

NATIONAL PUBLIC HOUSING CONFERENCE

Incorporated

122 EAST 22nd STREET, NEW YORK

ALGONQUIN 4-5753

AIM — TO PROMOTE SLUM CLEARANCE AND LOW RENT HOUSING THROUGH AN ESTABLISHED FEDERAL-STATE-LOCAL SERVICE

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January 13, 1941

Dear Miss Ingram:

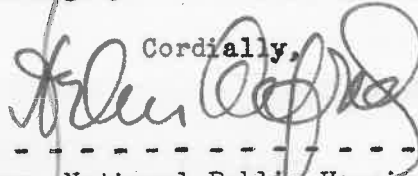
An announcement of the Tenth Annual Meeting of the NPHC was sent to you a few days ago.

Because this meeting is in a sense the tenth birthday party of the Conference, and because there are at this time some pressing questions to be discussed, we are especially anxious to have you with us at the various sessions.

May we, in planning the seating arrangements for the luncheon on Saturday, January 25th, reserve a table for you and a group of your friends? With such outstanding authorities on housing as Mrs. Roosevelt, Senator Wagner, Mr. John Carmody, Mr. Nathan Straus and the others scheduled to speak, this session promises to be unusually informative and illuminating. We believe you will agree that it will offer a rare opportunity for making new friends of the housing movement. The cost of a table seating 10 persons is \$15.

Hoping to receive your early reservation, so that we may assign you favorable location, I am

Cordially,



Tenth Annual Meeting, National Public Housing Conference

Please reserve a table in my name for the luncheon, Saturday, January 25. I enclose my check for \$15 for 10 reservations.

Name _____

Address _____

Telephone _____

53244

Sunday
Feb 16, 1936

Drive to End Slums Pressed On Roosevelt

**Mrs. Simkhovitch Exhorts
President to Push Laws
for Low-Rent Housing**

Backs the Wagner Bill

**Stresses Economic Liabil-
ity of Old Tenements**

Mrs. Mary K. Simkhovitch, president of the National Public Housing Conference, appealed to President Roosevelt yesterday to use the powers of his office to push through Congress legislation for low-rental public housing. She urged the adoption of the Wagner slum clearance and rehousing bill, which provides for the establishment of a permanent Federal public housing agency to extend loans and grants to local housing authorities for slum clearance and rehousing purposes.

"There are today two clear currents on the housing question—two currents which must not be confused," she said in a letter to the President. "One is represented by the advocates of low-cost private home financing; the other by the proponents of low-rental public housing. While there is no natural mutual exclusiveness between these two aims, there is emphatically no identity.

Stresses Evils of Slums

"While granting the possibility for the development of a large-scale small home financing program, we submit that this cannot solve the fundamental problem of the urban centers—slum clearance and rehousing. Experienced students of housing have repeatedly shown that the problem is not one of building ivy-covered cottages in the suburban areas but of tearing down the slums in the cities and rehousing the slum dwellers. People in the low-income brackets—who make up the majority of slum inhabitants—must be rehoused, preferably in neighborhoods near their places of work.

"In New York City, as you so well know, there are more than 500,000 persons living in 66,000 old law tenements—about one-third of the city's population. There are in New York City a total of about seventeen miles of slums. This condition, in varying degree, was found true of practically all our cities by the survey undertaken by the Bureau of Foreign and Domestic Commerce in 1933. The Real Property Inventory published in 1934

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"The economic question has been raised. Let us answer it very plainly: we are not seeking relief housing. That is another question. We are seeking housing for the low-income groups—for those who earn between \$1,000 and \$1,500 annually. These cities cannot purchase small, private homes, no matter how attractive the terms. But they can and will pay one-fifth of their incomes in rent in a public housing development. They emphatically will not be public charges.

Slums Hold Economic Liability

"We wish to repeat here the point that is probably not so well known to the business community: that the cost to cities of the slums in police, fire and other civic services exceeds by far the value gotten out of them. Let the hard-headed business man compare the cost to the city of a slum area and the cost of an equivalent non-slum area. He will find that slum clearance and rehousing will be an economic gain to the community."

Mrs. Simkhovitch will preside at a mass meeting on slum clearance and public housing at Cooper Union tomorrow night. Other speakers will be Langdon W. Post, chairman of the New York City Housing Authority; Dr. Stephen S. Wise, vice-chairman of the City Affairs Committee; Dr. Robert Searle, secretary of the New York City Federation of Churches; Dr. Harry W. Laidler, director of the League for Industrial Democracy; Vernal J. Williams, of the Consolidated Tenants League, and Mrs. Opiomola, president of the League of Mothers' Clubs.

