Housing Come

BY

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AND

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New York

OXFORD UNIVERS

1938

Printed in the United States of America

TO

HAROLD L. ICKES

WHOSE SOCIAL VISION LED PUBLIC HOUSING

FROM THEORY TO FACT IN THE UNITED STATES

THIS VOLUME IS DEDICATED

T.W.

M.W.S.

Here then is American low-cost housing after one hundred years of reform and regulation of private industry. It is obvious that the inadequate housing noted is in the so-called low-cost category. What can we find to balance 10,000,00 (more or less) homes in the above classification? To the credit of housing reform are perhaps 30,000 'model' homes built in the past century for low-income families. The balance seems to weigh against the possibility that private enterprise will attempt to handle the job of adequately housing the workers of America.

At President Hoover's Conference on Home Building and Home Ownership in 1931 the consensus of 3,000 persons with experience in one or another field of housing was that the position of the Federal government should be as follows:

> Unless this problem can be met by private enterprise, there should be public participation, at least to the extent of the exercise of the power of eminent domain. If the interest of business groups cannot be aroused to the point where they will work out a satisfactory solution of these problems through adequate measures for equity financing and large-scale operations, a further exercise of some form of governmental powers may be necessary in order to prevent these slums from resulting in serious detriment to the health and character of our citizens.

By the middle of 1933 it seemed evident that private builders could not be aroused to the point where they would work out a 'satisfactory solution.' It seemed at last evident that, if any housing on a large scale were ever to be provided, the government would be obliged to take an active part.

HOUSING COMES OF AGE

CHAPTER I

SEVENTEEN WORDS

> The Administrator, under the direction of the President, shall include among other things (in the Public Works Program) the following: . . . (d) *construction, reconstruction, alteration or repair under public regulation or control of low-rent housing and slum clearance projects. . . .*
>
> —National Industrial Recovery Act of 1933, Title II, Sec. 202

THESE last seventeen words contain the kernel of an idea which has bloomed into America's first public housing programme. In monetary value it has been only a tiny part of the $3,300,000,000 Public Works programme authorized by the first Recovery Act. The debate in Congress on the bill discloses virtually no interest in this provision. In fact, research in the records has not revealed the source of these seventeen momentous words. Senators and Congressmen were more concerned with the proposed organization of the National Recovery Administration and a proper distribution of post offices and public works of more familiar types. The Federal housing programme started with a blank page and no given facts.

Thus, almost unnoticed, on 16 June 1933, a policy of public housing was born. On that day the President, by Executive Order created a Special Board of Public Works, composed largely of cabinet officers under the chairmanship of the Secretary of the Interior, with instructions to report within twenty days 'on all public works projects which have heretofore been submitted or shall hereafter be submitted.'

The Special Board quickly perceived the importance and the difficulties inherent in the housing provision. At one of the early meetings, Assistant Secretary of the Treasury Robert said:

> This housing proposition is the most dangerous thing we have to confront . . . People are expecting to make a great deal out of this housing program. It is the big thing they are looking forward to.

Recognizing the imperative need of a man experienced in housing and with the proper social point of view, the Board sought the advice of outstanding technicians and public administrators. Their unanimous recommendation was Robert D. Kohn, an architect from New York.

In its discussions of housing the Board recognized the need for an effective evangelist. 'There are certain things,' said Madam Secretary of Labor, 'the local people will not think of themselves. This central administration ought to put it into their heads that it is a good thing to do. For instance, they will not think of housing . . .'

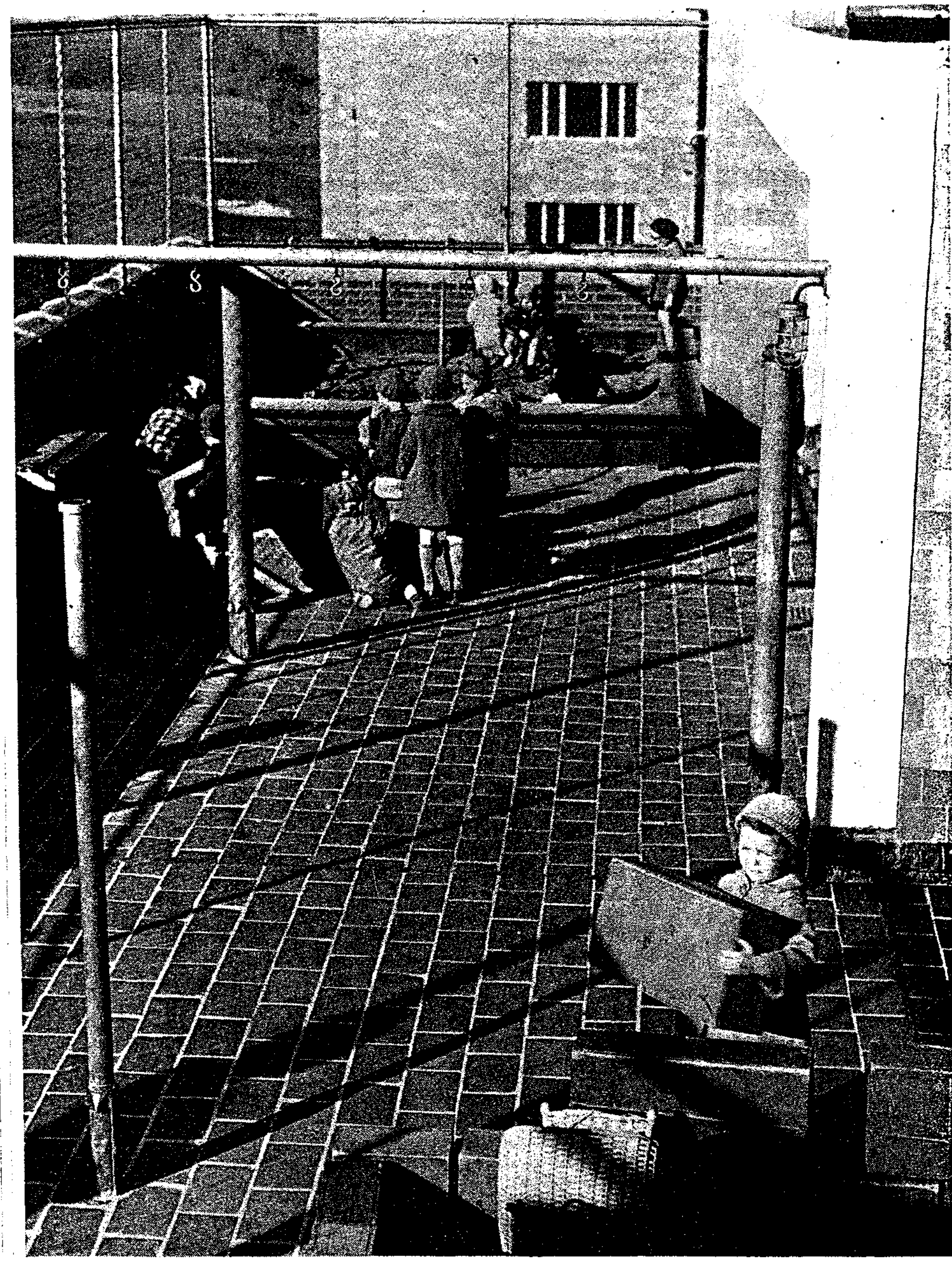
At that time (22 June 1933), however, the Public Works Administration was still in embryo and had no permanent administrator. On 8 July, the Secretary of the Interior, the Honorable Harold L. Ickes, was named Federal Emergency Administrator of Public Works and PWA went to work.

Among others, the Administrator created a semi-autonomous Housing Division. Its policies, on the whole, conformed to those of the PWA. Its primary purpose was to relieve unemployment through the construction of socially useful housing.

It was authorized to make two kinds of loans, public and private. To legally constituted public bodies authorized to undertake housing programmes, it could make capital grants up to 30 per cent of the cost of a project and loans up to 70 per cent at four per cent interest. To private corporations under public control or regulation, it could make loans at four per cent, but no grants. The period of amortization of such loans was fixed for most PWA projects at 30 years. But for housing, varying periods of amortization were proposed, depending on the construction materials, and ranging from 25 years on frame buildings to 35 years on fireproof developments.

The provisions relating to loans and grants to public bodies, in 1933, were purely academic since no local public body with proper authority to build housing existed in the United States. The Housing Division was thus forced to confine its early operations to loans to private corporations under public control or regulation.

In the files of the R.F.C. were applications for a number of housing projects already recommended. It was believed, since the



LIMITED DIVIDEND HOUSING: Carl Mackley Houses, Philadelphia, utilizes roofs for children's play areas safe from traffic hazards.

Recovery Act provided for the transfer of such projects from the R.F.C., that these projects could form a nucleus for the PWA housing programme.

These projects, such as Hillside Homes (New York City) and Carl Mackley Houses (Philadelphia) had been developed by sponsors and architects thoroughly familiar with the philosophy of those who had been called on to administer the housing programme. But they were rare exceptions to the general rule that prevailed then and more acutely in subsequent months—that sponsors had no conception of the purpose of the housing programme and no capacity to visualize it.

The terms 'slum clearance', 'low-cost', and 'low-rent housing' are not subject to precise definition. Their connotation must be conditioned by a point of view. And whereas 'low-cost housing' might be a jerry-built skyscraper apartment hotel to rent at $20 per room per month, it certainly would not fulfil the objectives of the Recovery Act or the desires of the Housing Division.

It would have been obviously impossible to reduce the definition to a compilation of figures. One could not say without qualification that rents were to be limited to so many dollars per room per month; building costs to so many dollars per dwelling; height of buildings to so many stories. Conditions varied too much throughout the country and what might be an acceptable low-cost housing project in Dallas probably would not come near qualifying in New York.

Two problems confronted the Housing Division, both requiring a man able to tour the country to preach the gospel of housing. The first was to explain to civic groups, realtors, lending institutions and architects, just what type of private project reconciled with local conditions would be acceptable to the Housing Division; and the second was to foster State legislation to authorize public housing authorities which might undertake their own projects.

To undertake this educational work Housing Division representatives were sent out on an exhaustive series of barnstorming trips which carried them, in the course of a year, into nearly every major city and most States in the Union. To thousands they pleaded the cause of the complete community.

'Housing,' they said, 'should not be regarded as an aggregation of houses but as complete neighborhoods, planned at one time and carried out to the mutual benefit of every neighbor. Homes should be so located as to have adequate sun and air and plenty of protected play space for children. They should be isolated from and yet quickly available to transportation. They should be within easy and protected walking distance of schools and shops. Buildings should be low and well built and supplied with at least the minimum of mechanical equipment. These communities must be regarded as long term investments with wise and kindly management and not as speculative developments whose sponsors care only for quick sale and getting out from under.'

It is evident today that a large part of the present lay interest in housing in the cities is attributable to the efforts of these ambassadors. There is no question today of the intensity of that interest, but the results produced in the summer and fall of 1933 were, to put it mildly, discouraging. While these men were in the field, a small technical staff in Washington was poring, far into the night, over hundreds of applications for projects.

