Petersburg, Tampa, West Palm Beach.
Georgia.....	Athens, Atlanta, Augusta, Columbus, Decatur, Macon, Marietta, Milledgeville, Rome, Savannah, Thomasville.
Hawaii.....	Hawaii.
Illinois.....	Alexander County, Chicago, Gallatin County, Peoria, St. Clair County, Springfield.
Indiana.....	Alexandria, Anderson, Bluffton, Brazil, Decatur, Delaware County, Dunkirk, East Chicago, Fort Wayne, Gary, Greenfield, Hammond, Huntington, Jeffersonville, Kokomo, Lawrenceburg, Marion, Muncie, New Albany, New Castle, Richmond, Vigo County, Vincennes.
Kentucky.....	Covington, Dayton, Frankfort, Lexington, Louisville, Newport, Paducah.
Louisiana.....	New Orleans.
Maryland.....	Annapolis, Baltimore, Frederick, Salisbury.
Massachusetts.....	Boston, Cambridge, Chicopee, Fall River, Holyoke, Lawrence, Lowell, New Bedford, Somerville, Worcester.
Michigan.....	Dearborn, Detroit, Flint.
Mississippi.....	Hattiesburg, Laurel, McComb City, Meridian.
Montana.....	Billings, Butte, Great Falls, Helena.
Nebraska.....	Omaha.
New Jersey.....	Asbury Park, Atlantic City, Bayonne, Beverly, Bound Brook Borough, Bridgeton, Camden, Clementon Borough, Elizabeth, Harrison, Jersey City, Kenilworth Borough, Long Branch, Montclair, Morristown, Newark, North Bergen, Ocean City, Orange, Passaic County, Perth Amboy, Plainfield, Princeton Borough, Summit, Trenton.
New York.....	Buffalo, Lackawanna, New York City, Peekskill, Port Jervis, Schenectady, Syracuse, Tarrytown, Tuckahoe, Utica, Yonkers.
North Carolina.....	Raleigh, Wilmington.
Ohio.....	Akron, Canton, Cincinnati, Cleveland, Columbus, Dayton, Lorain, Portsmouth, Toledo, Warren, Youngstown, Zanesville.
Oregon.....	Clackamas County.
Pennsylvania.....	Allegheny County, Allentown, Bethlehem, Chester, Delaware County, Erie, Harrisburg, McKean County, McKeesport, Mifflin County, Montgomery County, Philadelphia, Pittsburgh, Reading, Scranton.
Puerto Rico.....	Mayaguez, Ponce, Puerto Rico Housing Authority (covers all of Puerto Rico), San Juan.
South Carolina.....	Charleston, Columbia, Greenville, Spartanburg.

TABLE X.—States with and without enabling legislation and the localities having housing authorities (as of Dec. 31, 1938)—Continued

States having legislation—Con.	Localities having housing authorities
Tennessee-----	Chattanooga, Johnson City, Knoxville, Memphis, Nashville.
Texas-----	Alice, Austin, Big Spring, Brownsville, Corpus Christi, Dallas, El Paso, Fort Worth, Harlingen, Houston, Laredo, Pelly, San Antonio, Temple, Waco.
Vermont-----	Burlington.
Virginia-----	Bristol, Portsmouth.
West Virginia-----	Charleston, Fairmont, Huntington, Keyser, Martinsburg, Morgantown, Mount Hope, Parkersburg, Wheeling, Williamson.
Wisconsin-----	Madison, Superior.
States not having legislation:	
Arizona, Idaho, Iowa, Kansas, Maine, Minnesota, Missouri, Nevada, New Hampshire, New Mexico, Oklahoma, South Dakota, Utah, Washington, Wyoming.	

A decentralized public low-rent housing and slum clearance program is new in this country. This novelty brings attendant problems, not the least of which is its constitutionality. Local housing authorities are relatively new concepts in the field of public law. Many of the features of the State enabling laws raise legal questions relating to the validity of tax-exemption, eminent domain, the public purpose nature of housing, debt-incurring powers, municipal cooperation and other points. To date, 12 State laws have been before the highest courts of as many States and in each instance the decision has been a victory for housing. The dates and citations of these decisions are:

Alabama: *In re Opinion of the Justices*, 179 So. 535 (March 17, 1938).

Florida: *Marrin v. Housing Authority of Jacksonville, et al.*, 183 So. 145 (July 27, 1938).

Georgia: *Williamson v. Housing Authority of Augusta, et al.*, 199 S. E. 43 (September 21, 1938).

Illinois: *Krause, et al. v. Peoria Housing Authority, et al.*, 19 N. E. (2d) 193 (January 26, 1939).

Kentucky: *Spahn, et al. v. Stewart, et al.*, 268 Ky. 97, 103 S. W. (2d) 651 (February 19, 1937, extended March 26, 1937).

Louisiana: *State ex rel. Porterie, Atty. Gen. v. Housing Authority of New Orleans, et al.*, 182 So. 725 (June 27, 1938, Rehearing denied, July 8, 1938).

Montana: *Rutherford, et al v. The City of Great Falls, et al.*, 86 Pac. (2d) 656 (January 21, 1939).

New York: *New York City Housing Authority v. Muller, et al.*, 270 N. Y. 33, 1 N. E. (2d) 153 (March 17, 1936).

North Carolina: *Wells, et al. v. Housing Authority of Wilmington, et al.*, 213 N. E. 744, 197 S. E. 693 (June 15, 1938).

Pennsylvania: *Dornan v. Philadelphia Housing Authority*, 200 Atl. 834 (June 30, 1938).

South Carolina: *W. E. McNulty v. L. B. Owens, et al.*, 199 S. E. 425 (October 13, 1938).

Tennessee: *Knoxville Housing Authority, Inc. v. City of Knoxville, et al.*, 123 S. W. (2d) 1085 (January 21, 1939).

In addition two lower court decisions, in Indiana and West Virginia, have sustained the validity of local housing legislation. These decisions have been appealed and the appealed cases are now pending in the highest courts of those States. Thus, there has not been a single adverse decision in any case in which the local aspects of the U. S. H. A. program have been challenged.

PART 2. P. W. A. HOUSING DIVISION PROJECTS AND P. W. A. LIMITED DIVIDEND PROJECTS

The discussion in part 1 of this report makes it clear that the U. S. H. A. program is essentially local and decentralized. The report, however, would be incomplete without some mention of the projects constructed by the former Housing Division of the Public Works Administration (referred to hereafter as "P. W. A. Housing Division projects"). These projects and the obligations of limited dividend companies were transferred to the U. S. H. A. by Executive Order No. 7732 of October 27, 1937.

It should be stressed at the outset that these federally-built projects were not constructed under the cost and finance provisions of the United States Housing Act, and that their rentals are in no instance fixed under the system which applies to the new U. S. H. A. projects. Nor, in most cases, were their tenants selected according to the method which will be used in connection with the new U. S. H. A. projects. For these reasons, and because these early Federal projects represented the first step in the history of public housing, costs, rentals, and income groups served are far higher than those which will obtain in the new U. S. H. A. projects.

The act authorized the President to transfer to the U. S. H. A. any right, interest, or title held by any department or agency of the Federal Government in any housing or slum-clearance projects. Under this provision, the Executive order transferred to the U. S. H. A. the 51 housing projects undertaken by the Public Works Administration, the assets of the Public Works Administration held in connection with the housing or slum clearance projects transferred, the unexpended balance of funds allocated to the Public Works Administration for the construction of housing or slum clearance projects, and the securities acquired by the Public Works Administration from 7 limited dividend companies.

As a result of this Executive order, the 51 P. W. A. Housing Division projects were transferred to the U. S. H. A., but by Executive Order No. 7839 of March 12, 1938, the 2 Puerto Rico projects originally transferred were turned over to the Puerto Rico Reconstruction Administration. The U. S. H. A. has completed the 22 P. W. A. Housing Division projects which were unfinished at the time of the transfer.

The act requires that as soon as practicable the Authority shall sell the P. W. A. Housing Division projects or divest itself of their management through leases. By the end of 1938, 27 P. W. A. Housing Division projects had been leased to local public housing agencies. The U. S. H. A. itself is temporarily operating the other 22 P. W. A. Housing Division projects.

Two distinct methods of establishing rent scales have been used for the P. W. A. Housing Division projects. The rents for the projects which were occupied prior to the establishment of the U. S. H. A. were fixed pursuant to the provisions of the George-Healey Act, adopted in 1936, which authorized the Federal Emergency Administrator of Public Works to operate or lease the projects on a basis which contemplated repayment to the Government of 55 percent of the cost

of the project over a 60-year period, plus interest. The rents for the P. W. A. Housing Division projects occupied after the U. S. H. A. was created were fixed and are being fixed according to those provisions of the United States Housing Act dealing with transferred projects. As to this latter group of projects, the U. S. H. A. is authorized to fix the rentals at amounts necessary to pay management, operating, and maintenance costs plus such other amounts as are consistent with maintaining the low-rent character of the projects. The U. S. H. A. is refixing the rents on projects for which the rents were originally fixed under the George-Healey Act.