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(Not printed at Government expense)



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 78th CONGRESS, SECOND SESSION

The Facts About Housing and Common Sense in Post-War Housing

ADDRESSES

OF

HON. ALLEN J. ELLENDER

OF LOUISIANA

BEFORE THE NATIONAL PUBLIC HOUSING
CONFERENCE, ST. LOUIS, MO.

March 25, 1944

(Printed in the CONGRESSIONAL RECORD OF
March 30, 1944)

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent that two addresses delivered on March 25, 1944, by the distinguished Senator from Louisiana [Mr. ELLENDER], one over Station KSD in St. Louis, Mo., and the other in St. Louis before the National Public Housing Conference be inserted in the Appendix of the RECORD.

In this connection I wish to say that the Senator from Louisiana is chairman of the Subcommittee on Housing of the Committee on Education and Labor which handles the housing measures which come before that committee.

There being no objection, the addresses were ordered to be printed in the RECORD, as follows:

The Facts About Housing

(Address delivered by Hon. ALLEN J. ELLENDER, United States Senator from Louisiana, on March 25, 1944, over Station KSD, St. Louis, Mo.)

Ladies and gentlemen of the radio audience, for some time Fulton Lewis Jr., has been broadcasting a series of attacks against the housing program. I will take this opportunity of making answer to his unfounded charges. Unlike Commentator Lewis, my sources of information are official. I am chairman of a Senate subcommittee which has been handling the legislation for all of the housing programs to which Mr. Lewis is opposed. From time to time, our committee has reviewed these programs. When we have talked about them we have known what we were talking about. And when we have acted upon them, we have always done so on a nonpartisan basis.

I think that I might be most helpful in this discussion by calling to Mr. Lewis' attention just what he is attacking. He thinks that he is assailing slum clearance and low-rent housing. He thinks that he is criticizing public housing. Maybe he even thinks that he is discrediting the administration in Washington. I can understand why he might want to try to discredit these things. But

the truth is that Mr. Lewis is really attacking something quite different, although he does not seem to realize it. He is attacking the war effort. He is demeaning war workers. He is belittling the Congress of the United States. He is questioning the competence of local governments and local communities. He is casting aspersions upon thousands of local citizens—real-estate men, businessmen, bankers, labor leaders among them—who are helping to do a patriotic job of providing war housing for war workers. He is dealing irresponsibly with the morale of the American people by talking to them about something directly related to the war effort about which he has not bothered to inform himself in the slightest.

Perhaps if Mr. Lewis were to realize what he is attacking he would quiet down a bit and give his audience truthful information.

Mr. Lewis says that he is not talking about the war-housing program. He says that this program is necessary and desirable. He says that he is attacking only what he calls the Federal slum-clearance and low-rent housing program. This program, he says, is now being built during the war to the tune of "untold millions of dollars' worth of new housing."

This assertion of Mr. Lewis is exactly 100-percent incorrect. Since the war started, the slum clearance and low-rent housing program has been stopped. The current housing, about which Mr. Lewis is talking and which he is criticizing so violently, is war housing for war workers. The statements which he makes about this housing are erroneous. The implications and conclusions which he draws from these assertions are even more misleading.

Now, here is the situation in a nutshell.

Before the war, in 1937, a program was started to provide low-rent housing for families of very low income, drawn from the slums. Before the war this program was proceeding successfully. It was rehousing families who lived in the slums. It was providing for the demolition of a slum unit for every new unit built. It was not housing a single family except those who could not afford to live in decent housing built by private enterprise. It was noncompetitive with private enterprise. It was achieving throughout the country an average rent, without utility charges, of \$12.79 per family unit per month, serving families with average annual incomes, on a national basis, of \$832. It was not a Federal program. All of the houses were built, owned, and managed by local housing authorities, composed of representative local citizens, generally appointed by the mayors of the communities under State enabling legislation. More than half the total cost of these projects—including construction and operation—was being

paid in the form of rent by the occupants, although their incomes were miserably low. Less than half the cost was being contributed by the Federal Government in the form of annual grants-in-aid, and by the local governments in the form of tax exemption.

So much for the program before the war. Now let us see what happened when the war started.

First, the Congress passed a law, which provided in substance: If any of these projects which was started for slum clearance and low-rent housing are uncompleted, they may be completed and used as war housing for war workers for the duration of the war. If any of these houses have vacant units, these vacant units may likewise be used by war workers for the duration. If the war workers have higher incomes than the slum dwellers for whom the projects were originally intended, this higher income shall not prevent their admission. But they shall pay rents based upon this higher income. To that extent, they shall not receive subsidies. Because of the critical shortage of housing during the war, the requirement that one house shall be torn down for every new house built is suspended for the duration.

This, in effect, is the law that Congress enacted. In short, the Congress provided that the peacetime slum clearance and low-rent housing program might be converted to war use, just as many industries have been converted to war use. This was necessary because war workers from all over the country, by the millions, were in-migrating to centers of war production. They had to have shelter—to have it quickly.