As to policy, it had been established that the Housing Division in the case of private corporations would lend up to 85 per cent of the cost of a project. Sponsors were required to form a corporation with dividends limited to six per cent, and profits in excess of that amount were to be rebated in the form of rent reductions. Land would be accepted as part of the 15 per cent equity, but it was required that sponsors invest some cash in order to assure a continuing interest. Projects proposing the speculative sale of individual houses were to be ineligible.

In 1933, the 'home building' market was flat on its back. Promoters who had land could find no money for building loans. Land was about all the promoters could scrape together as evidence of solvency. And if, as usually happened, a true value of land did not amount to 15 per cent, the boys sharpened their pencils and marked up the price of their land. The 'cash' equity they produced out of fees to be paid by the Government to architects, engineers, and contractors. The devices employed in the attempt to create value where none existed or could exist were ingenious–and disheartening.

By October of 1933, it was obvious that some shift in policy would be necessary if the primary purpose of the housing pro-

gramme, relief of unemployment, were to be made effective. No more than twenty projects had passed the test of critical analysis. These were sponsored by reputable and intelligent men, were well designed, and were easily justified as housing. But even with these projects the problems of equity, of land value, or land acquisition made their development difficult.

For instance, one tentatively approved, had the land entered at a value of $500,000. The value was backed up by an appraisal made by highly accredited members of the American Institute of Real Estate Appraisers. In no attempt to question the honesty of this appraisal but merely as a check on judgment, the Housing Division had a second appraisal made, also by a member of the Institute. The second appraiser believed the land was worth no more than $110,000. Subsequently five more appraisals were made by qualified experts, ranging from the above mentioned low to a new high of $700,000. Under such circumstances it was, to say the least, difficult to establish a fair price.

Several meritorious slum clearance projects were proposed. Here the question of assembling land became the major problem. In most instances slum properties are held in small parcels and assemblage involves dealing with dozens, perhaps hundreds, of owners. Until the land is completely acquired no one can be sure not merely of the price but even of its acquirability. Unless the purchasing agent has the right of eminent domain, this assemblage becomes a gamble in which the cards are stacked against him. Moreover, the price of most slum property, because of its location, is so high that the land could not be used for low-cost housing on the terms offered to private corporations.

However, the average applicant proposed a small development on vacant land. The employment involved was inconsiderable and social significance was limited to the financial benefit of the sponsor. Excerpts from the examiner's report on one project picked at random give the picture of a majority of applications.

Location:

Site is on Oak Lawn Avenue between Old Bedford Road and Pepper Ridge Road, approximately 2.4 miles North from city centre and approximately .2 mile from the city boundary. Map provided does not show transportation or school and store facilities. Applicant states two bus lines are nearby.

Employment:

Applicant states approximately 25 men would be employed 50 hours per week for 20 weeks.

Nature of Project:

Applicant proposes to build 5 single family detached frame dwellings grouped 5 to the acre, of 1 and 1½ stories, with 5 rooms and garage, and no basement.

Comments:

Suburban real estate development too small to exert much influence on community or employment conditions. Does not appear as type of project of benefit particularly for families of low-income now living in. . . .

Recommendation:

The project should be denied on the following grounds:

1. The project is too small to have any meaning.
2. Applicant should be advised that this is not a type of project on which the Government will make a loan.

The monotony of making such reports was occasionally relieved by absurd or fantastic applications. A group of musicians sought a loan to build themselves a skyscraper club house. One persistent gentleman wanted the Government to lend him money for, (a) the construction of a factory in which he could make his patented cement block; and (b) the construction of from 1000 to 2000 houses (either amount was agreeable to him) in which the basic material would be the above cement block. What might happen to the Government loan or the houses once they were built, was a mere detail with which he, burning with creative genius, could not be bothered. When his application was rejected he was outraged and threatened reprisals.

On the whole, however, applications conformed to the type described in the Examiner's report above. The major weakness was an almost complete absence of real equity.

The total volume of limited dividend project applications was 533 with an estimated cost of $1,006,000,000. In the end, a total of seven were actually built. Of the thirteen others recommended

for allotment, none could, in the final analysis, qualify for loan agreements. Certainly the record is not satisfactory. There is no question that a vast majority of the rejected applications were indefensible. Possibly half were based on optimistic attempts to revive the sub-division game of the 1920's. It has been charged at times that the promoters were corrupt. Probably a more honest evaluation would be to say that they were accustomed to operate in a field whose ethics were handed down from the horsetraders of the '70s and that they played the game according to existing rules. Possibly a quarter of the rejected applications were unscrupulous attempts to unload land or building materials on a benevolent Uncle Sam or to obtain a maximum of money for a minimum of service. The remainder was about evenly divided between fantastic schemes and meritorious projects that almost made the grade.

Those who read between the lines must have guessed that the results of this programme would cause dissatisfaction throughout the country. Newspaper editorials hammered the Division unmercifully for its failure to provide employment. A good many applicants—particularly those who received tentative allotments only to have them rescinded ultimately—were incensed. They claimed to be victims, on the one hand, of arbitrary and prejudiced decisions and, on the other, of no capacity for decision at all.

Sifting these complaints, Administrator Ickes was obliged to recognize in them considerable justice. He was obliged to admit two weaknesses—one, of policy, and the other, of administration.

The role assumed (of necessity) by the Director meant that a large part of the time there was no one in the Washington office authorized—or, at any rate, willing—to make final decisions. The men brought into the Division were largely technical experts who had devoted years to studying the technical aspects of low-cost housing. They were undoubtedly the outstanding housing technicians in the country; yet this concentration on a subject which, until July 1933, was largely academic, meant that they lacked the experience necessary to shove through an emergency programme of this size. Some were also idealists, who, having fought for the cause for so many years, could not bring themselves to approve the compromises necessary in a practical world. They looked forward with unshakeable faith to the Perfect Project (which, of course, was never achieved) and were loathe to approve anything less.

The experience with limited dividend projects had been most unsatisfactory. The fantastic schemes and those which sought to take the Government for a ride have already been discussed. Let us now look at the twenty applications which, for a while, constituted the Housing Division's programme.

As a rule these applications were submitted by reputable persons who were 'going to form a limited dividend corporation when, as, and if' they obtained a loan. Of the twenty, six came from states which had no state laws under which the corporations could qualify according to the Recovery Act. This defect made the working out of a loan contract both difficult and tenuous. Even though the remaining fourteen came from states with proper regulatory legislation, formation of a responsible and satisfactory corporation was a major stumbling block.

In most cases the only real equity which the sponsors had was the land. A number of the projects contemplated slum clearance and not even the land for these was in clear possession of the sponsors. To assemble it would require optioning and clearing of titles, both of which are, under private auspices, interminable and uncertain procedures.

But the major problem in every limited dividend application was one of cost: ability to achieve suitable rents through guaranteed building and operating cost, and value of land. If the sponsors had clear title to the land, they naturally listed its value as optimistically as possible. The tremendous spread possible in the opinion of value made by supposedly competent and honest appraisers has already been mentioned. Any reduction in land value imposed by the Housing Division naturally reduced the equity offered by sponsors and in almost every case dropped the proposed equity below the 15 per cent of total cost required. Yet, in a majority of cases, such reductions in land value appeared to be fair after comparison with actual price or adjusted tax assessed value of neighbouring property. Some concessions to the 15 per cent equity requirements were made if the project seemed on other grounds to possess sufficient merit. Yet it is safe to say that optimistic or actually dishonest

valuation of land more than any other single factor, killed the limited dividend programme. As early as 10 August 1933, the Administrator foresaw the evils of such practice and warned that 'no consideration would be given to housing projects in which investigation disclosed evidence that the land required was being boosted in price on prospects of governmental loans for housing construction.' This policy was rigidly observed throughout a programme in which nearly $23,000,000 worth of property was acquired. The problems of land acquisition in connection with federal projects will be discussed later.

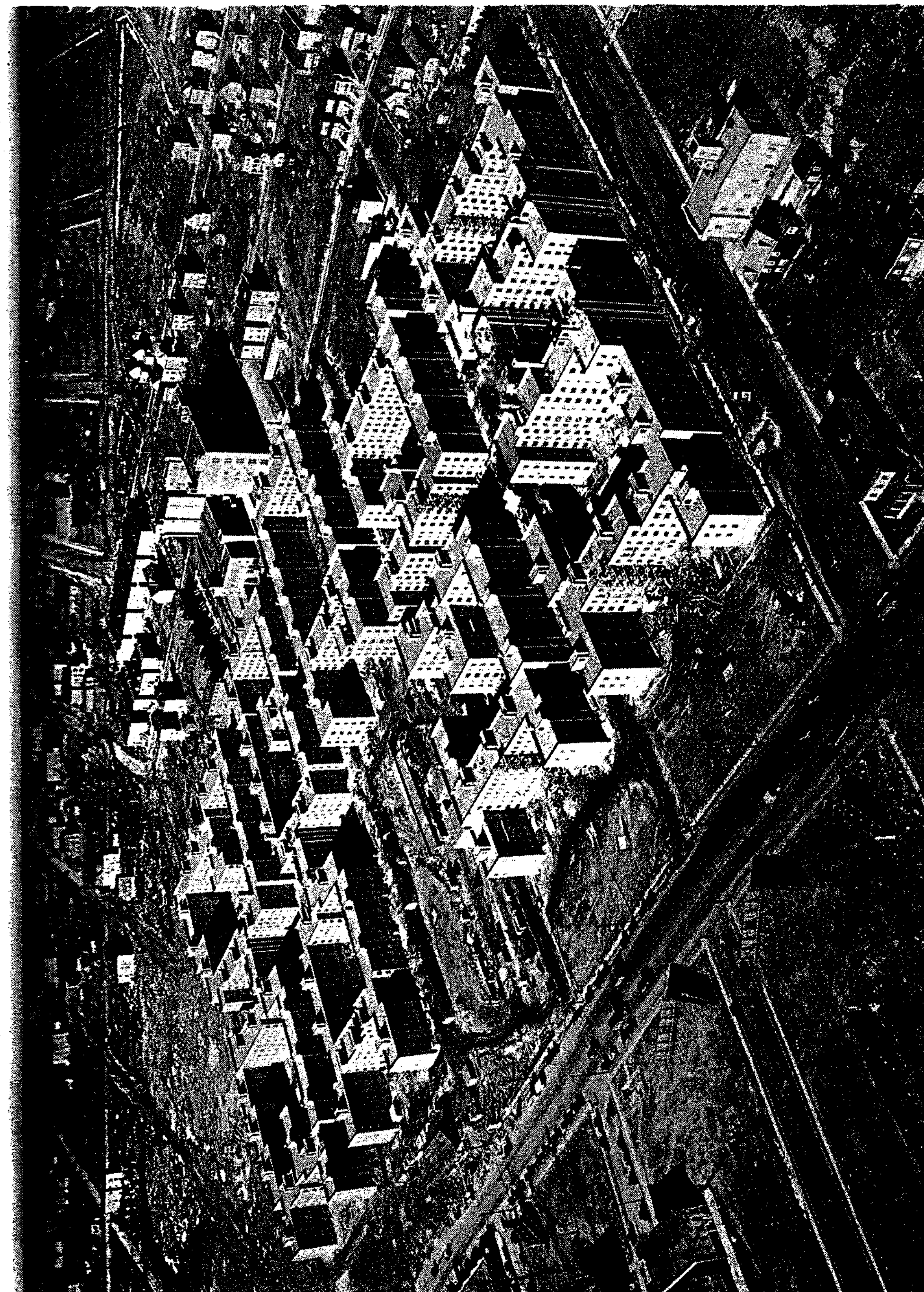
Construction and operating estimates created difficulties which disqualified many projects. The sponsors set a rent which they believed reasonable for the neighbourhood and class of tenants to be housed. The Housing Division was of course obliged to check the authenticity of rent figures first. Because so few corporations had been able to make factual surveys, and since almost no satisfactory data existed, the validity of these rental estimates was necessarily a matter of opinion.