A summary of pertinent statistical information about each of the P. W. A. Housing Division projects (including rents, family size and income, and operating income and expense statements) will be found in appendixes I-VI herein. The average shelter rent plus water per occupied dwelling unit (unweighted for the number of dwellings in each project and excluding the Virgin Islands project where the conditions are not comparable to those in continental United States) as of June 30, 1938, was as follows:

18 P. W. A. Housing Division projects with rents fixed under George-Healey Act.....	\$20. 32
23 P. W. A. Housing Division projects with rents fixed under applicable provisions of the United States Housing Act.....	17. 39
41 P. W. A. Housing Division projects open for occupancy.....	18. 68

As of December 31, 1938, all 49 P. W. A. Housing Division projects were available for occupancy. Of these, a number were still in the tenant-selection stage (necessarily a rather slow process, requiring careful interviews with thousands of applicants, home visits, checking the condition of applicants' homes, of applicants' incomes in relation to rents to be charged, and of family size and make-up related to the room lay-out in available dwelling units).

In the 46 P. W. A. Housing Division projects which on December 31, 1938, had been available for occupancy for more than 3 months, however, there were 19,507 dwelling units, of which 19,068, or 97.75 percent, were occupied. Almost half of the P. W. A. Housing Division projects available for occupancy on December 31, 1938, were 100 percent occupied and almost three-fourths of the projects were more than 99 percent occupied. Practically all of the P. W. A. Housing Division projects had long waiting lists of eligible families for whom dwelling accommodations in these projects were not available.

The record on rent collections in the P. W. A. Housing Division projects is one good indication of the fact that public housing for low-income families can be operated on a business-like basis. Total rent arrears on all P. W. A. Housing Division projects as of December 31, 1938, was less than six-tenths of 1 percent.

Data with respect to all P. W. A. Housing Division projects, as of June 30, 1938, appear in appendixes I through VI.

Executive Order No. 7732 also transferred to the U. S. H. A. the outstanding obligations issued to finance seven limited dividend projects. These projects were built by private limited dividend corporations, and are still owned and operated by these corporations. These projects were built as the first phase of the Public Works Administration program, but this type of operation was discontinued at an early date. Appendix VII and appendix VIII contain data with respect to these projects and to the obligations transferred by the Executive order.

PART 3. U. S. H. A. ORGANIZATION

PERSONNEL

The first year of a Federal agency necessarily presents difficult administrative problems. Techniques must be developed, a suitable staff employed, administrative machinery set up, policies determined, and a smooth-running organization effected.

As has been indicated earlier in this report, a decentralized public low-rent housing program is a new thing in this country, and consequently persons qualified by education and experience properly to assist in administering such a program have been difficult to obtain. As the program develops, the problem will be resolved through the operation of two factors: In the first place, the existing personnel will have acquired more experience, and in the second place, the number of persons trained in fields related to public low-rent housing will increase as educational institutions and other interested organizations continue to expand their training facilities.

As of December 31, 1938, the staff of the Housing Authority consisted of 1,802 employees. Of these employees, 1,290 were located in Washington and 512 were in the field. This figure represents a net increase of 225 employees over the total of 1,577 persons who were transferred from the P. W. A. Housing Division under Executive Order No. 7732 of October 27, 1937.

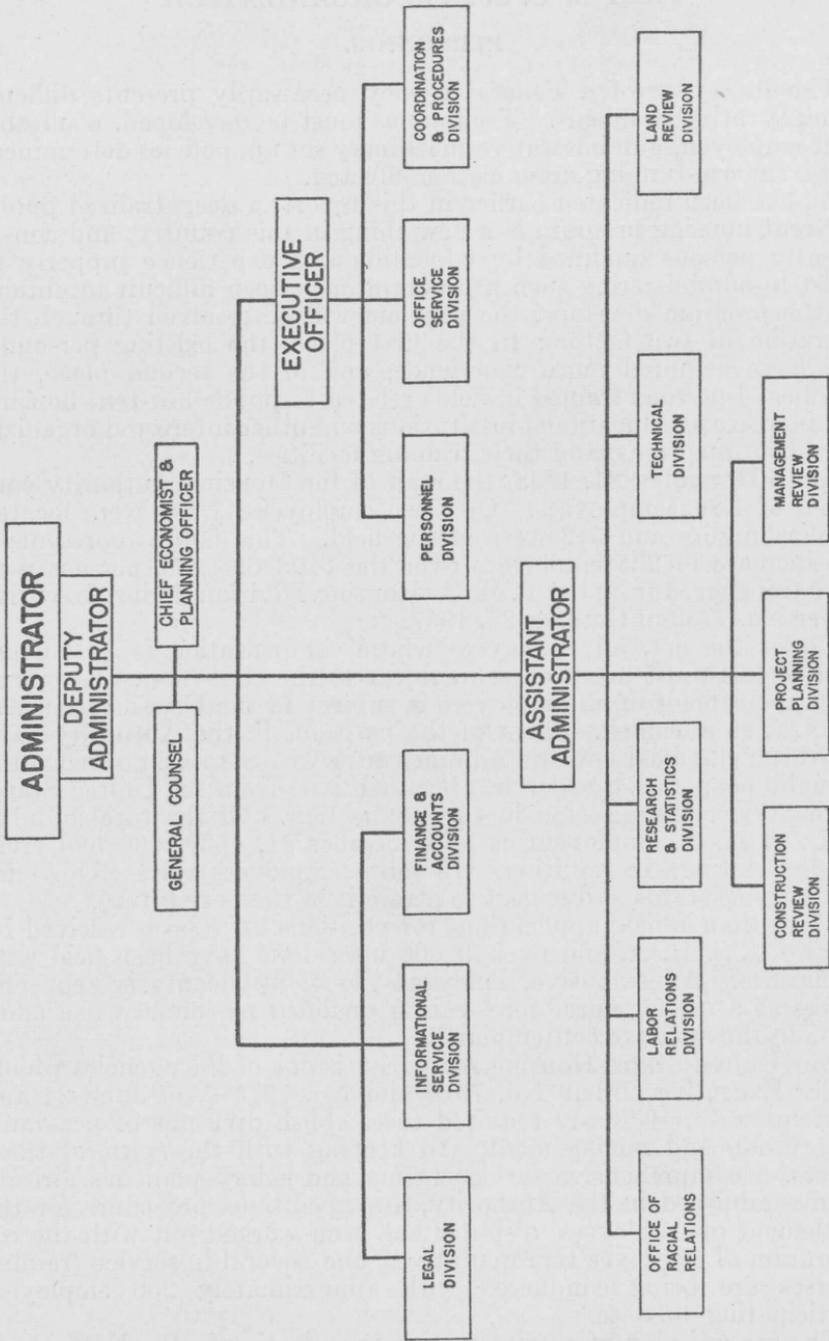
Under the act, all employees whose compensation is \$1,980 per year or less must be employed subject to the civil-service laws, and the appointment of all employees is subject to the Classification Act of 1923, as amended. Most of the positions in the Authority have now been classified and the Administrator wishes to acknowledge the splendid cooperation which has been received from the United States Civil Service Commission in this connection. Of the total number of U. S. H. A. employees as of December 31, 1938, 690 had civil-service status. In addition, 176 more employees were eligible for civil-service status and expect to attain it in the near future.

More than 13,000 applications for positions have been received by the U. S. H. A. and over 21,000 interviews have been held with applicants. An extensive, analyzed file of applicants is kept and serves as a useful source for locating qualified personnel when additions to the staff are contemplated.

The United States Housing Authority is one of the agencies which, under Executive Orders No. 7916 and No. 7975-A of June 24 and September 16, 1938, are required to establish divisions of personnel supervision and management. In keeping with the spirit of these orders, a comprehensive service rating and salary plan has already been established in the Authority, an expeditious procedure for the settlement of employees' disputes has been worked out with the cooperation of employee representatives, and several in-service training courses are being conducted with approximately 250 employees participating to date.

The general plan of administrative organization in the U. S. H. A. is indicated by the accompanying diagram.

This plan is the result of a continuous process of evolution during the first year of the Authority's existence. From the very beginning an attempt has been made to set up the organization in such a manner as to insure maximum speed in the handling of applications for loan



UNITED STATES HOUSING AUTHORITY, PLAN OF ADMINISTRATIVE ORGANIZATION, JANUARY 1, 1939

contracts without endangering the careful review which is necessary and without disturbing the essential plan of administrative responsibility for internal action.

INFORMATIONAL SERVICES

The primary responsibility of the U. S. H. A. in its first year of operation was, of course, to establish efficient procedures for providing technical and financial assistance to local housing authorities to facilitate the development of successful low-rent housing projects within the terms of the United States Housing Act.

One of the most useful and necessary functions of the United States Housing Authority, however, is to serve as a national clearing house of technical and semitechnical information about slum clearance and low-rent housing. The elimination of waste in the planning of housing projects by the localities, and the introduction of positive economies in construction, management, and operation, must necessarily result in large part from the experience and observations of the U. S. H. A. and the transmission of this experience to the various localities for practical application.

This requires not only adequate personnel, but the dissemination of printed materials, standard forms, sample plans, and a great many other instruments of guidance and direction. It has been found that the preparation of such materials not only promotes economy in the development of local housing projects, but also means far greater economies in the operations of the U. S. H. A.

Consistent with the act's authorization to the U. S. H. A. to "publish and disseminate information pertinent to the various aspects of housing," valuable studies, for the most part of a technical or semitechnical nature, have been prepared and others will be published during the course of the year. The Administrator feels confident that they will prove real contributions to a field which for too long has suffered from a lack of authoritative, tested data on housing needs and on standards and techniques relating to the development of successful low-rent housing projects.