But the Congress did not draft these projects for war use. The law was permissive, not mandatory. It was left to the local housing authorities, which owned and managed these projects, to make the decision. The decision which was made is a high tribute to the patriotism of these local housing authorities—these citizens in communities all over America. They proceeded, insofar as possible, to turn the vacant units and the uncompleted projects over for war use to war workers—for the duration.

It is this patriotic decision which has been the basis of the confused criticism of Mr. Fulton Lewis. He points out that in one unit, there may be a family paying \$18 a month rent, and that in another similar unit there may be a family paying about \$50 a month rent. He points out that there are some families living in the units who earn as much as \$3,000 a year.

Now what is the explanation? It is very simple. The family paying \$18 a month rent is a family of very low income, transferred from a festering slum to this decent low-cost housing before the war. This family is, as I have said, receiving financial as-

sistance from the Federal Government and from the locality. The family paying about \$50 a month rent, or anything like it, and earning \$3,000 a year, is a family of war workers. To this family, the low-cost housing built ultimately for slum dwellers of low income has been temporarily given up for the duration of the war. This war-worker family is paying what is called a full economic rent, and is not receiving subsidy or aid from any source. The units which are occupied as war housing, and which are benefiting by this economic rent, are paying local taxes in large amounts.

This is the simple situation about which Mr. Lewis is complaining, and which he is unjustly criticizing from one end of the country to the other, creating confusion and distrust.

Mr. Lewis is casting a slur upon every poor family of former slum dwellers, now living in these decent projects, by implying that they are getting something cheaper than somebody else—without giving the true explanation.

Mr. Lewis is casting a slur upon all of the war workers' families living in these converted projects, by insinuating that their incomes are so high that they should not be living there, or that they are not paying for what they get.

Mr. Lewis is attacking by indirection the War Production Board, which in view of the critical shortage of war materials has had to restrict housing construction very severely—thus making it obvious that some slum clearance and low-rent housing projects be diverted temporarily to war use.

Mr. Lewis is casting a reflection upon every mayor and every member of local government, in all the communities where this conversion to war use has taken place—because, as I have said, the projects about which he is talking are all local projects owned, controlled, and managed by these local authorities created under State laws. They were converted to war use by voluntary local action, after Congress gave its assent.

Mr. Lewis is ridiculing the Congress of the United States, which passed the enabling legislation making it possible to divert these projects to war housing.

And incidentally, Mr. Lewis is severely criticizing and attacking certain important policies of the Army and Navy. In one of his talks, he made much of the fact that the families of military personnel were not being provided with newly constructed war housing. This rests upon a decision of the War and Navy Departments.

War housing is not something to be trifled with, or treated as a political football by a well-paid radio commentator. War housing is necessary to provide a shelter over the head of the men and women who are making our planes and ships and tanks and guns. An attack upon war housing is an attack upon the boys who need the planes and ships and tanks and guns. It is an attack upon the war effort itself.

Mr. Lewis cannot squirm out of this by his carefully calculated statements that he is not attacking war housing. These statements only add to the confusion. For the figures and situations, which he cites, are the direct result of using for war workers the projects which were intended originally for slum dwellers.

I believe in as much private enterprise as feasible and possible, during the war and after the war. But private enterprise cannot fight the war alone. It needs the assistance of public housing, just as much as it needs the assistance of war contracts and guaranties for the expansion of plants, or for the job of reconversion after the war.

I look forward to a vast home building program after the war, mostly by private enterprise. Such a program will help to rebuild our cities and our smaller communities,

to bring better living conditions in rural areas, and to make more jobs for our returning heroes and for others who will be turned out of war work.

But this kind of post-war housing program must be based upon intelligence and good will, upon a true appraisal of the situation and an accurate statement of the facts. Anyone who attempts to throw the housing situation into a chaos of misinformation and confusion, at the present time, is certainly not helping to build a sound foundation for the future. Mr. Fulton Lewis undoubtedly believes that he is a friend of private enterprise and of the home building industry. But I contend that he is doing private enterprise and home builders the greatest possible disservice, by his unrestrained and unreflective misinformation.

Unfortunately, most people are so busy doing their war jobs that they have no time to answer these attacks. But somebody must answer them, before they do too much damage to all the things that we are fighting for, and too much damage to the war effort itself.

Therefore, I appreciate this opportunity to answer the attacks of Mr. Lewis upon the war housing program—to answer these attacks because, upon analysis, they are attacks upon the Congress, the Army, the Navy, local governments, local housing authorities, war workers, families of low income, and upon all the people who are straining every effort to achieve national unity and to win the war.