In some cases the Housing Division considered the rents proposed too high for the group to be housed. One may wonder why such applications were not rejected immediately. The answer is twofold. First, the Division, attempting to spare the sponsors as much expense as possible before making commitments, called, in the first instance, for only skeleton outlines of a proposal. Not until negotiations for a loan agreement were begun did it feel justified in demanding a detailed and exhaustive statement. In these detailed statements many facts were revealed which did not jibe with the hopeful picture of the preliminary application. Second, the Housing Division personnel for nearly a year was so swamped with applications that it was impossible for staff members to make a field inspection of a project until it received preliminary approval.

A satisfactory rent schedule was no guarantee of a satisfactory project, for construction and operating costs must be checked. Frequently contractors made informal bids on which construction estimates were based. The bids, which of course were not binding, were founded on incomplete sketch drawings. After they had seen completed plans and specifications, contractors almost invariably raised their estimates and even when they had made, say in August, 1933, formal bids on complete plans, the lapse of time before a contract was drawn had brought a rise in material and labour prices. These increases of course nullified the original rent schedules and made necessary entirely new financial set-ups.

As if there were not sufficient impediments to the approval of projects, there remained the question of operating costs. Outside of the projects under the New York State Board of Housing and a few isolated examples, there were no continuing records in the country of how much per room it would cost to operate the type of housing proposed. Obviously the experience of a project in Manhattan could not be applied with any close relation to a project in a small town in Virginia. Applicants were forced to guess how much it would cost and in most cases their guesses were hopefully low. Although the New York estimates indicated an operating cost per room, per year (heat, light, water included) of $40, an applicant from Indiana believed that a slum clearance project in a large city in that state could supply the same service at $23.10 per room. There might be some differential on wages and taxes but the Housing Division refused to believe that it could amount to 40 per cent and raised the estimate considerably. The effect, in this instance, was to produce an operating statement which, in order to balance, either would require a rise in rents so high as to disqualify the project, or else would wipe out the sponsor's equity.

Because sponsors could not satisfy these requirements, the Administrator finally reduced the number of approved limited dividend projects from 20 to 7, constructed and now in operation. These projects, Boulevard Gardens and Hillside Homes in New York; Euclid Housing Corporation, Euclid, Ohio; Carl Mackley Houses, Philadelphia; Neighbourhood Gardens, St. Louis; Alta Vista Housing Corporation, Alta Vista, Virginia; and Boylan, Raleigh, North Carolina; were submitted to exhaustive microscopic examination. Their subsequent success has proved the worth of such careful scrutiny. No faintest suspicion of skullduggery attaches to any and they are, in their various communities,



LIMITED DIVIDEND HOUSING: Hillside Homes, New York, sponsored by Mr. Nathan Straus, Administrator of the U. S. Housing Authority, illustrates the possibility of co-operation between private and public enterprise.

models of the happy combination of public and private enterprise which can be, but alas seldom is, effected.

As a result of these weaknesses the Administrator determined, early in October 1933, to inaugurate a more forceful policy and to guarantee a more aggressive administration of that policy.

CHAPTER II

EXPERIENCE HARD WON

On 29 October 1933 the press of the United States carried announcements of which the following from the *New York Times* is typical:

WASHINGTON, Oct. 28.–Incorporation of a Public Works Emergency Housing Corporation to build low-cost apartment houses as slum clearance projects throughout the country was announced today by Secretary Ickes . . .

The corporation has broad powers to engage in a general construction business, to perform engineering and architectural work and to conduct and carry on the business of builders and contractors . . .

Outlining policy, Mr. Ickes said: 'The formation of this corporation is the outgrowth of our recent experiences in the PWA in attempting to increase building labor employment in the field of low-cost housing. Our experience of the last three months indicates clearly that we may not depend upon private enterprise or limited dividend corporations to undertake comprehensive low-cost housing and slum clearance projects.

'The future financial stability of many of our urban centers depends upon the prompt reclamation of their slum areas . . . Relatively few of our cities realize that bad housing has a direct effect on their revenues. To meet this situation more is required than isolated action on the part of individuals. Movements to better conditions must be launched by a body of citizens who realize that action must eventually be guided by a State, county or municipal authority.

'The efforts of the Administrator and the Corporation will be to encourage the creation of such authorities. Where the municipality lacks or cannot immediately obtain the necessary charter powers it is proposed to proceed along one or the other of the following courses:

'(1)–Through some local group the immediate study of the local situation, including the necessary investigation of available low-cost slum land, will be encouraged. Therefore, the acquisition of the necessary land would be by private contract if possible, otherwise by eminent domain, which power is derived from the Recovery Act.

'The success of this program depends upon the acquisition of low-cost land in continuous blocks which will involve the destruction of slums. A single clearance and rehousing operation may involve the acquisition of other low-cost land than that cleared so as to reduce further land cost per unit and better distribution of the new low-cost housing in respect to industrial improvement . . .

'It is not proposed to standardize improvements; they will be designed to meet needs of each particular city. If apartments be used, they will be confined to low-type structures . . .

'(2)–To make available to the State Legislatures information on which they may act to create housing authorities in cities or counties so that such authorities may cooperate with the government or may act as its agent in the management of the properties when completed.

'(3)–To develop a procedure which will aid a city to work out a long-term plan on which to continue the process which the Federal Government has started. Eventually each State or large metropolitan area should have an agency empowered to engage in the rehabilitation of low-cost residence areas. Through such a body the Federal Government could continue its help and eventually, in a lesser and lesser degree, aid what must become a local function of government.

'This scheme of Federal aid should produce housing at rentals which have never before been attained. The assignment of these accommodations to families of low income must be closely guarded by the organization of agencies in a city to control their use so that those for whom they are built will really benefit. The housing thus provided will not be competitive with existing housing of good character.'

In essence Administrator Ickes was saying, 'We shall no longer sit back and wait for the business to come in to us. From here on we propose to go out and develop it ourselves.' He determined to keep the functions of the Housing Division and those of the Public Works Emergency Housing Corporation as clearly separated as possible. The Housing Division was to continue its work of examining and passing on the applications of limited dividend corporations and was to furnish technical assistance to the Public Works Emergency Housing Corporation. But the latter was to be independent both in personnel and in action from the Housing Division. It was to be the spearhead of a new and smashing attack on the slums of our cities.

The President of the Corporation was the Administrator of Public Works, Harold L. Ickes, and the Board of Directors included the Director of Housing, the Secretary of Labor, Assistant Secretary of Agriculture, Rexford Guy Tugwell, and Deputy Administrator of Public Works, Colonel Henry M. Waite. On

29 November, President Roosevelt issued an Executive Order which established the Public Works Emergency Housing Corporation as the agency through which federal housing projects were to be constructed, and allotted to it $100,000,000 for that purpose.

Thus, Government housing entered its present phase. Each step forward had been demonstrated to be necessary by the failure of (a) restriction of and (b) encouragement to, private initiative.

The inauguration of direct governmental construction was assailed on two fronts. First came those who chanted: 'We told you so. We knew you'd have to come to this. If you'd taken our advice you wouldn't have wasted four months.' The answer to these critics was easy. The Administrator would have been condemned, and rightly, as both radical and unfair had he launched the programme in this manner. He was obliged, by every American tradition, to give private enterprise the first crack at the job to be done. Not until private builders had amply proven their incapacity could he justifiably try some other means.

And even then the door was not shut to private undertakings. On 10 December 1933, Administrator Ickes stated:

> The Public Works Administration will continue to loan on slum clearance operations and low-cost housing projects sponsored by limited dividend corporations . . . It is the intention of the Public Works Administration to take the initiative in slum clearance and low-cost housing projects in the interest of unemployment relief and recovery, only in cases where local agencies are unable to do so or unwilling to act promptly.

A more widespread and persistent attack emanated at this time from those who resented what they called 'Government interference and competition with private enterprise.' Sporadic sniping at first, it developed with the Federal programme until, in 1935 and 1936, it reached the proportions of a major bombardment. On the very date of incorporation of the Public Works Emergency Housing Corporation, it was publicly announced as a cardinal policy:

> It is not the purpose of the Government to invade the field of construction where private capital can operate satisfactorily. The work of the Public Works Emergency Housing Corporation, is to be directed to slum clearance projects and the production of new housing for income groups for which private initiative has never provided . . . In addition to stimulating industrial activity and creating employment, it will provide new and modern living accommodations for a class of people who have never before been able to enjoy them, simply because private capital could not and cannot now provide them at prices within their ability to pay.

This policy was adhered to rigidly not only as a matter of administrative determination but, at the suggestion of Administrator Ickes, it was written into the law under which every Public Works Administration federal project is operated. There has been no evidence that the Public Works Administration housing programme cost legitimate real estate managers even one dime through loss of tenants. In the face of this irrefutable fact, the Cassandra-like dirges have fallen off to an almost inaudible muttering. There are still a few die-hards to whom the principle of 'no Government in business' transcends in importance all humanitarian acts, but in the main the need for public housing can be said to have gained universal recognition.

In November 1933, however, the destination was obscure and the course unknown. The organization chart of the Public Works Emergency Housing Corporation called for a general manager to be executive officer. Without deprecating the abilities of the Housing Division staff, the Administrator was determined to select as Director of the programme a practical man who could drive it through to completion. The search for a man, mature, forceful, accustomed to leading men, and available, was not easy. Not until February of 1934 was he found in the person of Colonel Horatio B. Hackett of Chicago, architect, builder and West Point Graduate.

Even before Colonel Hackett took command, the Public Works Emergency Housing Corporation struck a rock which eventually foundered it. On 11 January 1934, the Comptroller General wrote to the Administrator in reply to a request for transfer of funds to the Corporation. He recognized that Section 202, Title II of the Recovery Act, gave the Administrator authority to prepare a housing programme, and that under Section 203 the President was 'authorized . . . through the Administrator or *through such other agencies as he may designate or create* to construct, finance, or aid in the constructing or financing of any public works project . . . pursuant to Section 202.' Acting on this apparent permission . . . the Administrator had created the Corporation. The Comptroller General, however, saw the situation differently. He said:

> The creation of a corporation involves organization and other expense . . . and should be avoided as unnecessary unless clearly in the public interest . . . While there is room for doubt that the authority given by the Recovery Act to create additional agencies was intended to authorize the creating of corporations, this office wishing to avoid placing any unnecessary restraint upon those administering the law has felt justified in withholding objection thereto where there seemed no serious danger involved. In the instant matter, however, inasmuch as the powers and authority outlined in the Articles of Incorporation appear to contemplate operations beyond statutory authority, and which condition unless rectified in advance of operations may lead to the incurring of obligations which may not lawfully be paid from the appropriation, it seems highly desirable that these things be now brought to attention in order that they may be worked out before there is opportunity for serious complications . . . In view of the doubtful matters appearing, this office, on the present record, does not feel justified in countersigning the warrants as submitted and they will be held pending further advises from you showing the legality of the course proposed or such alteration thereof as may be necessary.