In addition to the primary need for these technical and semitechnical materials, a secondary need has revealed itself. The housing problem affects every individual in one way or another, and its solution cuts across hundreds of different fields of special interest, knowledge, and experience. The matter of how the U. S. H. A. as banker should work with the local authority as builder, and every other aspect of the housing movement, has turned out to be of direct concern to a vastly wider public than the agencies immediately involved. Requests have poured in for information concerning slum conditions and the public housing program from State legislators, mayors, and other public officials, labor unions, welfare organizations, church groups, chambers of commerce, and literally thousands of interested individuals. Educational institutions, responsive to the growing national interest in housing, have sought the cooperation of the U. S. H. A.

The U. S. H. A. has been able to comply with only a small fraction of these requests. The Administrator is convinced that in order to provide even the barest minimum response to these spontaneous and ever-increasing calls, the informational services of the U. S. H. A. must be somewhat expanded from their present small scope.

Appearing at the end of this report is a list of U. S. H. A. publications now available. The Administrator wishes to acknowledge the splendid cooperation rendered by the Government Printing Office.

THE CORPORATION AND FINANCES

The U. S. H. A. is a corporation of perpetual duration in the Department of the Interior. The United States Housing Act authorized an appropriation of \$1,000,000 to pay the subscription to the capital stock of the Authority. Subsequently this \$1,000,000 was appropriated to the Treasury Department to enable the Secretary of the Treasury to make payments on account of subscriptions to the capital stock of the U. S. H. A.

Appendix IX contains a balance sheet of the U. S. H. A. as of November 1, 1937, the date at which the U. S. H. A. began operations; appendix X contains a balance sheet of the U. S. H. A. as of June 30, 1938; and appendix XI contains a reconciliation of surplus of the U. S. H. A. from November 1, 1937 to June 30, 1938.

The United States Housing Act did not appropriate any funds for administrative expenses. By Executive Order No. 7732, however, unexpended balances of money made available to the Federal Emergency Administration of Public Works for administrative expenses which would have been used by P. W. A.'s Housing Division were transferred to U. S. H. A. This transferred sum of \$380,183, together with the \$213,746 available by June 30, 1938, representing excess income over expenses in connection with the operation of the P. W. A. Housing Division projects, the \$663,890 received during the period from November 1, 1937 to June 30, 1938, as income from the securities of the limited dividend corporations, the \$1,000,000 capital stock subscription and the \$14,550 miscellaneous receipts, was sufficient to finance U. S. H. A.'s administrative expenses during the early stages of U. S. H. A.'s operation as well as to take care of certain other miscellaneous expenses. By the Second Deficiency Appropriation Act, fiscal year 1938, approved June 25, 1938, the U. S. H. A. was authorized to expend \$3,500,000 for administrative expenses during the fiscal year 1939. It should be noted that there was no appropriation of funds but merely a restriction on the amount which could be expended for administrative expenses. This deficiency act also provided that expenses in connection with the completion and operation of the P. W. A. Housing Division projects could be considered as non-administrative expenses and that those expenses could be paid from the funds allotted for or the rents received from such P. W. A. Housing Division projects. At the present time, therefore, U. S. H. A. is still functioning without any actual appropriation for administrative expenses, but is limited to \$3,500,000 as the amount which may be spent for direct administrative expenses during the fiscal year 1939.

Needless to say, the present program has not reached its peak, so that it is clear that administrative expenses will have to increase. At the sacrifice of important functions, the Authority has made drastic efforts to restrict its expenses for administrative purposes in order to keep within the \$3,500,000 limitation for the fiscal year 1939. The rate of expenditure for administrative expenses is, of course, increasing as the present program develops, so that the amount expended by December 31, 1938, is not an indication of the amount to be spent during the first 6 months of 1939 or during the fiscal year 1940.

Table XI indicates the total amount which has been spent from November 1, 1937 to December 31, 1938, by object of expenditure.

TABLE XI.—Total administrative and nonadministrative expenses of United States Housing Authority (from Nov. 1, 1937, when U. S. H. A. operations began, to Dec. 31, 1938)

Object of expenditure	Nov. 1, 1937, to June 30, 1938		July 1, 1938, to Dec. 31, 1938	
	Nonadministrative ¹	Administrative	Nonadministrative ¹	Administrative
Personal services.....	\$501,845	\$764,062	\$346,100	\$1,106,939
Supplies and materials.....	12,482	84,238	1,700	17,243
Communications.....	5,299	9,936	3,279	15,038
Travel.....	22,504	76,590	21,863	128,572
Transportation of things.....	100	902	0	170
Printing and binding.....	2,577	23,189	3,627	44,022
Rents and rental of equipment.....	4,475	10,547	7,425	27,932
Repairs and alterations.....	5,648	8,472	1,927	12,905
Special and miscellaneous expenses.....	655	5,868	5	10,311
Equipment.....	3,235	221,488	1,929	11,256
Total.....	558,820	1,205,292	387,855	1,374,388

¹ In accordance with the Second Deficiency Appropriation Act, fiscal year 1938, all necessary expenses in connection with the completion of construction, development, management and operation of P. W. A. Housing Division projects transferred to the Authority may be considered as nonadministrative expenses and be paid from funds allotted for or the rents from each project. The figures appearing in this column are applicable only to the central office.

SUMMARY AND CONCLUSIONS

Under the new decentralized program of the U. S. H. A., by December 31, 1938, 140 low-rent housing projects in 75 localities in 22 States, the District of Columbia, and the Territory of Hawaii were under contract for U. S. H. A. loans totaling \$320,986,000. These loans will aid in financing projects estimated to cost \$356,695,341. In addition, 123 communities have outstanding earmarkings of \$328,803,000, making a grand total of \$649,789,000 committed by the U. S. H. A. Under the loan contracts, main construction contracts have been approved on 14 U. S. H. A.-assisted projects in 10 cities, the total estimated development cost of which is \$51,583,520.

In addition, the U. S. H. A. has completed the construction of the 22 unfinished P. W. A. Housing Division projects included among the 49 of these projects transferred to the U. S. H. A. As of June 30, 1938, 15,624 families or 52,009 persons were housed in these projects. By December 31, 1938, 27 of these projects had been leased to the localities.

The new decentralized program of the U. S. H. A. now under way will provide approximately 670,000,000 man-hours of labor on and off the site of construction, and will make available about 165,000 decent, safe, and sanitary dwelling units for about 640,000 persons. The average annual incomes of the families to be rehoused in the U. S. H. A.-assisted projects will range from a low of about \$450 per year to a high of about \$1,150 per year in some of the largest cities with the highest levels of costs and wages.

As was pointed out in part 1 of this report, all available funds have been earmarked. No additional cities or States can enter the program, and none of the cities now in the program can expand their work until further authorizations are made by Congress.

The first decentralized program of slum clearance and low-rent housing is well under way. It is now a matter of ascertainable fact that public housing can be produced cheaply and brought within the reach of the underprivileged who dwell in the slums; that the actual annual cost of public housing to the Federal Government and to the localities is perhaps lower than for any comparable social and economic improvement; that the public low-rent housing program has developed machinery for the progressive investment of local capital in low-rent housing and the progressive assumption of local responsibility for attacking the housing problem; that such a program is enlisting the cooperation of Federal, State, and local public agencies, business, banking, labor, and all other groups interested in social advancement; that perhaps the most needed and durable of all public improvements is being united with reemployment, business stimulation, and the creation of decent living conditions for American families. The need for such a program was evident. The need for continuing and enlarging such a program is no less evident.

APPENDIXES

APPENDIX I.—49 P. W. A. Housing Division projects transferred by Executive Order No. 7732 and now owned by the U. S. H. A.
(as of Dec. 31, 1938)

Location of project	Name	Project No.	Type of occupancy	Total number of dwelling units	Project leased or operated by U. S. H. A.
Atlanta, Ga.	Techwood Homes	H-1101	White	1 604	U. S. H. A.
Do	University Homes	H-1102	Negro	675	Do.
Atlantic City, N. J.	Stanley S. Holmes Village	H-5001	do	277	Leased.
Birmingham, Ala.	Smithfield Court	H-2902	do	544	Do.
Boston, Mass.	Old Harbor Village	H-3302	White	1, 016	Do.
Buffalo, N. Y.	Kenfield	H-6703	do	658	Do.
Cambridge, Mass.	New Towne Court	H-8501	White and Negro	294	Do.
Camden, N. J.	Westfield Acres	H-6002	White	514	Do.
Charleston, S. C.	Meeting St. Manor	H-8901-B	White and Negro	212	Do.
	Cooper River Court				
Chicago, Ill.	Jane Addams Houses	H-1401	do	1, 027	Do.
Do	do	H-1405	do		
Do	Julia C. Lathrop Homes	H-1406	White			925	Do.
	Trumbull Park Homes	H-1408	do	462	Do.
Cincinnati, Ohio	Laurel Homes	H-1801	White and Negro	1, 039	Do.
Cleveland, Ohio	Cedar-Central Apartments	H-1001	do	650	U. S. H. A.
Do	Outhwaite Homes	H-1002	do	579	Do.
Do	Lakeview Terrace	H-1003	White	620	Do.
Columbia, S. C.	University Terrace	H-5201	White and Negro	122	Leased.
Dallas, Tex.	Cedar Springs Place	H-7901-B	White	181	U. S. H. A.
Detroit, Mich.	Brewster	H-1201	Negro	701	Leased.
Do	Parkside	H-1205	White	775	Do.
Enid, Okla.	Cherokee Terrace	H-5401	do	80	U. S. H. A.
Evansville, Ind.	Lincoln Gardens	H-3801	Negro	191	Do.
Indianapolis, Ind.	Lockefield Garden Apartments	H-1601	do	748	Do.
Jacksonville, Fla.	Durkeeville	H-4702	do	215	Do.
Lackawanna, N. Y.	Baker Homes	H-6202	White	271	Leased.
Lexington, Ky.	Blue Grass Park	H-5103	White and Negro	286	Do.
	Aspendale				
Louisville, Ky.	LaSalle Place	H-2502	White	210	Do.
Do	College Court	H-2503	Negro	125	Do.
Memphis, Tenn.	Dixie Homes	H-3401	do	633	Do.
Do	Lauderdale Courts	H-3403	White	449	Do.
Miami, Fla.	Liberty Square	H-4602	Negro	243	U. S. H. A.
Milwaukee, Wis.	Parklawn	H-1502	White and Negro	518	Do.
Minneapolis, Minn.	Sumner Field Homes	H-4201	do	464	Do.