Common Sense in Post-War Housing

(Address delivered by Hon. ALLEN J. ELLENDER, United States Senator from Louisiana, on March 25, 1944, in St. Louis, Mo., before the National Public Housing Conference)

Mr. Chairman, ladies, and gentlemen, I have been asked to speak on the subject Homes or the Dole. In view of my long interest in public housing, I desire also to discuss with you some of the broader problems and more important considerations than this limited topic ordinarily encompasses. I think that before I conclude my remarks it will be clear to you why I am adopting this course. And I hope that you will agree with what I have to say.

My activities in behalf of public housing go back to its inception. The CONGRESSIONAL RECORD will indicate that I was in the midst of the battle on the Senate floor for the passage of the United States Housing Act in 1937. I have been in the fight ever since, and you may count upon me to continue to remain in the struggle, so long as I retain my membership in the United States Senate.

As some of you may be aware, I am chairman of the subcommittee of the Senate Committee on Education and Labor, which has handled slum clearance and low-rent housing legislation, as well as the publicly financed portion of the war-housing program. This subcommittee, as well as the full committee is heartily sympathetic with the aims and objectives of slum clearance and low-rent housing.

I am proud of the record of the low-rent public-housing program, although it has been the subject of harsh, unjust, and uncalled-for criticism. It has performed most satisfactorily in my State. It has done likewise, I am sure, throughout the country, in small places, in medium-sized cities, and in our largest centers of population. The main trouble with the program is that it has been inadequate. After the war we must continue and expand the program. To do this we must begin to get ready now, and it is imperative that the people be told the truth about the program of the past and what is in prospect for the future.

There is no need to tell this group that most of the attacks upon public housing

have been unfair, unjustified, selfish, and based upon gross ignorance.

The most common attack has been that the program did not rehouse families of sufficiently low income. The facts refute this charge completely. Before the war the program as a whole achieved an average shelter rent throughout the country of \$12.79 per family unit per month. It housed families with average yearly incomes, on a Nation-wide basis, of \$832.

You may be certain that, if the program had housed families of still lower average yearly incomes—that is, if it had housed only the worst relief cases—the opposition would have criticized it as a program solely for people who were indolent or shiftless or undeserving. Of course, I do not believe that families on relief should be so characterized. But I do say, that this is what the enemies of the U. S. H. A. program would have said about the housing program, if it had housed only relief families. In fact, the foes of the program are saying this anyway. They are consistently moving in two directions at once, half the time arguing that the projects should house lower income families, and the other half the time arguing that it should house higher income families. They are seesawing between the two groups in the hope of creating confusion and dissatisfaction.

My own belief is that the program has struck a wise and happy medium in this matter. It has not been administered as an emergency poor-relief job. It has been conducted in a manner to provide decent and dignified aid to families of low income—families who are industrious and deserving and a part of the working population, but whom our economic system has not provided with sufficient income in peacetimes to live in decent housing without public aid. Until our economic system can lift the incomes of these families to the point where they can afford to obtain decent housing entirely on their own, we must continue this public assistance. And we must continue it in the self-respecting and desirable form which it has already taken.

For these reasons, I am opposed to any proposal to abolish the present slum clearance and low-rent housing program, or to substitute any method of rent certificates or rent relief which would handle each family on a case-work basis, veiled in an atmosphere of charity. These suggestions should be placed in the same category as the proposals, made a few years ago, to junk the social security system and to substitute therefor the dole.

Furthermore, I am opposed to these rent certificates or rent-relief plans, because they would tend to perpetuate and subsidize the slums. They would provide no method for large-scale, well planned developments to remove the slums, and to rebuild the blighted areas of our American communities.

On the other hand, none of the attacks made upon the financing plan under the United States Housing Act has impressed me in the slightest. I have spent many hours analyzing in detail the method of financial operations used by local housing authorities, in clearing slums and rehousing slum dwellers.

The essence of this plan is that the development cost of projects is put upon a loan basis, with the Federal Government receiving repayment in full for all loans made, at the long-term Federal rate of interest plus one-half of 1 percent. Since the Government has thus far been borrowing money at a substantially lower rate of interest than the prevailing long-term rate, there has been a profit to the Government on the loan transaction. This profit, I am informed, has been about sufficient to cover the administrative expenses of the United States Housing Authority—now the Federal Public Housing Authority—for the slum-clearance and low-rent housing program.

This being the case, the only cost of the program to the Federal Government has been in the annual contributions to help achieve low rents. This annual contributory system, which some of the critics of the program have distorted and even called misleading, is one of the most honest and simple methods of grants-in-aid that has been devised. Anyone who takes the trouble to study the plan, instead of attacking it blindly, can find out exactly what the program costs each year. He will discover also that the amount of aid is measured exactly against the need, and can be decreased in any year when better economic conditions are made available to the beneficiaries of the program and when economies in operation reduce the amount of aid required.