To understand the import of this decision, one must know something of the position and authority of the Comptroller General. The office was created in 1921 by Congress to audit and pass on all expenditures of the agencies of the Federal Government, unless specifically exempted. The Comptroller General is appointed for fifteen years and his authority is independent of any other agency. His function is to make sure that all money appropriated by Congress is spent in accordance with the provisions of the acts of appropriation. Whenever, in the Comptroller's opinion, an expenditure made or contemplated does not seem amply justified under the Act he is required to disapprove it and, if already made, to demand restitution by the individuals responsible.

In many cases, such as that of the Public Works Emergency Housing Corporation, the appropriating Act is sufficiently general in language to permit two divergent interpretations of the same provision. Although there may be appeal to the courts from a decision of the Comptroller General, they have come, by acceptance, to be regarded in most cases as final. So it was with his

opinion that the Public Works Emergency Housing Corporation was not justified by the language of the Recovery Act. Since time was of the essence and since the wheels of the courts turn exceedingly slow, it would have been useless to appeal the decision.

The Attorney General concurred in the Comptroller General's opinion on one major point: namely, that the powers delegated to the Corporation were in excess of those delegated to the President and Administrator under the Recovery Act. These powers had been suggested sincerely in the sole hope that the Corporation might thereby short-cut some of the impediments of normal government routine and more quickly achieve the purpose underlying the Recovery Act.

The situation may be more clearly understood by making an analogy with private enterprise. Suppose one man were ordered to organize a nation-wide automobile industry and to have it operating in full production of 3,300,000 cars of all kinds and prices within two years. He would have at his disposal possibly one thousand manufacturing plants, large and small, most of which would be virtually idle at the beginning. He would have no staff and no idea of the condition or potentialities of the plants on which he must depend. He would not know whether they were capable financially, legally, or technically to fill the orders. Finally, he would not know whether they were even interested in obtaining the business. Every fender rolled, every motor block cast, would be subject to criticism by the people and press of the United States. In order to justify himself, this hypothetical motor magnate would be obliged to maintain a public record of just why, for instance, it was decided that the cars should be powered by gasoline engines, instead of the combination rubber-band-and-gravity gadget invented by Citizen Crackpot of Turkeyville, West Dakota, which had been recommended in person by the whole Chamber of Commerce and three State Senators. He would be obliged to listen, a large part of every working day, to the arguments of embattled blocs of fundamentalists who were convinced the automobile was no more than new-fangled nonsense and that what he should be building for a safe sound America was the tried and trusty two-horse buckboard. And in the face of these impediments he would be required to produce in two years 3,300,000 cars which must be good cars, or else . . .

Even to contemplate work under such conditions would drive most of the country's captains of industry stark, raving mad in short order. Yet they represent substantially those which faced the Administrator of Public Works and his staff for four exhausting years.

It is not surprising then, that the Housing Division should have been disheartened by the wreckage of its vehicle, the Public Works Emergency Housing Corporation. By February 1934, it had been decided that the Housing Division itself would assume, for the present, the functions of the Corporation and that the Legal Division of PWA would undertake a study to determine whether, by amending the Corporation's charter, it could be made into an acceptable and effective agency. The study indicated, and history has proved, that the Housing Division could achieve the objectives planned as well as a Public Works Emergency Housing Corporation which would be acceptable, and no further attempt was made to revive it.

Inability to use the corporate vehicle forced a reconsideration of the powers of the Housing Division. The Legal Branch soon declared that the Housing Division could do virtually everything planned for the Corporation. The sole difference was one of speed. The Housing Division, the lawyers said, would be bound by all the rules of government procedure, audit of all expenses, reference to the Department of Justice of all title difficulties, competitive bids on all contracts, etc. . . . By the middle of February 1934, 533 applications had been received, 20 had been given tentative allotments, of which seven finally were approved for loan contracts. The ratio of applications to approved projects was so unreasonably disproportionate that Administrator Ickes on 23 February ruled out acceptance of any further applications in the following statement:

> In view of the exhausted status of the public works fund . . . PWA henceforth will not consider applications for loans from . . . *limited dividend housing corporations* . . . The new policy is not to be construed to mean that no further money is to be allotted for low-cost housing and slum clearance projects. The fact is, the experience of the Housing Division of PWA has demonstrated that private initiative has failed to supply the low-cost housing that is needed in the United States.

One can surmise that the Administrator and his Housing Division closed books on this policy with a regret considerably mitigated by relief. To be able to turn to what looked like a fresh, clear-cut policy, seemed at first like stepping from the winding futility of a dark labyrinth onto a straight and sunlit road. Here was a path on which one might find his way and always know where he was. If the destination was not clearly visible from the start, at least a man could not be lost and, persevering, he was sure to reach his goal in time.

Yet, although the road seemed straight and clear, many preparations for travel were necessary before the journey could actually begin.

Mr. Ickes, in announcing the policy of the Public Works Emergency Housing Corporation, had said on 10 December 1933:

> Projects will be undertaken by the Public Works Emergency Housing Corporation upon invitation from local officials and/or groups of representative and responsible citizens or civic organizations. Where the Housing Corporation initiates, local groups and agencies will be utilized to the fullest extent possible in the acquisition of sites, design, construction, and operation of the projects. In any case, the cooperation of responsible local groups and agencies is essential.

Rightly, he insisted that such 'responsible local groups and agencies' should be a prerequisite to the initiation of so-called federal projects by the Housing Division. Without such local support, these projects would be dropped into a void lacking any intimate relation to the community.

The number of 'responsible local groups and agencies' existing in March 1934 could be counted on one's fingers. There were State Boards of Housing in a dozen states but they could hardly be designated as 'local,' any more than the Federal Government. A few cities, such as Boston, Pittsburgh, and Philadelphia, had unofficial and charitable 'Housing Associations' which dated from the reform days of the early 1900's.

In September 1933, the Ohio Legislature passed the first of a series of state laws which are now regarded as essential to the progress of public housing. Under this law, municipalities were authorized to create housing authorities, boards of five members appointed by the mayor, which had the right to issue revenue bonds, borrow money, purchase land (by eminent domain, if necessary), construct, and operate housing projects. The housing authority is active where the state board is passive and clearly demonstrates the evolution of public housing from the regulatory to the creative stage. The authorities to be established under the Ohio law embodied all the powers and responsibilities required by the Administrator.

Before the end of September 1933, Cleveland had established the first municipal housing authority in the country. Cincinnati, proud of her record as a progressive, efficient and honestly operated city, created its authority in November. In December, New Jersey established a State Housing Authority with regional offices which satisfied the 'local' requirement.

In January 1934, New York (largely as a result of Housing Division missionary work) passed a housing authorities law. Almost before the ink was dry on Governor Lehman's approving signature, Mayor LaGuardia had appointed the New York City Housing Authority.

Also in January, Michigan passed a housing authorities law limited to cities with a population of 500,000 or, in other words, to Detroit which promptly set up its Detroit Housing Commission.

By the end of April 1934, Delaware, Illinois, Kentucky, South Carolina, and West Virginia had passed housing authority acts, although it was some time later before any actual authorities were established. Here, then, was a nucleus of potentially responsible local groups with which the Housing Division could deal.

In many states where it was hoped that the Division could operate, legislatures were not in session nor would they be for a year, perhaps two. In some others rustic statesmen, perceiving in such legislation no benefits to their constituents and consequently to their own security of tenure, ploughed under these bills. In several cities where authorities were created, the mayors took advantage of what seemed to be a new opportunity for reward of the faithful, by appointing to them the gentleman who had 'delivered' the ninth ward, or a cousin who was an expert clock watcher but was otherwise undistinguished. Fortunately the state laws were so drawn that at the beginning of a programme, these willing boarders at the public trough could find no sustenance, legitimate or otherwise, and soon (at their own request), the mayors supplanted them with the sort of civic leaders who should comprise a housing authority.

No city has ever been given consideration by the Housing Division where there was not an urgent need for housing backed by strong support from disinterested and representative citizens. Wherever the Housing Division encountered one of the three situations listed above, it recruited a citizen's Advisory Committee to aid in the development of projects. These committees and the housing authorities, where they existed, made recommendations on areas of operation, local personnel, and general procedure.

On the basis of applications submitted for limited dividend projects, the President and the Special Board of Public Works, on 12 April 1934, approved the first allocations for the following cities: Atlanta, Georgia, 2 projects: Cincinnati, 1 project: Cleveland, 4 projects: Indianapolis, 1 project: and Milwaukee, 1 project. On 26 April, projects were approved in Louisville, Montgomery, Alabama; Chicago, Detroit, Los Angeles, Memphis, Nashville, the State of New Jersey: New Orleans, New York, Savannah, Georgia; Toledo, Washington, and Youngstown, Ohio. Funds amounting to $114,241,000 had been thus allotted for 29 projects in 23 cities.

Only five of these cities and the State of New Jersey had housing authorities, and none of the authorities was financially equipped or ready to undertake the work of preparing plans, acquiring land, etc. which would have to precede any advance of funds from the Housing Division. By common consent the Housing Division was designated to launch the work with the authorities and unofficial citizen's committees acting in an advisory capacity.

On 13 June 1934, during a reorganization of the Division by the Administrator, Mr. Kohn resigned as Director of Housing. Colonel Hackett was appointed to succeed him. He addressed the Housing Division staff on 18 June as follows:

The Housing Division has before it a definite objective—to build houses. There are many difficulties that lie before the organization, many rough roads to be travelled, much seemingly useless red tape, but these factors must all be overcome and we must have action. The world outside Washington feels that we have had sufficient time to build houses, and is not inclined to listen to any more excuses or reasons why 'we don't *start* building' . . .

I am sure we have the nucleus for a splendid organization and the fact that we are short handed means that every one of us will have to work a little harder and take on additional burdens . . . Be fully justified in every decision that you make. It is a word of new significance to me but it is the most important word that I have acquired since coming to Washington. I do not think the Administrator will criticise us for decisions made after careful consideration, check and investigation, but he will severely criticise us for haphazard snap judgments . . . We are started on the road to reorganization.

CHAPTER III

DESIGN FOR LIVING

To plan a city with a population of between 70,000 and 80,000 is a fair sized job. Such a city would compare in size with Pasadena, California; Little Rock, Arkansas; Springfield, Illinois; Manchester, New Hampshire; or Winston-Salem, North Carolina.