¹ Exclusive of dormitory units.

APPENDIX I.—49 P. W. A. Housing Division projects transferred by Executive Order No. 7732 and now owned by the U. S. H. A.
(as of Dec. 31, 1938)—Continued

Location of project	Name	Project No.	Type of occupancy	Total number of dwelling units	Project leased or operated by U. S. H. A.
Montgomery, Ala.....	Riverside Heights.....	H-2201.....	White.....	100	U. S. H. A.
Do.....	Wm. B. Paterson Courts.....	H-2202.....	Negro.....	156	Do.
Nashville, Tenn.....	Cheatham Place.....	H-2101.....	White.....	314	Do.
Do.....	Andrew Jackson Courts.....	H-2102.....	Negro.....	398	Do.
New York, N. Y.....	Williamsburg Houses.....	H-1301.....	White.....	1,622	Leased.
Do.....	Harlem River Houses.....	H-1302.....	Negro.....	574	Do.
Oklahoma City, Okla.....	Will Rogers Courts.....	H-8101.....	White.....	354	U. S. H. A.
Omaha, Nebr.....	Logan Fontenelle Homes.....	H-2001.....	White and Negro.....	284	Leased.
Philadelphia, Pa.....	Hill Creek.....	H-3001-C.....	White.....	258	Do.
Schenectady, N. Y.....	Schonowee Village.....	H-5801.....	do.....	219	Do.
Stamford, Conn.....	Fairfield Court.....	H-9801.....	White and Negro.....	146	U. S. H. A.
Toledo, Ohio.....	Brand Whitlock Homes.....	H-2601.....	do.....	264	Leased.
Virgin Islands.....	(3 sites).....	H-4900.....	Native.....	126	U. S. H. A.
Washington, D. C.....	Langston.....	H-1706-A.....	Negro.....	274	Do.
Wayne, Pa.....	Highland Homes.....	H-9001.....	White and Negro.....	50	Do.
Total dwelling units.....				21,447	

RECAPITULATION

Total number of P. W. A. Housing Division projects.....	49
Number of United States cities in which projects are located.....	36
Number of States in which projects are located.....	29
Projects occupied by white tenants only.....	12
Projects occupied by Negro tenants only.....	14
Projects occupied by both White and Negro tenants.....	15
Projects occupied by Virgin Islands tenants.....	1
Projects leased to local authorities.....	27
Projects operated by U. S. H. A.....	22

¹ Includes District of Columbia and Virgin Islands.

APPENDIX II.—Average monthly rents per room and per dwelling unit on P. W. A. Housing Division projects applicable to units which were occupied on June 30, 1938, (as of June 30, 1938)

Project location	Project No.	Act under which rents fixed	Average monthly shelter rent ¹ plus water		Average monthly total occupancy cost ¹	
			Per room ²	Per dwelling unit	Per room ²	Per dwelling unit
Atlanta, Ga.	H-1101	George-Healey	\$6.11	\$21.43	\$7.39	\$25.93
Do.	H-1102	U. S. Housing	5.73	19.56	6.97	23.80
Atlantic City, N. J.	H-5001	George-Healey	5.95	19.89	8.14	27.19
Birmingham, Ala.	H-2902	U. S. Housing	4.41	14.06	5.81	18.53
Boston, Mass.	H-3302	do.	5.20	18.97	6.96	25.41
Buffalo, N. Y.	H-6703	George-Healey	5.57	23.35	7.00	29.37
Cambridge, Mass.	H-8501	U. S. Housing	4.65	18.54	7.18	28.60
Camden, N. J.	H-6002	do.	4.92	17.44	7.37	26.15
Charleston, S. C.	H-8901-B	George-Healey	5.31	18.61	6.90	24.19
Chicago, Ill.	H-1401	U. S. Housing	5.42	18.96	7.32	25.57
Do.	H-1405	do.	5.42	18.96	7.32	25.57
Do.	H-1406	do.	5.42	19.09	7.30	25.70
Do.	H-1408	do.	5.41	20.29	7.21	27.04
Cleveland, Ohio	H-1001	George-Healey	6.18	21.85	7.76	27.44
Do.	H-1002	do.	5.19	19.37	6.95	25.92
Do.	H-1003	do.	6.24	23.06	7.74	28.65
Columbia, S. C.	H-5201	U. S. Housing	4.69	15.93	6.20	21.04
Dallas, Tex.	H-7901-B	George-Healey	6.79	22.36	7.94	26.13
Enid, Okla.	H-5401	do.	5.85	22.63	7.04	27.24
Indianapolis, Ind.	H-1601	U. S. Housing	4.49	15.11	6.63	22.34
Jacksonville, Fla.	H-4702	George-Healey	4.71	15.39	6.23	20.36
Lexington, Ky.	H-5103	U. S. Housing	5.14	16.94	6.81	22.45
Louisville, Ky.	H-2502	do.	4.72	17.91	6.26	23.76
Do.	H-2503	do.	4.69	15.22	6.37	20.69
Memphis, Tenn.	H-3401	do.	4.15	13.10	5.35	16.90
Do.	H-3403	do.	5.21	18.24	6.33	22.16
Miami, Fla.	H-4602	George-Healey	5.05	17.70	6.16	21.60
Milwaukee, Wis.	H-1502	do.	5.92	23.01	7.52	29.24
Montgomery, Ala.	H-2201	do.	5.56	18.02	7.23	23.42
Do.	H-2202	do.	4.05	13.46	5.39	17.89
Nashville, Tenn.	H-2101	U. S. Housing	5.56	18.53	7.26	24.17
Do.	H-2102	do.	4.88	14.18	6.75	19.62
New York, N. Y.	H-1301	George-Healey	6.54	22.94	8.51	29.86
Do.	H-1302	do.	6.42	21.69	8.51	28.75
Oklahoma City, Okla.	H-8101	do.	5.74	19.92	6.72	23.32
Omaha, Nebr.	H-2001	U. S. Housing	5.05	18.47	7.32	26.79
Philadelphia, Pa.	H-3001-C	do.	5.12	19.64	7.30	28.04
Stamford, Conn.	H-9601	George-Healey	6.20	21.12	8.79	29.95
Toledo, Ohio	H-2601	U. S. Housing	5.04	17.37	7.35	25.34
Virgin Islands	H-4900	George-Healey	2.34	4.37	3.65	6.83
Washington, D. C.	H-1706-A	U. S. Housing	5.40	17.77	7.46	24.53
Wayne, Pa.	H-9001	do.	4.64	15.72	8.33	28.22
Total projects, 42. Averages for 41 projects (excluding Virgin Islands) ⁴			5.51	19.47	7.24	25.58

¹ See definitions beginning on p. 1.

² Includes cost of utilities furnished by the project and the estimated cost of such utilities as are not furnished by the project, but which are purchased directly by the tenants.

³ Based on room counts as specified in tenants' leases, which figures were computed pursuant to P. W. A. Housing Division methods and which do not take half-rooms into account.

⁴ Excludes values for the Virgin Islands project, since the type of project and the economic conditions of its tenants are not comparable with projects and economic conditions in the United States.

APPENDIX III.—Average family size and average family income of tenants residing in 42 Public Works Administration Housing Division projects on June 30, 1938 (as of June 30, 1938)