Let me give a factual illustration of this point. The maximum annual contribution to achieve low rents permitted under the law is about 3½ percent. This would result in an annual contribution of about \$25,000,000, during normal peacetime, on the 154,189 completed local authority family units under the United States Housing Act. But even before the war, by various economies, the annual contribution rate had been reduced to about 2.8 percent, which would involve annual contributions of about \$20,000,000 for a program of the same size. When the war came along, the 154,189 family units under local authorities were divided into 100,355 continued as low-rent projects and 53,834 units converted to war use. For the 100,355 low-rent units, due to higher incomes during the war, the annual contribution rate has been reduced to about 2.2 percent, involving annual contributions of \$10,339,356. For the 53,834 units converted to war use, the annual contribution rate has been reduced to twenty-three one-hundredths of 1 percent, involving annual contributions of \$607,935. Therefore, at the present time the total annual contributions on the whole 154,189 units is only \$10,947,291, contrasted with the maximum of about \$25,000,000 which would be available under the law.

To state this another way: The people who are occupying these projects are paying about \$14,000,000 more in annual rents than they would be paying if the Government extended as much aid as the law permits. They are paying about \$9,000,000 more in rents than the normal pre-war rate. To state this in still another way, the occupants of the project are paying almost \$45,000,000 in annual rents, as against an annual contribution of less than \$11,000,000 by the Government.

Let these figures be the answer to those who talk about the occupants of these projects as if they were irresponsible people, unwilling to pay their own way to the last dollar of their capacity. Let this be the answer to those who claim that the plan now in use is uneconomical or unsound.

Of course, we know that after the war the incomes of the occupants of these housing projects will not be as high as now. Somewhat larger amounts of Government assistance will be necessary. But I think that the country will be more prosperous after the war than it was before the war, that we shall gradually raise our standards of living, and that the program will continue to advance in the economical direction that it was moving before the war began.

It has been particularly shocking to me, that the patriotic service which local housing authorities have rendered in turning 53,834 units in their projects over to war use, has been made the occasion for attack upon the program. When Congress passed the United States Housing Act, it contemplated slum clearance and low-rent housing. Later Congress authorized, but did not compel, the conversion of this housing to war purposes. The local housing authorities

have voluntarily made this conversion, with regard to the 53,834 units that I have mentioned. Naturally, the war workers have fairly good incomes in these times, and, as I have indicated, the subsidies on these converted projects have been reduced to a nominal figure. And yet, we hear radio commentators and others berating and vilifying the local housing authorities and the public-housing program—because they have joined in winning the war instead of remaining on a peacetime basis—and because this war work has made the projects temporarily available to families with higher incomes.

A few days ago, I examined another one of the so-called plans which has been trotted out as a substitute for the low-rent housing and the slum clearance program. This is the so-called tax abatement plan. It rests upon the proposition that the Federal Government should enable wealthy individuals to avoid Federal income taxes entirely as to that part of their income which they invest in land bonds and housing construction, and also exempt from taxation the income on these bonds and this housing. It is claimed that this would result in better housing at lower cost to slum dwellers—through a system which is attractively called "public housing privately owned."

Let us look at just a few figures as to how public housing privately owned would work, in comparison with the United States Housing Act plan. I have before me a table of figures which contrasts the two methods, but I will refer here only to the high lights. Under the United States Housing Act, a housing unit built on expensive central slum land, with the land costing \$2,000 and the building costing \$4,000, coming to a total of \$6,000, might receive, for example, an annual contribution from the Federal Government of about \$131 a year. This would achieve a shelter rent of about \$16 a month, and would serve a family with an income of about \$960 a year. Under the so-called tax abatement plan, in contrast, for the same unit, there would be involved a capital grant of \$4,800 in the form of tax abatement (assuming that the taxpayer would receive income placing him in the 80 percent bracket), plus an additional contribution of \$110 in the form of additional tax abatement. In addition to the tax abatement of \$110, the Government would pay interest on the capital grant abated, which if paid, could be used to reduce the public debt. And these subsidies, so much larger than the subsidies under the United States Housing Act, would produce a monthly rent for the unit of \$45, serving a family income group of about \$2,700. In short, despite much higher cost to the Government, this plan for public housing privately owned would serve the upper income half of the population, rather than the lower income third.

(See following table marked "Exhibit A.")

So much for the opponents of public housing. I have come to talk to you, not as an opponent, but as a friend. But I would be less than a friend, if I did not tell you about your errors as well as your achievements—if I did not warn you of the difficulties which public housing faces—if I did not indicate what steps you should take to better your position and strengthen your cause.

We must frankly face the fact that public housing before the war did not receive as much popular support as its merits entitled it to. In fact, 1938 was the last year in which the Congress approved the public housing program. This was only 1 year after the enactment of the original law and before any projects were completed. In the 3 years between 1938 and the outbreak of the war public housing gradually lost ground in the Congress. You know this to be true.