This was in essence the problem faced by the Housing Division when it launched the programme of direct federal construction. And yet in many ways the problem was more complex than that of planning one community, for the Housing Division's programme had been designated as a demonstration to be made, not in one city, but in as many as available funds would permit. Although this housing was to be planned for one group, the third with lowest incomes, the living habits and earnings of this group varied tremendously from one section of the country to another.

Those who shaped the Division's policy realized the impossibility of imposing one type and size of project on every community, but they also recognized the need for a broad general principle to govern the planning of every project. 'The complete community' was early established as the cardinal principle. Not a new concept, the 'complete community' has characterized the best of both English and American planned housing for years. Whether it be under public or private auspices, housing constructed on a large scale according to a comprehensive and predetermined plan has proven advantages over piecemeal construction.

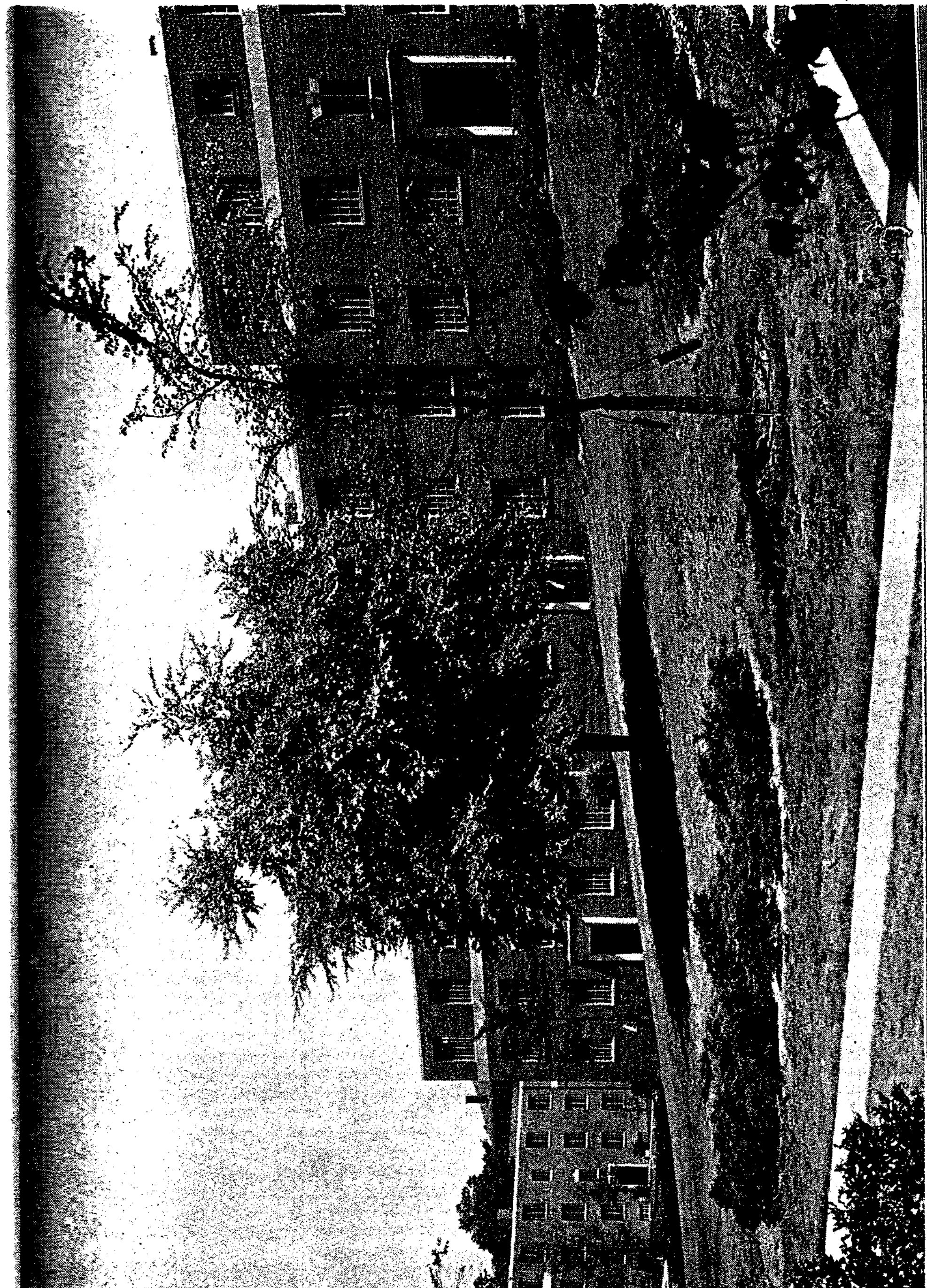
Such planning tends to produce, first of all, stability. Perhaps the most serious defect in residential communities today is the too-great variety of the buildings themselves and the quality of their maintenance. Zoning ordinances, designed to produce stability in neighbourhoods were usually put in effect only after the neighbourhoods were built, and were therefore ineffective in the elimination of existing abuses. Hence, in every city, residential districts develop which are conglomeration of single-family houses, flat and apartment buildings, stores, and even industrial plants. Next door to a well-kept house may be a dilapidated, shabby shack whose yard is strewn with junk and whose condition cannot fail to affect the good dwelling. Commercial and apartment buildings increase traffic circulation and make necessary wider streets for which house owners (who would prefer precisely the opposite) are assessed as well as those whose need created the streets. One industrial plant is frequently sufficiently objectionable to ruin a whole neighbourhood.

The disorder, flux and, not infrequently, the blight which result from this lack of stability are caused by failure to recognize that, if we are to live in communities, we must be community-minded. The neighbourhood improvement association, familiar to everyone, has been established in an attempt to bring some order out of disorder. Praiseworthy as such attempts may be, they usually are merely valiant efforts to save a lost cause.

Only in the creation of new and comprehensively planned neighbourhoods or in the surgery of wholesale replanning can the necessary stability be achieved. The unqualified success, from a community standpoint, of every large scale housing project in the country is evidence of the fact that almost any plan is better than no plan.

The development of neighbourhoods—rather than individual homes—not only tends to stabilize communities, but also reduces many municipal expenditures. Our present street layouts are largely determined by our adherence to the long narrow individual lot. Discard this obsolete form of land division and we should have no need for the monotonous and wasteful gridiron street patterns which characterize most of our cities and towns. Without accomplishing miracles, the Housing Division in its 51 projects was able to remodel existing street patterns and reduce the necessary street area by as much as 30 per cent. Such reductions applied to the residential areas of New York, for instance, could cut the annual cost of its highway division by as much as $7,000,000.

Other tangible savings, guaranteed in the development of prop-



THE NATION'S FIRST PUBLIC SLUM RECLAMATION PROJECT: Techwood Homes, Atlanta: Here were 11 blocks rated by city police, officials and civic leaders as Atlanta's worst slum.

erly planned large-scale housing projects, particularly those tied in with slum reclamation, result in the reduction of fire hazards. It is safe to say that a virtual majority of slum dwellings antedate building and zoning ordinances with provisions to reduce losses from fires. Rear lot and alley dwellings, and improperly constructed frame buildings, have repeatedly been the tinder boxes in which fires, with loss of life and property, have been ignited. Nothing short of razing such buildings and reclaiming the neighbourhoods for their proper use can wipe out this menace.

There is sufficient evidence, both in this country and in Europe, that the planned community develops healthier and better citizens, and that the improved health and morals—particularly of those whose former homes were slum tenements or shacks—reduce the cost of hospitals, clinics, courts and prisons. Such savings are hard to measure in terms of an accountant's balance sheet, but they may easily be verified by public health and police officers.

Obvious as may be the benefits to the municipality which boasts a large scale housing project, its primary purpose is naturally to benefit those who live in it. To them the more abundant life is a reality. Their children have adequate playgrounds, safe from the dangers of fast moving automobiles. Their homes are well designed, well built, well equipped, and they are protected against most nuisances which beset the individual home owner. The very nature of the large-scale housing project fosters natural group action, which in turn leads to community strength. In such projects social and recreational activities are developed spontaneously and, to the advantage of every inhabitant, civic interest is effectively aroused and easily maintained.

Construction of dwellings on a large scale also makes possible economies in the purchase of materials and in the provision of utility services. Thus the builder may pass on such savings in the form of lower costs to the tenants. Once these projects are built, the tenants are in position through their group interest to obtain advantageous prices for gas, electricity, and other commodities. The existence of a large and more or less uniform community tends to draw stores to the neighbourhood and thus cuts the cost of transportation to distant shopping centers.

The planning of such communities was, of course, the keystone of all future work of the Division. Until it had been decided where and what to build, no land could be bought, no construction undertaken. Qualifications for the job of planner combined the abilities of city planner, architect, sociologist, and economist. Realizing that no man possessed all these qualifications, the Director sought young men with intelligence, adaptability, experience in architecture and no fear of hard work.

By July 1934, a Branch of Initiation, composed largely of young architects, had been formed and had begun to assess the need for housing in the many cities which had applied for projects. The scope of their work consisted first in selecting among hundreds of cities that applied those where the housing need was greatest and where a justifiable project could be developed. Next, they determined where and what to build. The 'where and what' comprised selection of sites, determination of both size and type of project, and, finally, the preparation of a detailed programme for the project.

The programme for each project specified, for instance, how many three-room units there should be, what type of refrigeration, the size of the management office, and a thousand other details. Although it may seem to the layman that the determination of such details could be postponed until the projects were under way, as a matter of fact, every one was conditioned on one cardinal factor—the rent to be charged. In these programmes not even a children's play yard was specified without counting its effect on rentals. To qualify under the programmes outlined, sites were purchased and the projects were actually designed. But before they could be prepared extensive study of statistical data and field work was necessary.

In order to facilitate selection of sites and subsequent development of projects, initiators of the Housing Division sent out a questionnaire to cities which applied. After a series of general questions intended to identify the sponsors and to ascertain the local attitude toward housing, this questionnaire called for information on population in the community; its growth, shifts, and racial percentages; on industry, trends and growth; on slums and blighted

areas, extent, population, and character; on land planning, street patterns, parks, and relation of the slums to the city; on quantitative and qualitative demands for housing. The Housing Division wanted to know whether there was a smoke nuisance in the neighbourhood; where and how much filled land there was; what was the extent of tax delinquency; what was the percentage of home owners—in other words, every fact concerning a given site which might be valuable in its acquisition and development.

The information called for on the questionnaire should be available in cities to anyone contemplating any large scale building operation. Intelligent interpretation and application of such facts would undoubtedly curtail the volume of construction in our cities, for it would show up in advance the probable failure of much speculative enterprise. That such curtailment would be financially beneficial to the cities, to consumers, to realtors, in fact to everyone except, perhaps, the building trades, is apparent. Yet the cost of compiling and of keeping these data up to date after they have been compiled is considerable. A rule of thumb, subject to considerable variation, is that such surveys, if comprehensive, cost about $1.00 per capita. Prior to the depression, attempts were made in a number of cities to launch real property inventories, but invariably they failed because builders, with unquenchable faith in their superior judgment, could not be convinced of the value of information which seemed to contradict their beliefs. However, when hard times threw millions of white collar workers on relief, the time seemed ripe to make such surveys. Using relief funds and qualified clerical help, the Department of Commerce, in 1934, made a series of such real property inventories in 64 selected cities of the country, from which tenable and invaluable assumptions on the state of American housing have been made. Scores of cities, not covered by the Commerce inventories, used their form and organized their own relief projects to make similar surveys. The data compiled, if they can be kept up to date, will be of permanent and inestimable value to the cities.