Project location	Project No.	Average family size	Average annual family income	Percent of average annual family income paid for average annual total occupancy cost ¹
Atlanta, Ga.....	H-1101.....	3.10	\$1,153	27.0
Do.....	H-1102.....	2.94	979	29.2
Atlantic City, N. J.....	H-5001.....	2.91	1,217	26.8
Birmingham, Ala.....	H-2902.....	2.81	1,017	21.9
Boston, Mass.....	H-3302.....	3.51	1,299	23.5
Buffalo, N. Y.....	H-6703.....	3.79	1,466	24.0
Cambridge, Mass.....	H-8501.....	3.84	1,260	27.2
Camden, N. J.....	H-6002.....	2.98	1,338	23.5
Charleston, S. C.....	H-8901-B.....	3.37	1,144	25.4
Chicago, Ill.....	H-1401.....	3.66	1,272	24.1
Do.....	H-1405.....	3.66	1,272	24.1
Do.....	H-1406.....	3.68	1,247	24.7
Do.....	H-1408.....	4.05	1,340	24.2
Cleveland, Ohio.....	H-1001.....	3.10	1,345	24.5
Do.....	H-1002.....	3.38	1,299	24.0
Do.....	H-1003.....	3.31	1,433	24.0
Columbia, S. C.....	H-5201.....	3.21	927	27.2
Dallas, Tex.....	H-7901-B.....	3.14	1,279	24.5
Enid, Okla.....	H-5401.....	3.35	1,212	27.0
Indianapolis, Ind.....	H-1601.....	2.72	1,120	23.9
Jacksonville, Fla.....	H-4702.....	2.90	828	29.5
Lexington, Ky.....	H-5103.....	2.93	1,093	24.6
Louisville, Ky.....	H-2502.....	3.46	1,300	21.9
Do.....	H-2503.....	2.86	1,157	21.5
Memphis, Tenn.....	H-3401.....	2.93	933	21.7
Do.....	H-3403.....	3.15	1,134	23.4
Miami, Fla.....	H-4602.....	3.44	1,023	25.3
Milwaukee, Wis.....	H-1502.....	3.79	1,346	26.1
Montgomery, Ala.....	H-2201.....	2.72	1,153	24.4
Do.....	H-2202.....	2.90	772	27.8
Nashville, Tenn.....	H-2101.....	3.05	1,255	23.1
Do.....	H-2102.....	2.63	1,017	23.2
New York, N. Y.....	H-1301.....	3.66	1,477	24.3
Do.....	H-1302.....	3.34	1,357	25.4
Oklahoma City, Okla.....	H-8101.....	3.18	1,171	23.9
Omaha, Nebr.....	H-2001.....	3.34	1,208	26.6
Philadelphia, Pa.....	H-3001-C.....	3.60	1,307	25.8
Stamford, Conn.....	H-9601.....	3.19	1,536	23.4
Toledo, Ohio.....	H-2601.....	3.08	1,203	25.3
Virgin Islands.....	H-4900.....	4.12	301	27.2
Washington, D. C.....	H-1706-A.....	3.15	1,188	24.8
Wayne, Pa.....	H-9001.....	3.04	1,325	25.6
Total projects, 42.				
Average for 41 projects (excluding Virgin Islands) ²		3.33	1,245	24.66

¹ Includes cost of utilities furnished by the project and the estimated cost of such utilities as are not furnished by the project, but which are purchased directly by the tenants.

² Excludes values for the Virgin Islands project, since the type of project and the economic conditions of its tenants are not comparable with projects and economic conditions in the United States.

APPENDIX IV.—Income and expense statement, P. W. A. Housing Division projects under lease to local authorities, from effective date of lease to local housing authority to June 30, 1938

Project No. Location	H-2902 Birmingham, Ala.	H-3302 Boston, Mass.	H-8501 Cambridge, Mass.	H-1401-5 Chicago, Ill.	H-1406 Chicago, Ill.	H-1408 Chicago, Ill.	H-5201 Columbia, S. C.	H-5103 Lexington, Ky.	H-2502 Louisville, Ky.
Income:									
Approved total rentals	\$35,987.96	\$52,190.10	\$39,542.50	\$115,376.81	\$101,092.53	\$60,091.28	\$6,861.89	\$28,833.93	\$19,963.70
Less: Vacancies	20,061.52	43,601.29	3,433.73	40,722.04	22,600.11	22,831.23	104.27	842.06	2.33
Net rentals	15,926.44	8,588.81	36,108.77	74,654.77	78,492.42	37,260.05	6,757.62	27,991.87	19,961.37
Other income	49.73	4.12	175.62	20,008.83	15,314.02	4,555.45	995.98	866.97	66.93
Total income	15,976.17	8,592.93	36,284.39	94,663.60	93,806.44	41,815.50	7,753.60	28,858.84	20,028.30
Expense:									
Management	7,851.00	10,546.84	4,584.97	17,556.87	17,277.62	12,201.58	1,174.90	4,754.90	2,282.36
Operating services and utilities	2,764.59	8,855.17	10,473.10	43,633.71	41,653.50	25,714.15	1,393.62	7,845.57	5,072.07
Repairs and maintenance	687.09	1,072.98	841.59	5,419.70	5,341.57	3,936.54	357.07	107.45	872.16
Insurance	1,334.85	1,258.54	2,842.00	1,116.51	1,091.06	671.58	109.55	836.90	640.01
Amounts in lieu of taxes	751.86	2,500.00	2,083.33	7,946.22	7,946.22	3,973.08	124.98	869.98	358.52
Fixed rent to U. S. H. A.	0	0	3,351.00	13,309.73	14,437.81	8,242.73	1,062.75	0	2,947.08
Total expense	13,389.39	24,233.53	24,175.99	88,982.74	87,747.78	54,739.66	4,222.87	14,414.80	12,202.20
Additional rent to U. S. H. A.	2,586.78		12,108.40	5,680.86	6,058.66		3,530.73	14,444.04	7,826.10
Deficit from operations		15,640.60				12,924.16			
Number of months operated	4.464	2.0	5.0	5.516	5.516	5.516	3.0	4.464	4.0

See note at end of this appendix.

APPENDIX IV.—Income and expense statement, P. W. A. Housing Division projects under lease to local authorities, from effective date of lease to local housing authority to June 30, 1938—Continued

Project No. Location	H-2503 Louisville, Ky.	H-3401 Memphis, Tenn.	H-3403 Memphis, Tenn.	H-1301 New York, N. Y.	H-1302 New York, N. Y.	H-2001 Omaha, Nebr.	H-3001-C Philadel- phia, Pa.	H-2601 Toledo, Ohio	Total
Income:									
Approved total rentals	\$9,831.60	\$32,136.02	\$29,870.98	\$458,826.93	\$178,086.73	\$30,440.97	\$22,483.50	\$23,350.48	\$1,244,967.91
Less: Vacancies	1.04	149.33	0	77,240.55	13,218.57	4,512.48	5,463.48	10,399.63	265,183.66
Net rentals	9,830.56	31,986.69	29,870.98	381,586.38	164,868.16	25,928.49	17,020.02	12,950.85	979,784.25
Other income	34.39	76.31	68.82	45,365.17	16,389.56	73.07	.91	84.04	104,129.92
Total income	9,864.95	32,063.00	29,939.80	426,951.55	181,257.72	26,001.56	17,020.93	13,034.89	1,083,914.17
Expense:									
Management	1,198.45	4,337.44	3,845.21	54,565.08	27,049.34	5,621.63	3,571.82	5,100.81	183,520.82
Operating services and utilities	2,530.64	9,313.61	6,924.30	160,950.86	67,790.48	9,318.69	5,752.88	5,706.23	415,693.17
Repairs and maintenance	493.16	1,734.38	2,175.47	8,294.15	5,048.37	2,262.34	388.23	944.58	39,976.83
Insurance	386.29	544.86	865.86	11,703.22	5,721.89	519.08	396.68	0	30,038.88
Amounts in lieu of taxes	200.16	874.86	687.39	0	0	870.64	765.00	466.66	30,448.90
Fixed rent to U. S. H. A.	1,518.24	5,774.58	4,537.17	108,991.00	45,062.00	0	2,512.45	0	211,746.54
Total expense	6,326.94	22,579.73	19,035.40	344,504.31	150,672.08	18,592.38	13,387.06	12,218.28	911,425.14
Additional rent to U. S. H. A.	3,538.01	9,483.27	10,904.40	82,447.24	30,585.64	7,409.18	3,633.87	816.61	201,053.79
Deficit from operations									28,564.76
Number of months operated	4.0	3.0	3.0	8.903	9.9	4.0	3.0	3.516	

NOTE.—In accordance with the terms of lease contracts between U. S. H. A. and the local authorities, the net difference between the total income and total expense is payable to the U. S. H. A. as additional rent.

Reserves for repairs, maintenance, and replacements are set up by the U. S. H. A. out of amounts received from local authorities by way of fixed rents and additional rents.

The relatively high figures appearing as "Less: Vacancies" are attributable to vacancies during the initial occupancy period during which tenants were being selected and were moving into the projects.

APPENDIX V.—Income and expense statement, P. W. A. Housing Division projects during U. S. H. A. operations from initial occupancy to June 30, 1938, or to effective date of lease to local authority projects with rents fixed under the George-Healey Act