It is foolish to blame this trend on a few individuals. It is short-sighted to think that

the situation can be changed after the war just by wishful thinking. There is only one sensible way by which this situation can be changed in a democracy—and that is by making public housing understood and popular in the communities throughout the country. When public housing is really popular and really wanted at home, Washington will respond.

If public housing is not sufficiently popular at home to gain congressional approval, that is not the fault of the people working in Washington for the Federal Government. There is very little that they can do about it. It is up to the local people, interested in public housing throughout the country, to create the urge. If the situation is remedied, these local people will deserve most of the credit. But if the situation remains as it has been in the past, they will deserve most of the blame.

For this reason I am particularly pleased with the reorganization that has recently taken place in the National Public Housing Conference. My understanding is that the conference is going to be a militant, aggressive organization. I hope that it does not confine its fighting to Washington or make the mistake of criticizing its friends. The housing advocates have already spent too much time criticizing each other. If the conference can work to stimulate the kind of local support and local action which I have mentioned, public housing will have a better chance to move forward. It is up to people like you who are here today to do this job.

A successful campaign for public housing involves something more than loud shouting, or agitation. The way to win this cause is to fight with the head as well as the heart. You must profit by your mistakes. You must conduct your fight in accord with the spirit of the times, and in the light of your past experience.

I should like to summarize some of this experience, and the conclusions to which it seems to lead:

The greatest handicap to housing, until 2 years ago, was the number of housing agencies in the Federal Government. Congress was first bewildered, and then antagonized—and may I add "agonized"—by 16 or more bureaus and agencies, each trying to aggrandize itself instead of making every effort to help housing. Even assuming the noblest motives on the part of all these agencies and bureaus, it was utterly impossible to work out an intelligent housing policy or program under such divided leadership.

The housing reorganization of February 1942, which put all of these 16 or more bureaus and agencies under the National Housing Agency, was long overdue. This reorganization has resulted in economy. It has led to increased efficiency. It has removed squabbling, wrangling, and much scuffling from the Washington housing scene. It has raised housing in the esteem of the Congress. My prediction is that, when Congress considers post-war housing legislation, it will confirm and carry even further this consolidation of the housing activities of the Federal Government. Common sense makes this much certain.

It is my firm conviction that both public and private housing can go ahead most effectively after the war only as a part of this consolidated program, and under the roof of the National Housing Agency, or one similar thereto. The Administrator of the National Housing Agency, Mr. John Blandford, is a warm friend of public housing. He has utilized and helped to keep alive the local authorities during the war. He has used public financing for about half of the recent war housing construction. When he says that we cannot expect anywhere near so large a proportion of publicly financed housing after the war, he is merely stating a fact. From

my discussions with Mr. Blandford, and from some of his recent talks which I have read, I believe that he is following a wise and balanced course, for now and for post-war housing, in terms of the over-all situation.

The Congress is tired of the fighting among bureaucrats. Mr. Blandford has about stopped the bickering and has achieved a more unified housing front. In his congressional relationships he has accurately sized up the situation and has won the confidence of the Congress. The National Housing Agency and the comprehensive approach which it represents is essential to a future in which the whole housing need can be met, private and public, each operating within its proper field.

Another reason why public housing progress has been slow has been because the program has been too limited in its objectives. We can all agree that slum dwellers need help first, and need help most. But at the same time, we must realize that no community can solve its housing problems by public housing alone. Public housing should do only the part of the job that private enterprise cannot accomplish. Private enterprise should be encouraged and facilitated to do as much of the job as possible, in fact, to the limit of its capacity. Only in this way can we really rebuild our communities. Only in this way can we really succeed in obtaining decent housing for all groups of Americans. Only in this way can we raise the post-war housing program to a magnitude through which housing can make its full contribution to post-war employment, prosperity, and high national income.

This means that in the communities private enterprise and public housing should work hand in hand. Local housing authorities, if they are to survive and prosper, must expand their activities and raise their sight. They must take the broad comprehensive view, at the local level, which the National Housing Agency is taking at the Federal level. They must concern themselves with helping to serve the whole housing needs of the community, through good land planning, through stimulation of private enterprise, and through public housing whenever necessary. They should not limit themselves to one narrow job, because the country wants to see the whole job done. In short, each local authority should view the housing needs under its jurisdiction through the small end of the telescope.

I have said that the National Public Housing Conference and the local housing authorities should work for public housing. But they must also work for something bigger than that. The National Public Housing Conference should not get into the role of a pressure group, fighting only to protect one particular housing formula, or one particular housing method, or housing only for one particular group, or one particular kind of local housing agency. If the conference gets into that kind of role, it will not command any more respect or support than any other purely selfish pressure group. The real job of people who call themselves public housers is to express the whole public interest in housing, and not just in public housing, and to work for all the kinds of housing which the people need. I say this to you as a friend of public housing. I know the congressional attitudes, and I think I know the temper of the country. Public housing should not try to go ahead on the old, narrow, limited basis. But if the local authorities, at the community level, adopt the broad and comprehensive approach to the whole job that the National Housing Agency has taken, under the leadership of the National Housing Agency, they will be very likely to succeed, and I know that the Congress will cheerfully respond.