It was from such surveys that the data called for in the Housing Division's questionnaire were compiled. Regarded at first as unnecessarily complex, these data are now basic in the study not only of public but also of private housing projects. The sponsors of Chatham Village (a wholly private, limited dividend project in Pittsburgh), Hillside Homes and Carl Mackley Houses (PWA limited dividend projects), made such surveys before they attempted to plan their projects. The Federal Housing Administration requires such justification from the sponsors of private housing projects before it will insure mortgages on privately financed loans.

On field trips to check information supplied by answers to the questionnaire, initiators often found that slum areas were in the very path of an industrial glacier that seemed destined in time to wipe them out. Sometimes, as in Youngstown, Ohio, these slums constituted a shabby oasis in a great industrial desert. Not infrequently, as in Philadelphia or Chicago, the extent of the slums was so vast as to have no apparent beginning or ending. To place a housing project (of the size possible under the Housing Division budget) in such an area, was to pour pure water into a swamp. Its effect would be immediately nullified.

In many cities, such as Lackawanna, New York, they found populous slums which should be cleared and, at the same time, they found vacancy ratios of less than one per cent. To clear such slums before building new housing for the slum dwellers would be to throw them on the streets.

In other cities they found the slums, commerce, and industry so intermingled that it was impossible to tell where one began and another ended. In the business district of Birmingham, for instance, the street fronts of many business blocks are graced by handsome stores of which the city is justly proud. But, if you care to investigate behind these imposing store fronts, you will find the blocks bisected by alleys which have spawned a crawling ant hill of ramshackle Negro huts. To clear such slums, the Housing Division would have been obliged to buy out the stores at prices which one can only imagine. Had it bought only the alley shacks and built a project on the same site, the result would have been to recreate, in short order, the very conditions it sought to erase.

Applications of a number of cities showed them to be 'one industry' towns. The question arose, for instance, in Winston-Salem, North Carolina, whose life depends on cigarette manufacture, whether it was wise to build a project to last sixty years. Suppose that America turned back to cigar smoking or 'chawin' tobacker,' what would happen to the city and the project? The question, so far as the Housing Division was concerned, was made academic by the action of the City Council. The North Carolina Housing Authorities Law permits the appointment of a municipal authority in cities certified as possessing slums. In the case of Winston-Salem, the City Council, by solemn resolution, proclaimed the city to be slumless and refused to appoint an authority. Although their attitude was at variance with the consensus of newspapers, civic leaders, and extensive visual evidence, the Housing Division had no alternative but recision of its allotment to Winston-Salem.

Most of the cities' applications called for slum clearance because the idea, largely on sentimental grounds, captivated local committees and authorities and, generally speaking, they had no difficulty in selling it to their communities. The definition of the term, in the minds of most approving laymen, was precise. It meant tearing down the slums–and nothing more. From the standpoint of local chambers of commerce, business men and all kinds of civic organizations, it was recognized that the appearance of 'Pittsville' would be immeasurably benefited if the frame shanties 'back of the tracks' that lined the new concrete highway leading from downtown to the best residential neighbourhood, were cleared away. In one case, the local bigwigs told an initiator, 'slum clearance will help the tourist trade, for motorists often avoid our city because of the slums on the outskirts.' As for any interest in the implied definition of 'slum clearance,' a new deal for slum dwellers, they had none. Nor were they concerned with the mechanics. 'Slum clearance' to them was like the tonic of a medicine man. One swig of the sovereign remedy, and every festering sore would vanish from the shining face of fair 'Pittsville.'

What per cent of the slum dwellers has been rehoused in PWA buildings?

Their enthusiasm was, alas, frequently deflated when they perceived, first, that the Housing Division regarded this physical clean up as incidental to the re-housing of slum dwellers; and second, that as often as not, insuperable obstacles stood in the way of achieving such measures.

Despite the fact that nearly half of the PWA housing projects have been built of necessity on vacant land, there are good and sufficient reasons in every city whose projects do not involve slum clearance directly why it could not be done. In every city the initiators' first interest was in slum clearance; in every city they clung to this method until every possibility of achieving it had been exhausted. And in every city where it was proved to be impossible they gave the local sponsors a clear cut alternative of a vacant land project. In a number of cities where the sentiment was for slum clearance (in its precise definition) and nothing else, the applicants frankly refused to sponsor a vacant land project and the Housing Division was forced to withdraw.

But a majority, while not unanimously enthusiastic, accepted their fortune on the realistic theory that half a loaf is better than no bread. Some of these cities, such as Charleston, South Carolina, and Louisville, Kentucky, agreed to achieve the purpose of slum clearance (in its broader sense) by the demolition of a number of slum dwellings approximately equal to those provided in the new project. Practically every city in the United States has adequate power to weed out sub-standard housing, and there is no question that responsibility for existence of the slums lies on the doorstep of the city halls. Cities, like Milwaukee, with courage to act on this power, have kept their slums in check.

In every city where a PWA housing project has been built on vacant land, initiators sought to obtain commitments from municipal authorities to undertake contingent demolition—this, in order to achieve the very slum clearance they claimed to desire. But, since there was no compulsion, and since such action would inevitably cause some dissension (whether justified or not) the local statesmen usually ducked the issue and left the Housing Division to face alone all criticism for failure to clear the slums.

No matter what the city, the job of developing housing projects, from the vague stage of 'something should be done' to the finite stage of so many dwellings of such a type on such a site to rent for so many dollars per room per month, was much the same.

The initiator was required to report on the quality and enthusiasm of the sponsoring group, to investigate its motives in order to forestall any attempts to unload land, materials, or services. He checked up on site recommendations and confirmed those suggested or made new recommendations. He investigated the competency and availability of local architects and engineers to do the actual designing of projects. He conferred with city officials to learn what co-operation they were prepared to offer. He made exhaustive inquiries into the need for housing, in just what income group it was most acute and the rent-paying ability of that group.

From the data compiled and a first hand study of local conditions he developed, on his return to Washington, the complete programme for the project. The key to such programmes of course was the amount allotted to each city or project. Because the funds were limited, it was never possible to do as large a job in each city as the local sponsors desired. Budgets were prepared on the bases of need and population.

With a reasonably assumed land cost and knowledge both of probable building costs and acceptable rents, the initiator made financial set-ups until he achieved one which seemed to fulfill all the necessary conditions and to fall within the tentative allotments. In such set-ups there was, of course, a good deal of guess work on costs.

Until the Housing Division obtained bona fide options on all land involved, no one could predict the precise price. The initiator was guided by assessed values, recent sales of similar property, local opinion of value, and finally by the opinion of the Housing Division's Branch of Land Acquisition. If the project did not involve slum clearance, if titles were reasonably good, and if the land desired was held in few hands, these estimates of value were likely to be quite accurate. Otherwise they were subject to any variation that could result from cupidity or legal difficulties.

So too with building costs. Depending as they do on a most intricate combination of factors, nothing is more uncertain than the estimate of how much it will cost to construct a given building in a given city—particularly when, at the time the estimate is made, no one (including the estimator) knows *when* the building will be built. In 1934, building costs were near the bottom of the depression curve. They rose sharply through 1935 and 1936 and where, for one reason or another, construction was delayed on projects as little as a couple of months, these increases upset the most careful and accurate estimates.

The first projects launched were in those 23 cities which had been given tentative allotments, and all of them involved slum clearance. Because of the certainty that asking prices for land would skyrocket as soon as the location of proposed operations was disclosed, initiators were forced to move in a conspiratorial atmosphere. Already the Housing Division had witnessed the unfortunate consequence of premature announcement of proposed sites caused by the following letter, written to certain property owners in a middle western city by the chairman of a young and quite naïve housing authority:

Dear Citizen:

The United States Government has made available for the use of the——— Housing Commission three million dollars which is the estimated net cost of the City Planning Commission's re-housing project No. 3. This project No. 3 contemplates the acquisition by the City of———of your property within the proposed district at a price not to exceed its assessed valuation.

The———Housing Commission through the Federal Government will unhesitatingly exercise its legal right to condemn the property within the proposed area. Under the present emergency the———Housing Commission will not split straws but will award the full assessed valuation for your property and asks your cooperation as a good and patriotic, etc., etc., etc.

Within twenty-four hours after this unauthorized and curious epistle had been mailed, a completely baffled tax assessor's office was swamped by frenzied citizens, demanding that their assessed valuations be increased! Since the assessor recognized many of them as persons who had recently, with heartrending tales of misfortune, beseeched him to lower those very assessed values, he concluded some one must be crazy and (it was rumoured) put in a rush call for the emergency squad and a gross of straitjackets. After reading this letter the assessor had a good laugh and forgot the matter, but the Administrator of Public Works did not forget it. He ordered the Housing Division henceforth to make no statements of any kind concerning allotments, plans, or areas of opera-

tion in any city until the control of the land was in the United States Government.

While this order was essential, it handicapped initiators whose conferences with local officials were, of necessity, couched entirely in the conditional. They were obliged to say 'If we did this would you do that?' Despite the fact that all projects were sponsored by representative citizens the nucleus was, in the early stages of the PWA programme, small. Mayors and other city officials, business men, and property owners were inclined to look on public housing with some suspicion. They regarded these representations as purely hypothetical and would frequently break in with, 'Stop this "if" business! Are you going to fish or cut bait?' It was extremely difficult to obtain commitments from municipal officials, which were essential preliminaries to the development of a project, before the Housing Division would guarantee the project itself.

Although the Housing Division never had a political tinge, initiators constantly found themselves involved in difficulties caused by politics. Local statesmen frequently assumed that the whole housing programme was a new kind of pork barrel. In some States where the two major political parties alternated frequently in victory, both fought to control policy, the 'ins' in the belief that somewhere there might be a chance for patronage, the 'outs' in the hope that they might gain prestige. In a number of northern states where local officials were opposed to the national Administration, they blocked every attempt to obtain official approval on purely political grounds.

Obstacles most frequently created by local officials were refusal to close streets and to consider re-zoning of project areas. Most of the Housing Division projects contemplated areas of several blocks in which there were a number of interior streets. In the replanning of such areas it was proposed to close these streets to through traffic (in order to provide safety for children), and to vacate them. They could, as a rule, have no further value to the city and moreover there was effected a saving in maintenance if the city agreed to so dedicate them. No cost whatsoever to the city was involved, yet, time and again, city councils refused to offer this painless aid to an enterprise whose only purpose was to improve living conditions for the recalcitrant statesmen's constituents. So it was with zoning revisions. In a large percentage, if not a majority, of slum areas there are no zoning restrictions. Anything goes, from a boiler factory to a glue works—which is of course a major reason why the slums have come to be. Although these areas have become blighted largely because the zoning ordinances permitted unrestricted industrial enterprise, the development of that industrial enterprise has never materialized, nor, in all likelihood, will it. As a consequence the areas are doomed to rot without hope of redemption in any form. By building a slum clearance housing project in such areas, the Housing Division created a hope of recovery. Yet, without a revision of zoning ordinances to guarantee protection against a recurrence of blight, this surgery was useless. Time and again city councils refused to consider such revision, purely on political grounds.