Project No. Location	H-1101 Atlanta, Ga.	H-1102 Atlanta, Ga.	H-5001 Atlantic City, N. J.	H-6703 Buffalo, N. Y.	H-8901-B Charles- ton, S. C.	H-1001 Cleveland, Ohio	H-1002 Cleveland, Ohio	H-1003 Cleveland, Ohio	H-5201 Columbia, S. C.	H-7901-B Dallas, Tex.
Income:										
Approved total rentals	\$409,851.13	\$241,878.92	\$109,567.64	\$174,111.43	\$45,320.39	\$186,357.67	\$156,929.82	\$154,775.66	\$19,180.14	\$44,849.21
Less: Vacancies	47,427.92	38,081.25	5,729.12	18,178.07	12,605.91	27,433.24	29,206.14	17,929.64	3,454.56	4,449.84
Net rentals	362,423.21	203,797.67	103,838.52	155,933.36	32,714.48	158,924.43	127,723.68	136,846.02	15,725.58	40,399.37
Other income	5,607.05	2,729.01	1,051.01	177.10	356.86	1,930.01	896.97	1,586.78	144.05	118.78
Total income	368,030.26	206,526.68	104,889.53	156,110.46	33,071.34	160,854.44	128,620.65	138,432.80	15,869.63	40,518.15
Expense:										
Management	38,389.28	23,979.08	12,275.52	16,243.49	9,370.45	22,405.42	20,000.99	14,518.10	3,889.26	5,596.51
Operating services and utilities	107,653.18	65,466.72	29,475.27	57,701.05	4,835.49	56,834.30	49,165.95	46,916.45	4,427.67	10,766.34
Repairs and maintenance	19,514.52	12,731.60	3,910.64	8,500.83	1,617.26	18,533.46	10,942.45	8,327.00	735.37	3,639.47
Insurance	1,048.37	1,056.35	597.64	2,053.36	1,487.68	1,504.68	1,631.01	1,739.04	57.26	594.62
Amounts in lieu of taxes	13,349.92	7,292.34	4,395.27	4,500.00	183.37	4,942.03	4,216.10	3,992.20	312.45	395.77
Total expense before reserves	179,955.27	110,526.09	50,654.34	88,998.73	17,494.25	104,219.89	85,956.50	75,492.79	9,422.01	20,892.71
Reserved for repairs, maintenance, and replacements	98,929.36	67,755.60	23,119.77	61,620.42	13,452.74	35,933.53	44,167.67	39,840.37	5,915.25	11,814.92
Reserved for collection losses	213.29	2,346.88	0	1,545.90	23.68	483.48	1,185.90	371.60	0	4.24
Total expense	279,097.92	180,628.57	73,774.11	152,165.05	30,970.67	140,636.90	131,310.07	115,704.76	15,337.26	32,711.87
Net profit (or loss)	88,932.34	25,898.11	31,115.42	3,945.41	2,100.67	20,217.54	(2,689.42)	22,728.04	532.37	7,806.28
Number of months operated	22.5	14.467	14.5	9.0	11.0	10.5	10.5	8.5	7.5	9.43
Operated by U. S. H. A. to June 30, 1938, in each case.										

See notes at end of this appendix.

APPENDIX V.—Income and expense statement, P. W. A. Housing Division projects during U. S. H. A. operations from initial occupancy to June 30, 1938, or to effective date of lease to local authority projects with rents fixed under the George-Healey Act—Continued

Project No. Location	H-5401 Enid, Okla.	H-4702 Jackson- ville, Fla.	H-4602 Miami, Fla.	H-1502 Milwau- kee, Wis.	H-2201 Montgom- ery, Ala.	H-2202 Montgom- ery, Ala.	H-8101 Oklahoma City, Okla.	H-9601 Stamford, Conn.	H-4900 Virgin Islands	Total
Income:										
Approved total rentals	\$19,738.06	\$44,206.23	\$73,159.54	\$201,242.92	\$23,479.11	\$34,213.88	\$82,833.22	\$43,811.00	\$5,463.16	\$2,070,969.13
Less: Vacancies	4,754.44	4,821.01	9,596.25	20,857.73	3,171.34	8,117.66	10,096.78	748.57	2,034.54	268,694.01
Net rentals	14,983.62	39,385.22	63,563.29	180,385.19	20,307.77	26,096.22	72,736.44	43,062.43	3,428.62	1,802,275.12
Other income	23.52	183.02	90.06	305.59	121.55	8.32	32.32	131.41	0	15,493.41
Total income	15,007.14	39,568.24	63,653.35	180,690.78	20,429.32	26,104.54	72,768.76	43,193.84	3,428.62	1,817,768.53
Expense:										
Management	3,267.38	7,954.26	10,304.37	23,831.35	4,700.04	5,875.43	10,272.48	3,748.20	23.29	236,644.90
Operating services and utilities	4,756.07	4,529.78	8,190.96	49,186.87	2,312.03	1,574.22	16,563.77	15,380.61	0	535,736.73
Repairs and maintenance	818.91	2,958.15	7,099.88	7,181.31	2,809.06	2,116.66	1,846.84	938.38	252.12	114,373.91
Insurance	149.44	1,155.32	2,803.07	1,471.76	725.18	259.06	591.54	422.94	104.89	19,453.21
Amounts in lieu of taxes	746.28	2,058.33	2,045.28	2,059.46	300.04	444.18	166.70	972.30	0	52,372.02
Total expense before reserves	9,738.08	18,655.84	30,443.56	83,730.75	10,846.35	10,269.55	29,441.33	21,462.43	380.30	958,580.77
Reserved for repairs, maintenance and replacements	5,798.34	18,714.01	24,921.98	55,043.19	5,697.27	11,410.37	27,943.16	11,593.28	2,341.21	566,012.44
Reserved for collection losses	40.21	438.10	1,426.72	34.43	40.88	295.20	0	0	144.77	8,595.28
Total expense	15,576.63	37,807.95	56,792.26	138,808.37	16,584.50	21,975.12	57,384.49	33,055.71	2,866.28	1,533,188.49
Net profit (or loss)	(569.49)	1,760.29	6,861.09	41,882.41	3,844.82	4,129.42	15,384.27	10,138.13	562.34	284,580.04
Number of months operated	9.0	12.39	16.83	13.0	13.0	16.33	10.0	10.0	10.0	
Operated by U. S. H. A. to June 30, 1938, in each case.										

NOTES.—The relatively high figures appearing as "Less: Vacancies" are attributable to vacancies during the initial occupancy period during which tenants were being selected and were moving into the projects.

The rents on these projects were set under the terms of the George-Healey Act pursuant to which there was included in the rent a charge for the repayment in 60 years of 55 percent

of the project cost plus interest. Since the George-Healey Act is no longer applicable, the amounts so included represent profits. The net profits where shown, represent such profits less initial vacancy losses and extra expenses of operation incurred in tenant selection and initial occupancy.

APPENDIX VI.—Income and expense statement, P. W. A. Housing Division projects during U. S. H. A. operation from initial occupancy to June 30, 1938, or effective date of lease to local authority projects with rents fixed under United States Housing Act of 1937

Project No. Location	H-8501 Cambridge, Mass.	H-6002 Camden, N. J.	H-1601 Indianapolis, Ind.	H-5103 Lexington, Ky.	H-2502 Louisville, Ky.	H-2503 Louisville, Ky.	H-3401 Memphis, Tenn.	H-3403 Memphis, Tenn.	H-2101 Nashville, Tenn.	H-2102 Nashville, Tenn.	H-3001-C Philadelphia, Pa.	H-1706-A Washington, D. C.	H-9001 Wayne, Pa.	Total
Income:														
Approved total rentals	\$3,953.95	\$27,097.40	\$79,248.08	\$6,439.45	\$10,350.95	\$4,908.00	\$15,539.23	\$14,588.40	\$37,895.25	\$4,066.37	\$7,493.50	\$13,503.12	\$4,668.40	\$229,758.10
Less: Vacancies	2,816.02	18,309.51	32,883.88	1,984.55	2,531.53	1,442.28	5,447.26	3,860.71	19,297.26	3,772.14	5,663.47	2,770.80	1,665.38	102,444.79
Net rentals	1,137.93	8,787.89	46,364.20	4,454.90	7,819.42	3,465.72	10,091.97	10,727.69	18,597.99	294.23	1,830.03	10,738.32	3,003.02	127,313.31
Other income	.71	13.28	100.25	0	.37	0	.56	19.08	27.34	0	0	11.41	.43	173.43
Total income	1,138.64	8,801.17	46,464.45	4,454.90	7,819.79	3,465.72	10,092.53	10,746.77	18,625.33	294.23	1,830.03	10,749.73	3,003.45	127,486.74
Expense:														
Management	930.01	4,992.09	5,338.25	2,134.31	1,949.53	1,422.77	4,569.85	5,592.63	9,371.93	763.82	1,690.99	4,148.20	1,056.37	43,960.75
Operating services and utilities	758.01	4,985.96	22,025.64	1,284.11	3,560.61	2,121.19	5,984.98	4,502.83	9,170.37	371.41	1,446.19	3,526.88	1,489.08	61,227.26
Repairs and maintenance	42.16	359.95	1,035.55	97.04	268.89	50.21	610.35	1,319.97	755.19	57.50	129.55	386.24	8.68	5,121.28
Insurance	12.34	527.52	821.55	71.50	136.59	83.59	245.92	409.04	1,024.89	410.84	101.80	178.48	68.16	4,092.22
Amounts in lieu of taxes	208.33	783.34	2,652.75	193.33	194.26	100.08	404.75	376.38	412.50	44.38	255.00	487.50	204.00	6,316.60
Total expense before reserves	1,950.85	11,648.86	31,873.74	3,780.29	6,109.88	3,777.84	11,815.85	12,200.85	20,734.88	1,647.95	3,623.53	8,727.30	2,826.29	120,718.11
Reserved for repairs, maintenance, and replacements	1,248.76	8,311.05	25,322.43	2,395.79	3,434.77	1,850.12	6,472.65	4,363.31	14,083.56	1,515.62	2,697.61	4,277.76	1,623.32	77,596.75
Reserved for collection losses	0	0	5.65	0	0	0	0	0	0	0	0	0	0	5.65
Total expense	3,199.61	19,959.91	57,201.82	6,176.08	9,544.65	5,627.96	18,288.50	16,564.16	34,818.44	3,163.57	6,321.14	13,005.06	4,449.61	198,320.51
Net loss	2,060.97	11,158.74	10,737.37	1,721.18	1,724.86	2,162.24	8,195.97	5,817.39	16,193.11	2,869.34	4,491.11	2,255.33	1,446.16	70,833.77
Number of months operated	0.5	2.0	4.5	1.0	2.0	2.0	1.5	1.5	5.0	0.5	1.0	2.0	4.0	-----
Operated by U. S. H. A. to	1-31-38	6-30-38	6-30-38	2-15-38	2-28-38	2-28-38	3-31-38	3-31-38	6-30-38	6-30-38	3-31-38	6-30-38	6-30-38	-----

NOTES.—The relatively high figures appearing as "Less: Vacancies" are attributable to vacancies during the initial occupancy period during which tenants were being selected and were moving into the projects.