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I am extremely hopeful that before long there will be an opportunity to propose and enact comprehensive legislation dealing with post-war housing. This legislation should follow these broad lines:

1. The National Housing Agency, and the consolidation which it represents, should be improved and made permanent.

2. The National Housing Agency should be furnished with all the tools which may help and stimulate private enterprise to do as large a part of the post-war housing job as it possibly can do.

3. The National Housing Agency should also have tools to assist communities to provide publicly aided housing for those whom private enterprise—with all the help we can give it—cannot serve.

4. The post-war housing program should operate on an entirely decentralized basis, with the communities determining their own housing needs and requesting such financial assistance as they may require from the Federal Government. The Federal Government should not build houses or conduct direct housing programs.

I know that the National Housing Agency is also moving along this direction. If all those interested in housing will help the agency to continue to follow that course, the prospects for housing will be brighter than ever before.

In addition, I believe that the State enabling legislation, under which local housing authorities were established, should be broadened, to the end that there may be local agencies of Government to perform the role of the National Housing Agency at the local level.

I have tried to be very realistic with you, telling you exactly what the situation is as I see it. Public housing can be stronger if it does not try to move solely on its own steam. It can gather greater strength and go further if it joins hands with private enterprise in a comprehensive approach. Both groups must accommodate their views, avoid any appearance of being ideologists, and move toward housing unity. That is what the National Housing Agency symbolizes. That is what the Congress and the country want.

Permit me to thank you for this opportunity to address you. It is a great pleasure to be here with you and, may I repeat, you may count upon me to continue to help you in every capacity within my power.

EXHIBIT A

Assumption: A unit involving expensive central slum clearance, \$2,000 for land, \$4,000 for building; total, \$6,000

I. Under United States Housing Act plan

Annual charges to be met:	
Interest and amortization (58 years, 2½ percent).....	\$197
Operating costs.....	110
Payments in lieu of taxes (5 percent of shelter rent).....	10
Vacancy and collection loss (3 percent).....	6
	<u>323</u>
Less Federal annual contribution.....	131
Annual rent charged occupant.....	192
Monthly rent charged occupant.....	16
Family income group served.....	930
	<u>150</u>
Total annual subsidy cost:	
Federal annual contribution (total subsidy cost to Federal Government).....	131
Value of local tax exemption.....	19
Total.....	150

II. Under tax abatement plan

Annual charges:	
Interest and amortization on \$2,000 land (100 years, 1¼ percent).....	35
Amortization on \$4,000 building (33 years, 3 percent).....	120
Operating costs.....	110
Taxes.....	100
Vacancy, collection, and contingency loss (10 percent).....	54
Profit (3 percent on \$4,000).....	120
Total annual charges to be met.....	<u>539</u>
Monthly rental charged tenant.....	45
Family income group served.....	2,700
Total subsidy cost to Federal Government:	
(1) Capital grant:	
By tax abatement to purchaser of land bond (80 percent of \$2,000).....	1,600
By tax abatement to developer of house (80 percent of \$4,000).....	3,200
Total capital grant.....	<u>4,800</u>
(2) Annual contribution:	
By tax abatement on profit (80 percent of \$120).....	96
By tax abatement on yield on land bonds (80 percent of seven-eighths percent of \$2,000).....	14
Total annual contribution.....	<u>110</u>

1. Total local projects under U. S. Housing Act

	Number of units	Total development cost
In use as low-rent.....	100,355	\$465,010,000
Converted to war use.....	53,834	259,322,000
Total.....	154,189	724,332,000
Suspended.....	24,940	98,918,000
Total.....	179,129	823,250,000

2. Annual contributions on 154,189 units

	Percent of development cost	Total amount	Amount per family
Normal pre-war.....	2.8	\$20,281,296	\$131.54
Wartime:			
On 100,355 low-rent.....	2.2	10,336,356	103.03
On 53,834 converted.....	.23	607,935	11.29
Total.....		10,947,291	

3. Rental paid by occupants of 154,189 units

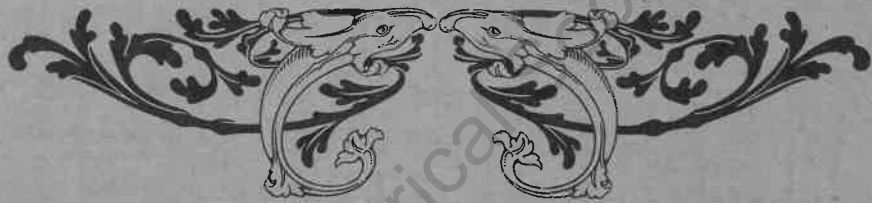
Prewar.....	\$33,267,813
Wartime:	
On 100,355 low-rent.....	
On 53,834 converted.....	
Total.....	