This type of obstruction was not universally encountered. Some cities have been blessed with public officials (particularly mayors) with vision, integrity and energy. They have looked beyond any picayune political advantage which might accrue either from approval or disapproval of projects and have given unstinted support.

The Branch of Plans and Specifications worked in close conjunction with initiators. It was composed largely of specialists: architects, some expert in unit planning, others in site planning, still others in knowledge of specifications; engineers widely recognized in the fields of structural, heating, electrical, ventilating, plumbing and sanitary design. It had a staff of estimators and a group of landscape architects.

Applications submitted for limited dividend projects indicated with distressing clarity that probably a majority of builders in the country were incapable of planning a large-scale low-rent housing project in the terms required by the Housing Division. It was insisted that local architects and engineers in every project city should share in the benefits of the programme since they had probably suffered more in the depression than any other professional group. However, it was probable that if these men were merely given the programme for a project (so many dwellings of such a

type to be distributed on a given site), they would be forced to spend months familiarizing themselves with technique and then would turn out an indifferent job. No insult to the profession was implied in this view, for large scale housing projects are no less intricate in design than, say, a large hospital with all its specialized equipment. The idea that such projects are merely an aggregation of elemental units is illusory. In fact, there is no more subtle and difficult problem in all architectural design, for the elements that may be used are rigidly restricted in cost and one tiny mistake may be repeated so many times as to mount in the end to disaster.

In the fall of 1934, Housing Division architects were charged with the preparation of a series of dwelling plans. Apartment units of all types and sizes, group houses and flats of infinite variety were to be designed and the designs to be published as a guide to local architects. Although these schemes, published in a book called 'Unit Plans,' have subsequently served as a Bible to planners all over the country, the Director presented them to architects with the following comment:

> To date we know of no plans more efficient, with less waste or more amenity for the construction dollar. We do not say they are the last word on the subject and undoubtedly some architects can suggest refinements. They are given to you in order to save you months if not years of study to reach the same stage. If you can improve on these plans within a reasonable period, we shall welcome your own plans. If not, use these with our blessing.

Most of the architects employed by the Housing Division used these plans without change but a few developed extremely interesting improvements.

The architect's difficulty in planning dwellings for low-rent housing projects lay in their essential simplicity. He had, through years of experience, developed a highly sophisticated vocabulary which he was forced to scrap when he faced this problem. By the very conditions of the problem, he was obliged to express a complete philosophy in the architectural equivalent of the vocabulary of an infant.

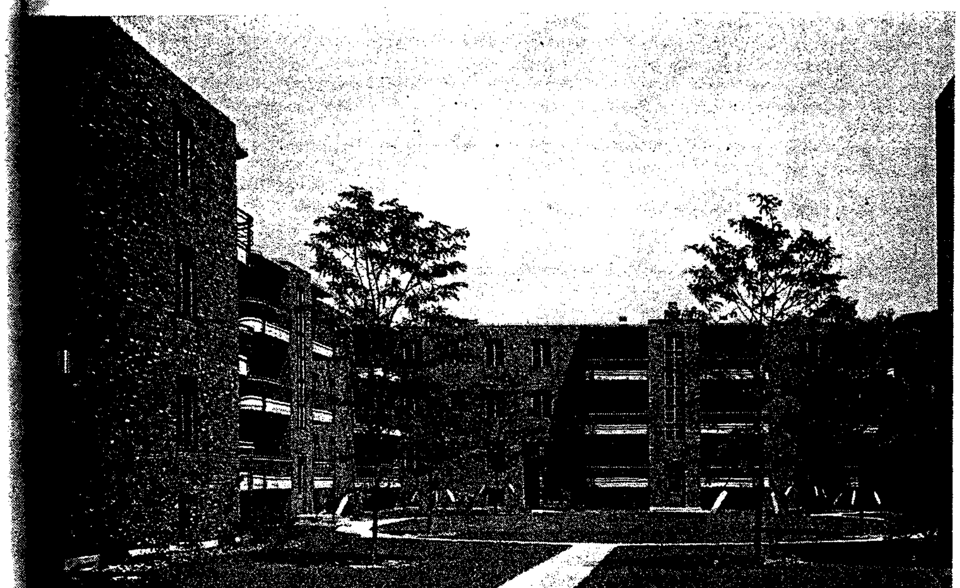
If he found himself handicapped in planning units, he was completely at sea in planning the development of a whole site. Accustomed to work largely in isolated units (the suburban house, for instance), he had never thought in terms of the community and the relation of one dwelling unit to hundreds like it. He was bewildered by unusual topographical conditions, hillsides or rolling sites. Again the Housing Division offered help. For every project experienced site planners made a sketch plan expressing the general ideas of the Division, adjusted to the peculiarities of the site proposed. They knew how to take fullest advantage of a favourable outlook, how to place buildings to avoid the disadvantages of unfavourable conditions, how to mitigate the monotony of repetitious units, how to skirt areas with poor soil conditions. Again, these suggestions were offered with the hope that they might be improved upon. Again, a majority of architects took them without much change and a few made conspicuous improvements. The style of buildings, whether they should be 'modern,' colonial, Spanish, or what-not, was on the whole left to the decision of local architects. They had only one watchword, simplicity. As a result there is, to the layman's eye, great variety in the exterior design of projects. New York, Chicago, Camden, Cleveland, and some others are modern; Jacksonville and Miami are of tropical design; Charleston recalls the graciousness of its heritage; Boston is in keeping with the New England tradition; Dallas suggests the distinctive architecture of the Southwest.

In quality of design there is equal variation. Some of the projects are brilliantly conceived, many less so, and a small number, it must be confessed, are honestly described as uninspired. They reflect inevitably the caliber of local architects. Where these men had imagination and sufficient experience in large-scale work the projects are handsome. In some smaller cities where all important work is usually farmed out to big-city, big-name architects, the local men have nothing more to practice on than small work like $5,000 houses and remodelling. For many of these men the PWA housing project was the largest job they had ever undertaken—or would ever obtain.

More uniformly good results might possibly have been obtained had the projects been designed in entirety by the Housing Division. Yet such a policy would have worked unfair hardship on local architects and engineers.

In any case, whatever the deficiencies in design, they do not af-

HOME ON THE ONE-TIME RANGE: Cedar Springs Place, Dallas, recalls the adobe architecture of the Southwest.



MODERN DESIGN IN CLEVELAND: Cedar Central Homes illustrates the simplicity and harmony of the best contemporary architecture.

fect in any way the durability, efficiency
tioning of these projects. These essential ele
plans and specifications largely controlled
sion.

The lowest possible density of developm
density means a small number of families pe
course, relative to the location of any give
65 families per acre would be excessive in
is well below the average—and hence reas
Island. A density of 12 families per acre on
Miami is feasible, whereas not even a millio
luxurious planning in New York.

Density of development is, unfortunatel
the cost of land. The cost of land has no be
ties, but until the existing concept of la
changed, we must accept the conditions o
ever, by planning intelligently on a larg
densities necessary to carry high land cos
gated. Density of development is expressed
the height of buildings and the ratio of the
the site. This ratio is usually called 'cover

Except in New York City, with the hi
country, the Housing Division specified
buildings covering no more than 30 per ce
benefits of such low coverage are obvious.
to families whose lack of income ties them
those who can drive into the country when
of course, is desirable but in itself would
view, justify the low coverage advocated b
These advantages, however, have a busin
who crowds his land creates conditions tha
who can choose less congested surrounding
is no less distasteful choice will he benefit
gamble he takes requires that he hedge his b
allowance. A minimum of 10 per cent is n

The limited dividend projects of the H
three years' operating experience and built

coverage, have hardly had one per cent vacancy since their doors were opened. Here then is one source of business gain produced out of an exercise of social principles. The only advantage that *can* be gained from crowding land is to distribute land costs over a large number of income producing units in order to reduce the total cost (land and building) per unit. Obviously, if a man buys a tract of land for $100,000 and puts on it only five houses to rent, his profit will be far less than if he built fifty houses. In the increase of congestion, however, a saturation point is reached where the land cost is spread so thin that its effect on total unit cost is imperceptible. In other words, there is *no* economic advantage to be gained by crowding land beyond a certain point. It remains, of course, to determine where that saturation point may be. Its position is determined by the price of land and the manner in which it may be amortized. The cheaper the land, the lower the saturation point.

As a housing unit, the single family, detached home was ruled out on the grounds of cost. The cost of land in cities, which no one can control, makes imperative the most economical use of that land. Built on a lot with a minimum dimension of much less than 50 feet, the single family house loses most of its advantages. The side wall windows are blanketed, both as to outlook and to cross draft, by whatever houses may be built on adjoining lots. When ground area runs much under 5,000 square feet per dwelling, it is more practical to abandon the planning illusion of four adequate exposures and to turn to the frank and adequate two exposure plan of the grouped dwelling. Thus, in urban communities where the cost of providing a land area of 5,000 square feet or more is almost always unjustifiably high, there is no logical alternative to the grouped dwelling.

In a project of grouped dwellings, open, unbuilt-on space is concentrated in large areas for better community use than that which surrounds single family houses in the average residential neighbourhood. These facts in favour of grouped dwellings are so important as to outweigh the customarily noted advantages of the single family house, where the needs of medium or low-income tenant families are concerned.

The grouped dwelling affords also considerable savings in construction costs. The area of exterior walls is cut nearly 50 per cent, and therefore the area of exposed wall which must be heated in winter. The length of sewage, water, gas, and electric lines is greatly reduced. In cities where building codes impose a high (and thus expensive) standard of construction, these considerations are vitally important.

Exhaustive tests have been made of all materials which might conceivably be used in Housing Division projects. Ultimate recommendations were based on three criteria: initial cost, efficiency, and maintenance cost. Specification writers knew well that many cheap materials go to pieces in a few years and that it would be false economy to consider first cost alone. They knew also that, for instance, the initial cost of coal stoves in apartment buildings would be cheaper than a central heating plant, but that, in counting the cost of redecoration caused by hauling coal up and down stairs and disposing of ashes, central heating would be more efficient and more economical in the long run.