The net loss on these projects is attributable to the initial vacancy losses and extra expenses of operation incurred in tenant selection and initial occupancy.

APPENDIX VII.—Obligations and stocks—Public Works Administration limited-dividend corporations (as of June 30, 1938)

[Projects built by private corporations in the first phase of the Public Works Administration program. This type of project was discontinued at an early date]

Project		Name of company	Type of obligation	Principal balance, June 30, 1938	Accrued interest, June 30, 1938	Total principal and interest, June 30, 1938	Stock purchased as transferred from P. W. A.
Location	No.						
Altavista, Va.....	H-278.....	Altavista Housing Corporation.	First-mortgage sinking-fund bonds.	\$79,500.00	\$2,120.06	\$81,620.06	\$100
Bronx Borough, N. Y.....	HJ (R-262).....	Hillside Housing Corporation.	First-mortgage note.....	4,823,726.72	-----	4,823,726.72	-----
Euclid, Ohio.....	HL (R-610).....	Euclid Housing Corporation..	Debentures secured by deed of trust.	347,000.00	2,313.32	349,313.32	-----
Philadelphia, Pa.....	H-1.....	Juniata Park Housing Corporation.	First-mortgage note.....	974,814.29	-----	974,814.29	10
Queens Borough, N. Y.....	HF (R-266).....	Boulevard Gardens Housing Corporation.	.....do.....	2,813,928.41	18,759.52	2,832,687.93	-----
Raleigh, N. C.....	H-29.....	Boylan Housing Corporation.	Installment note secured by deed of trust.	190,955.41	1,273.03	192,228.44	10
St. Louis, Mo.....	H-37.....	Neighborhood Gardens, Inc..	First-mortgage note.....	620,176.84	12,403.54	632,580.38	100
Total.....	-----	-----	-----	9,850,101.67	36,869.47	9,886,971.14	220

APPENDIX VIII.—Occupancy data of P. W. A. limited dividend projects (as of June 30, 1938)

[Built by private corporations in the first phases of the P. W. A. program. This type of project was discontinued at an early date]

Project name and location	Per-cent project occupied	Number of rooms ³	Number of dwelling units	Average monthly shelter rent, ¹ plus water		Average monthly total occupancy cost ²		Average family income of tenants
				Per room ³	Per dwelling unit	Per room ³	Per dwelling unit	
Altavista—Altavista, Va.-----	72.0	200	50	\$3.87	\$15.50	\$4.98	\$19.92	\$1,169
Boulevard Gardens—New York, N. Y.-----	99.9	3,244	957	11.66	39.54	13.61	46.15	2,412
Hillside—New York, N. Y.-----	99.9	4,946	1,415	11.03	38.57	13.13	45.92	2,296
Juniata Park—Philadelphia, Pa.-----	90.8	1,043	284	8.68	31.29	10.63	38.33	1,888
Boylan—Raleigh, N. C.-----	100.0	180	54	13.58	45.27	15.92	53.07	2,889
Neighborhood Gardens—St. Louis, Mo.-----	79.4	641	252	10.83	27.45	13.16	33.36	1,617

¹ See definitions beginning on p. 1.

² Includes cost of utilities furnished by the project and the estimated cost of such utilities as are not furnished by the project, but which are purchased directly by the tenants.

³ P. W. A. room count.

NOTE.—Statistics covering the Euclid Housing Corporation project in Euclid, Ohio, have been omitted since the dwellings in this project are not being rented, but are being sold to occupants by the Euclid Housing Corporation.

APPENDIX IX.—Balance sheet, United States Housing Authority, Nov. 1, 1937

ASSETS	
Cash:	
P. W. A. Housing Division projects:	
N. I. R. A. construction-----	\$6,848,225.30
E. R. A. construction-----	24,694,827.63
	\$31,543,052.93
Management:	
Operating fund-----	106,674.68
Repairs, maintenance, and replacement fund-----	196,880.23
	303,555.21
P. W. A. limited dividend projects: N. I. R. A. Juniata Park Housing Corporation-----	5,990.00
	\$31,852,598.14
Accounts receivable: Administrative fund available from P. W. A.-----	380,182.97
Furniture and fixtures: Washington office-----	81,313.05
Securities:	
Stock, P. W. A. limited dividend corporations-----	220.00
Obligations, P. W. A. limited dividend corporations (net cost price)-----	\$10,142,182.37
Add: Accrued interest-----	139,594.16
	10,281,776.53
Development cost, P. W. A. Housing Division projects:	
N. I. R. A. development cost-----	19,733,369.43
E. R. A. development cost-----	82,146,852.62
	101,880,222.05
Unliquidated construction contract balances-----	23,353,394.48
	125,233,616.53
Land cost (undeveloped):	
Anacostia, D. C.-----	57,782.20
Chicago, Ill.—N. I. R. A.-----	\$2,007,953.51
Chicago, Ill.—E. R. A.-----	144,449.94
	2,152,403.45
	2,210,185.65
Total-----	170,039,892.87
LIABILITIES	
Accounts payable: P. W. A. Housing Division projects, construction-----	\$4.73
Accrued and deferred accounts, P. W. A. Housing Division projects:	
Reserve for repairs, maintenance and replacements-----	196,880.23
Reserve for payments in lieu of taxes-----	20,144.32
Unliquidated construction contract balance:	
N. I. R. A. projects-----	5,308,910.56
E. R. A. projects-----	18,047,671.42
	23,573,611.26

APPENDIX IX.—Balance sheet, United States Housing Authority, Nov. 1, 1937—Con.

		LIABILITIES—continued	
Surplus:			
Management funds.....	\$303,555.21		
Less: Reserves.....	217,024.55		
		\$86,530.66	
Unexpended balance (Juniata).....		5,990.00	
Administrative fund available from P. W. A.....		380,182.97	
Obligations and accrued interest.....		10,281,776.53	
Stocks.....		220.00	
Furniture and fixtures.....		81,313.05	
			\$10,836,013.21
Allotments for development, P. W. A. Housing Division projects:			
N. I. R. A.....	28,586,356.01		
E. R. A.....	107,043,912.39		
		135,630,268.40	
			\$146,466,281.61
Total.....			170,039,892.87

NOTE.—This balance sheet reflects the assets and liabilities transferred to the Authority from the Federal Emergency Administration of Public Works under Executive Order No. 7732, dated Oct. 27, 1937. Executive Order No. 7839, dated Mar. 12, 1938, directed the transfer of the 2 P. W. A. Housing Division projects in Puerto Rico, to the Puerto Rico Reconstruction Administration, and the foregoing assets and liabilities have been adjusted to give effect to this transfer.

APPENDIX X.—Balance sheet, United States Housing Authority, June 30, 1938

		ASSETS	
Cash:			
P. W. A. Housing Division projects:			
N. I. R. A. construction.....	\$2,326,505.37		
E. R. A. construction.....	8,405,711.80		
			\$10,732,217.17
Management:			
Operating fund.....	199,081.59		
Repairs, maintenance, and replacement fund.....	643,609.19		
Lease funds, reserved for replacements.....	176,453.97		
		1,019,144.75	
P. W. A. limited dividend projects: Juniata Park Housing Corporation.....		5,990.00	
U. S. H. A. projects:			
Bond fund.....	\$612,050.00		
Administrative.....	581,056.73		
		1,193,106.73	
Golden Gate Exposition.....		23,749.45	
			\$12,974,208.10
Accounts receivable:			
Tenant rentals, P. W. A. Housing Division projects.....	31,294.13		
Less: Reserved for doubtful accounts.....	8,600.93		
		22,693.20	
Local authorities, P. W. A. Housing Division projects.....		106,516.60	
Governmental agencies.....		8,361.18	
Miscellaneous.....		134.02	
			137,705.00
Furniture and fixtures: Washington office.....			
			306,036.55
Securities:			
Stocks, P. W. A. limited dividend corporations.....	220.00		
Obligations, P. W. A. limited dividend corporations (net cost price).....	\$9,850,101.67		
Add: Accrued interest.....	36,869.47		
	9,886,971.14		
		9,887,191.14	
Obligations, local authorities.....	3,387,950.00		
Add: Accrued interest.....	5,995.06		
		3,393,945.06	
			13,281,136.20
Development cost, P. W. A. Housing Division projects:			
N. I. R. A. development cost.....	25,100,813.99		
E. R. A. development cost.....	99,489,416.93		
		124,590,230.92	
Unliquidated construction contract balances.....		2,517,511.86	
			127,107,742.78
Land cost (undeveloped):			
Anacostia, D. C.....		57,782.20	
Chicago, Ill., N. I. R. A.....	2,040,694.33		
Chicago, Ill., E. R. A.....	145,459.71		
		2,186,154.04	
			2,243,936.24
Loan allotment contracts (contra).....			122,024,550.00
Deferred charges:			
Prepaid insurance, P. W. A. Housing Division projects.....	293,365.76		
Materials and supplies, P. W. A. Housing Division projects.....	24,432.13		
Prepaid taxes, P. W. A. Housing Division projects.....	6,059.10		
Exhibit, Golden Gate Exposition.....	1,250.55		
			325,107.54
Total.....			278,400,422.41

REPORT OF UNITED STATES HOUSING AUTHORITY, 1938 61

APPENDIX X.—Balance sheet, United States Housing Authority, June 30, 1938—Con.