4. Average shelter rent per unit and incomes before war

	Shelter rent	Family income
North.....	\$14.73	\$936
South.....	10.48	710
National.....	12.79	832

*Report of the Tenement House
Commission of Louisville*

Under the Ordinance of February 16, 1909



The Filson Historical Society

188786

LOUISVILLE HOUSING CONDITIONS										HOUSE AND PREMISES																			
STREET					NO. (old)					(NEW)					DIST.					DATE									
BUILDING										PORCH																			
Wood Brick Stone					STORIES: No. Base. Cellar FT. FRONT APTS. PER FLOOR: C. B. 1 2 3 4					REPAIR: G. F. B.					1 2 3 REPAIR: G. F. B.														
FIRE ESCAPES										STEPS AND OUTSIDE STAIRWAY										SIDEWALK									
None No. Obstructed					STORIES: 1 2 3					REPAIR: G. F. B.					REPAIR: G. F. B. CLEAN: C. D. F.														
YARD										DRAINAGE: Sewer Surface: G. F. B. Standing Water																			
None Earth Brick Cobble Flagging Cement Asphalt Paving Defective					WATER SUPPLY					House Yard Elsewhere					Yd Hyd. Cistern Pub. Pump					HYD. DRAIN									
CLEAN: C. D. F. RUBBISH: Free Some Much										COMPTS. CLEAN: C. D. F. REPAIR: G. F. B.																			
YARD TOILET ACCOMMODATIONS										WATER CLOSET																			
None No. Compts. No. Families using In bldg. In other bldgs.					SEWER CONNECTED					None Flush Ad. Fr. Obs.																			
PRIVY VAULT										SEWER CONNECTION																			
LOCATION Party separate Brick other FULL Not Nearly Overflowing Nuisance					Soil Waste					Sewer connection available																			
LOWEST FLOOR										FLOOR																			
Cellar Base ACCESS. St. Yd. Interior USE: Business Storage Dwelling					VENTILATION: Windows Area Grating Obs. None																								
LIGHT: L. G. D. Earth Wood Brick Cobble Cement REPAIR: G. F. B. CLEAN: C. D. F. RUBBISH: Free Some Much																													
WALLS AND CEILINGS																													
DAMPNESS: Dry Damp Wet Water					Whitewashed Painted Paper REPAIR: G. F. B. CLEAN: C. D. F.																								
BASEMENT LIVING ROOMS																													
None No. Height Height above curb or ground					AREA: Along entire width of rooms Drained																								
HOUSE DRAIN																													
Exposed Covered Iron Earthenware Diam. Sound Patched Opening					GRADE: G. F. B.																								
VERTICAL PLUMBING LINES																													
Soil Waste Covered Exposed Material Diam. Openings					LINE: G. F. B.																								
WATER CLOSETS NOT IN APARTMENTS																													
None No. LOCATION: Fan. Using Sewer Con. Sewer Con. Vault Vault Not Sewer Con. TYPE: Long Hopper Appr.																													
COMPTS.																													
FLUSH: Adqt. Inadqt. Broken FREE OBST.					VENTILATION: G. F. B. From Interior From Outside Light: L. G. D. Repair: G. F. B. Clean: C. D. F.																								

STREET _____

NO. (OLD) _____

(NEW) _____

DIST. _____

Halls and Stairs	Light	Ventilation	Cleanliness	Repair	Fixtures for Lighting at Night	INTERIOR FIXTURES NOT IN APARTMENTS							
Cellar or Basement						Name	Location	Material	Enclosed	Trapped	Vented	Clean	Repair
1													
2													
3													

ROOF ACCESS None Scuttle Bulkhead Ladder Stairs Obst. REPAIR Tight Leaking
 PIPES ABOVE ROOF None Soil Waste DOWN SPOUT Location Material Repair G. F. B. Used as waste pipe Discharges where
 STORES None No. Location Kind Nuisance ANIMALS ON PREMISES None No. Kind Where kept Nuisance
 GARBAGE DISPOSAL RECEPTACLES None No. COND. G. F. B. How often removed OWNER ON PREMISES JANITOR
 STREET OR ALLEY IN FRONT OF LOT Width How paved STREET OR ALLEY REAR OF LOT Width How paved CLEAN C. D. F. Repair G. F. B.
 LOT Width Depth Area Area occupied by building Area occupied by shed Area of vacant space

Health record of house

Assessed value

Photographs suggested to show

Remarks

The Filson Historical Society