		LIABILITIES	
Accounts payable:			
Construction, P. W. A. Housing Division projects.....	\$1,932,928.48		
Management, P. W. A. Housing Division projects.....	67,185.63		
Insurance contracts, P. W. A. Housing Division projects.....	211,472.29		
Prepaid tenant rentals.....	34,233.30		
		\$2,245,819.65	
Administrative.....		291,725.80	
Governmental agencies.....		2,609.43	
			\$2,540,154.88
Accrued and deferred accounts, P. W. A. Housing Division projects:			
Reserve for repairs, maintenance, and replacements (managed projects).....	643,609.19		
Reserve for replacements (leased projects).....	257,200.30		
Reserve for payments in lieu of taxes.....	55,384.71		
Unliquidated construction contract balances, N. I. R. A. projects.....	478,590.05		
Unliquidated construction contract balances, E. R. A. projects.....	2,042,109.31		
			3,476,893.56
			\$6,017,048.44
U. S. H. A. loan contracts:			
Commitments under contract.....	111,070,000.00		
Less: Loan advances.....	3,387,950.00		
		107,682,050.00	
Contingent loan commitments.....		14,342,500.00	
			122,024,550.00
Notes payable, Treasury.....			4,000,000.00
Golden Gate International Exposition, allotment.....			25,000.00
Capital stock.....			1,000,000.00
Surplus.....			145,333,823.97
Total.....			278,400,422.41

APPENDIX XI.—Reconciliation of surplus United States Housing Authority, Nov. 1, 1937, to June 30, 1938 (inclusive)

Surplus at Nov. 1, 1937 (balance sheet, appendix IX).....		\$146,466,281.61
Deductions:		
Management operations, P. W. A. Housing Division projects operated by U. S. H. A. under rents fixed under United States Housing Act of 1937.....	\$70,833.77	
Administrative expense.....	1,539,389.27	
Interest, notes payable.....	1,395.02	
Miscellaneous project expense.....	646.02	
Bad checks.....	306.94	
Insurance expense, New York projects.....	1,570.36	
		1,614,141.38
		144,852,140.23
Additions:		
Management operations, P. W. A. Housing Division projects operated by U. S. H. A. under rents fixed under the George-Healey Act.....	\$284,580.04	
Less amount taken into surplus Nov. 1, 1937.....	86,530.66	
		198,049.38
Interest, P. W. A. limited dividend corporations.....	269,084.59	
Interest, local authorities.....	5,974.44	
Miscellaneous interest.....	576.65	
Fire loss adjustment (Lackawanna, N. Y.).....	1,765.76	
Reimbursements for lost property.....	35.47	
Miscellaneous project receipts.....	309.33	
Material, supplies, etc., charged to operating projects.....	5,888.12	
		481,683.74
Surplus per balance sheet (appendix X).....		145,333,823.97

LIST OF AVAILABLE U. S. H. A. PUBLICATIONS

- What the Housing Act can do for Your City.** 1938, 88 pp. An illustrated pamphlet intended to answer the three major questions about the public housing program. What is it? Do we need it? And, how does it work? (Printed.)
- Housing and Your Community.** 1939, 6 pp. A leaflet about the social and economic effect of slums upon America's cities and what can be done about it through the low-rent housing program. (Printed.)
- Tax Exemption of Public Housing.** 1939, 8 pp. An illustrated leaflet discussing the need and justification for tax exemption of public housing projects. (Printed.)
- How the U. S. H. A. Works.** 1939, 6 pp. An illustrated leaflet explaining briefly how the U. S. H. A. and the local authorities cooperate to carry out the low-rent housing and slum clearance program made possible by the United States Housing Act. (Printed.)
- Straus, Nathan. **The First Year of the U. S. H. A. Program.** 1938, 4 pp. A review of the progress made by the United States Housing Authority during its first year. (Multilithed.)
- Nine Questions, Nine Answers.** 1939, 24 pp. Subtitle: The Program of the United States Housing Authority—Its Record to Date. (Printed.)
- The United States Housing Act of 1937, as Amended.** 1938, 49 pp. A pamphlet which contains the legislative basis of the U. S. H. A. program. Provisions of other laws and of executive orders pertaining to the U. S. H. A. program appear in the appendix. (Printed.)
- Wood, Edith Elmer. **Slums and Blighted Areas of the United States.** First printed 1935. Reprinted 1938, 126 pp. A factual study of the effect of bad housing on health, morals, safety, and general welfare. Surveys housing conditions in various large cities. (Printed.)
- Unit Plans.** 1938, 64 pp. Suggestions and plans for the interior arrangement of low-rent dwellings. (Multilithed.)
- Rehousing Relief Families.** 1939, 8 pp. A leaflet discussing the benefits to be derived by relief families from the U. S. H. A. program.
- The Businessman and Public Housing.** 1939, 6 pp. A leaflet discussing the benefits to business resulting from the U. S. H. A. program.

BULLETINS ON POLICY AND PROCEDURE

(Intended primarily for use of local housing authorities and others participating in the U. S. H. A. program.) (Mimeographed.)

- Bulletin No. 1. **Acquisition of Excess Land.** 2 pp. Covers conditions under which land in excess of that needed for immediate development of U. S. H. A. projects may be acquired.
- Bulletin No. 2. **Room Count.** 3 pp. Covers room count, room requirements, and room sizes for the purpose of determining the cost per room in accordance with statutory limitations.
- Bulletin No. 3. **Equivalent Elimination of Unsafe and Insanitary Dwellings.** 5 pp. Covers U. S. H. A. policy with respect to the clause in the United States Housing Act of 1937 which requires elimination or compulsory repair of unsafe or insanitary dwellings equal in number to dwellings constructed with U. S. H. A. funds.
- Bulletin No. 4. **Development Cost of a Low-Rent Housing Project.** (Revised June 20, 1938.) 10 pp. Covers land, demolition, dwelling and non-dwelling facilities and an explanation of Federal and local financial participation.
- Bulletin No. 5. **Progressive Steps in Initiation of a Low-Rent Housing Project.** (Revised June 20, 1938.) 19 pp. Covers steps the local housing authority must take in the planning and initiation of a U. S. H. A. assisted project.
- Bulletin No. 6. **Local Contributions and Other Local Aids in Achieving Low Rents.** (Revised December 8, 1938.) 5 pp. Covers amounts and nature of local contributions: tax exemption, services, or contributions from city or other sources, etc.

- Bulletin No. 7. **Advance Loan.** (Revised May 2, 1938.) 5 pp. Covers purpose, amount, uses and procedure for obtaining advance loan. Contains sample form for advance loan requisition.
- Bulletin No. 8. **Acquisition of Sites for Low-Rent Housing Projects.** 9 pp. Covers policies and procedures in connection with the acquisition of sites for low-rent housing projects by local authorities.
- Bulletin No. 9. **Construction Contracts.** 32 pp. Covers drafting, awarding and administering contracts for the construction of low-rent housing projects.
- Bulletin No. 10. **Rehousing Occupants of Areas to be Cleared for Housing Projects.** 4 pp. Covers major factors in connection with relocation of occupants of slums prior to the construction of a low-rent housing project on a site to be cleared.
- Bulletin No. 11. **Design of Low-Rent Housing Projects: Planning the Site.** 96 pp., ill. Covers objectives of good site planning and recommended methods of procedure; intended for the assistance of the designer in evaluating his problems against a larger background of experience.
- Bulletin No. 12. **Dwelling Unit Planning.** 18 pp. Covers distribution of units by size, selection of types, minimum requirements, design factors, economy of materials and construction, and common services and facilities.
- Bulletin No. 13. **Preparation of Drawings and Specifications.** 31 pp. Covers significant factors in connection with the drafting of plans and specifications in accordance with the United States Housing Act.
- Bulletin No. 14. **Site Engineering Design.** 13 pp. Covers grading, surface drainage, walkways, project streets, driveways, parkway spaces, fences, location of utility lines, water distribution, gas distribution, sewerage systems, and street improvements.
- Bulletin No. 15. **Steps in the Development of a Low-Rent Housing Project Subsequent to the Execution of the Contracts of Loan and Annual Contribution.** 14 pp. Addendum No. 1. 4 pp. Cover the necessary steps from the execution of the loan and annual contribution contracts up to the point where the local authority has advertised for bids and awarded the principal construction contracts.
- Bulletin No. 16. **Planning for Low Rents.** (Revised February 8, 1939.) 16 pp. Covers the various factors which influence rents.
- Bulletin No. 17. **Definition of Terms.** (Revised January 31, 1939.) 4 pp. Covers definition of certain terms used in U. S. H. A. program. To be supplemented by addenda covering additional terms.
- Bulletin No. 18. **Site Selection.** 20 pp. Covers various factors affecting site selection, including a discussion of vacant and slum sites.
- Bulletin No. 19. **Planning Utility Services and Rate Negotiations.** 10 pp. Covers rate negotiations, initial costs and determination and comparison of operating expense of different utility combinations.
- Bulletin No. 20. **Design of Low-Rent Housing Projects: Heating.** 34 pp. Covers the various factors in connection with the heating systems for low-rent housing projects.
- Bulletin No. 21. **Design of Low-Rent Housing Projects: The Structure.** 24 pp. Covers recommendations on good practice in the design of the structural elements of residential buildings—foundations, walls, floors, roofs, and related parts.