As an illustration of the care with which these problems were studied, see what the Director had to say on the subject in an address delivered before the Labor Housing Forum, Atlantic City, New Jersey, in October 1935:

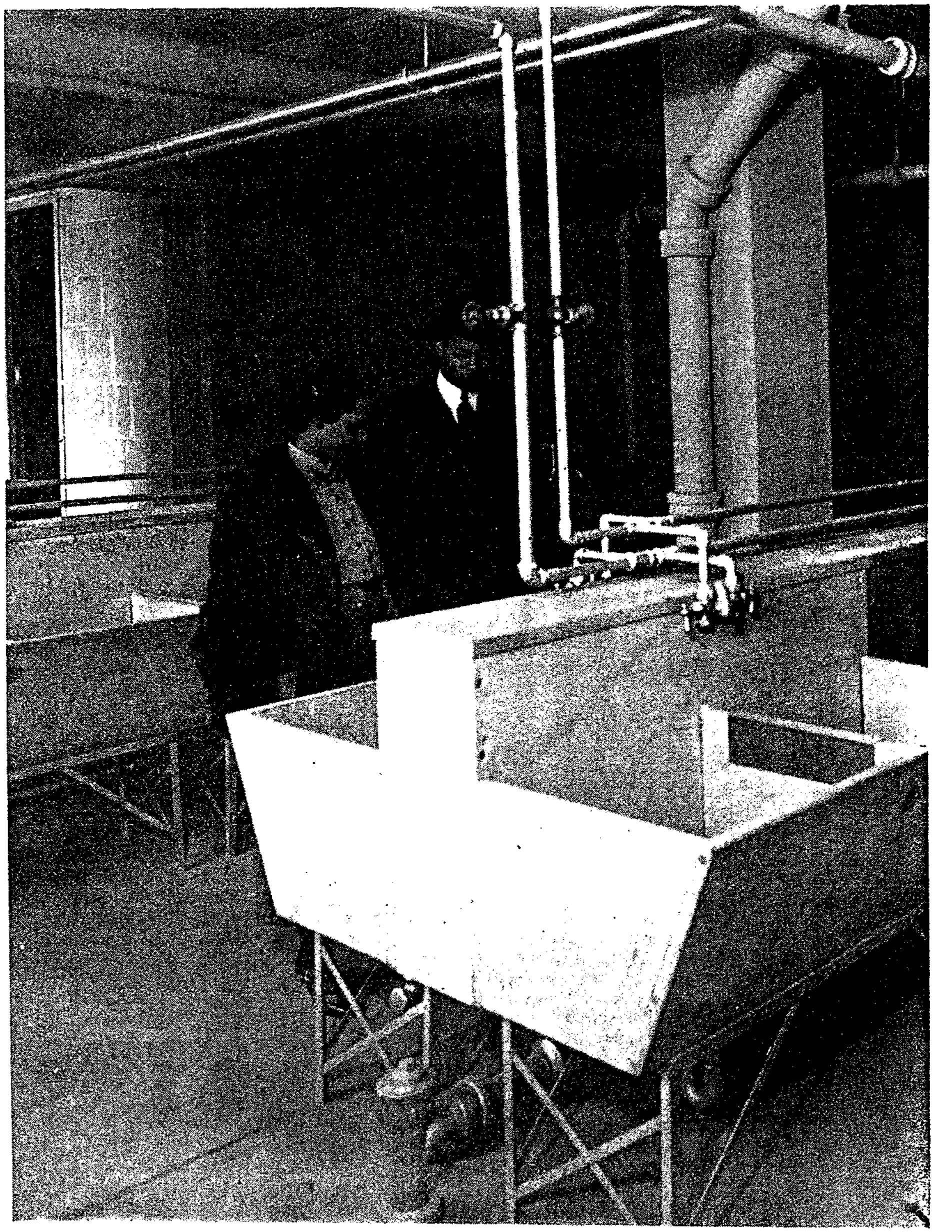
> One day we were discussing the type of heating advisable for the Nashville, Tennessee projects. Although Nashville is considered a southern city, it is in the mountains and its latitude, I knew, would be somewhat offset by its altitude. I called the Senior Mechanical Engineer for his opinion and he brought to me a chart which indicated the high, low, and mean temperatures for every winter day in Nashville for the past twenty years! We did not guess what type and size of heating equipment to install in Nashville—we knew! Throughout the Division decisions are based on the same thorough study not only of local conditions but on the probability of national trends during the sixty years' life contemplated for these projects.

In every case the cost, initial and maintenance, of these recommended materials was analyzed for their effect on rents. The general conclusion was: it is economical in the long run to build well. A great majority of Housing Division projects are fireproof in construction. They have concrete foundations, columns and floors; their exterior walls are of brick backed up by tile, and all interior walls and partitions are plastered. Steel casement windows are generally used.

Living rooms contain at least 150 square feet; bedrooms, 100 feet; there are closets for every bedroom, and three general closets, coat, broom, and linen. Every unit has either cross or through ventilation, and none is more than two rooms deep. In other words, every room is an outside room. Every unit has a bathroom equipped with tub, water closet, lavatory and medicine cabinet. Its kitchen has a sink, refrigerator, and stove (most of which are mechanically fuelled, either by electricity or gas).

Why this luxurious mechanical equipment for slum dwellers accustomed to hard privations? Why, for instance, electrical stoves and refrigerators when probably 85 per cent of the homes in the United States have neither? The answer is, economy. By virtue of large scale buying (the Housing Division purchased in one order, the largest in history, 16,697 electric refrigerators) initial retail cost of these appliances was cut precisely in half. By virtue of wholesale purchase of gas and electricity, the Housing Division was able in many cases to obtain rates so far under the retail domestic rate as to make the *operation of lights, and cost and operation of refrigerators less expensive than the cost of operating lights alone under the retail domestic rate.* This seems, it is true, like the magician's feat of taking a rabbit from a hat. No one could be expected to believe it unless he saw actual figures, but it is nevertheless the fact—and the only one—on which the provision of such equipment could be justified. Many projects do not have this equipment, and the reason is simply that, in these cities, the local utility companies were unwilling to offer wholesale rates to the Housing Division (although they offered such rates to similar private developments, such as hotels). Without a wholesale rate for a wholesale operation, the Housing Division could not effect the economies necessary to justify the use of such equipment.

Thus the basic standards of design of the Housing Division and the reasons for their adoption. The application of these standards in each project city called for extensive deliberation with local authorities—work which was done by the initiators. What type of dwelling unit for Dallas? Apartments, flats, group houses or a



WASHING NEED NOT BE A GRIND: These laundries with adjacent drying rooms will save housewives at University Homes, Atlanta, both time and money, leaving kitchens clear for other uses.

combination? How big were Negro families in Jacksonville, foreign-born workers' families in South Boston? The answers to these questions had to be predicated not only on existing conditions, but on the best informed predictions of future trends for sixty years.

Generally speaking, the projects in new or small cities and those on cheap land in large cities have been composed mostly of individual houses grouped in units of two, four, six, or eight. Each has its own yard, and the tenant (to quote a famous Harvard professor who lived on the top floor of a college dormitory) 'has no one above him but God and at least He is quiet!' In slum clearance projects on comparatively high-priced land, apartments have been mandatory in order to keep rents down. They have also been used in areas where local custom favours the apartment.

One of the most interesting phases of initiation was the investigation of family sizes. It is commonly supposed that slum families are larger than those which inhabit better neighbourhoods. To the extent that slums are populated by the foreign-born this is true, but the second generation of immigrants shows no larger index of size than the average for cities. And the lowest index of all, contrary to all belief, is found in the southern urban Negro family. Population studies made by the Bureau of Census and the American Academy of Political Science suggest a progressive diminution of family size along with an approach to stabilized population to be reached in the next 50 years or less. On the basis of these data the Housing Division did not feel justified in planning large units. Those in most projects range from two to five rooms. In counting rooms, baths are not included. Generally speaking, the range, from two to five rooms, is the difference between no bedroom and three bedrooms. Living room, kitchen, and bath are standard with one exception. For families with limited incomes a dining room now appears to be extravagant. At the most a family uses it no more than two hours a day but pays for it on a twenty-four hour basis. In many projects community laundries are provided.

The Housing Division determined to outlaw overcrowding, yet considered that a maximum occupancy of two persons per bedroom with one sleeping in the living room was permissible, even if not ideal. On this basis, a family of seven (which is well above the average these days even for immigrant slum dwellers) could be accommodated in a five-room unit. Average occupancy of completed projects is about one person per room.

The distribution of dwelling units (how many of 2, 3, 4, and 5 rooms?) was based on samplings of population statistics drawn from census tracts containing the type of families it was proposed to house in each city. It is interesting to note that the average size of dwellings in the Housing Division projects ranges from 2.9 rooms in Birmingham's Smithfield Court built for Negroes to 4.1 rooms in Boston's Old Harbor Village, occupied largely by Catholic families of foreign extraction–Irish, Italian and Lithuanian. This range is not accidental, but was carefully planned to meet requirements.

It has been stressed that a community is more than an aggregation of homes. It is in addition, parks, playgrounds, stores, community buildings and schools. One of the first questions raised in the Branch of Initiation was this: how far could the Housing Division go toward providing these facilities? Was it justified, under the language of the Recovery Act ('construction, reconstruction, alteration or repair of low-cost housing and slum clearance projects') in building stores or community buildings? The Legal Branch gave its opinion to the effect that, legally, the Division could include such facilities. The question was thus reduced to one of expediency. Since 55 cents of each dollar spent must be repaid in sixty years with interest, every penny spent on community facilities necessarily was reflected in increased rents. Where, then, was the point of diminishing return, the point at which the burden of increased rent outweighed the advantage of increased amenity?

Stores were exempted from this deliberation since it was decided to offer no grant on their construction and to rent them at market prices. In other words, stores were planned to produce an operating profit which could be applied to reduce rents; yet the Division regarded the construction and operation of stores as an evil, necessary only in such areas as were inadequately equipped, and where it seemed unlikely that private initiative would supply them. Experience has shown, however, that the Housing Division

projects are magnets that irresistibly draw the essential commercial development to their borders. Although few existing projects contain stores, and then usually no more than three or four, in any future programme there would probably be none.

Formulation of policy was confined to non-revenue-producing facilities. Consulting with specialists from the Children's Bureau of the Department of Labor, sociologists and recreational directors, the initiators and members of the Management Branch established irreducible minima. They specified that every project should contain equipped play yards for all small children; playgrounds for older children; indoor play space for use in bad weather; social rooms equipped with kitchen equipment for adult gatherings; and work shop space in basements. Adjacent to the sites of many projects are municipal parks or playgrounds, or settlement houses. Where such facilities exist, those in the project have been reduced accordingly. The cost of providing and operating these minimal facilities has been small and the advantages created have more than offset the slightly increased rents.

In a number of cities municipal authorities or charitable organizations have offered to operate community facilities, provided that the Housing Division would install them. The elimination of operating expenses makes possible the construction of community buildings and clinics whose value to the projects is universally recognized.

In general the Housing Division has taken the position that tenant activities should be developed by the tenants themselves. It is a fundamental of human nature that no gift is as highly prized as that which a man gains by the sweat of his brow. Wherever possible the opportunity for a full life has been put within reach of the tenants, but they have been expected to seize and develop the opportunity themselves.

Adequacy of schools in project neighbourhoods has been a major concern. Proximity of adequate high schools was not considered essential since children in their teens could, if necessary, go a mile or two to their classes. It was essential, however, that children of grammar school age should have adequate schools within short walking distance.

At the time the Recovery Act was passed the school problem was already acute in hundreds of cities. Construction programmes had run far behind needs. In some cities children were required to go to school in two or even three daily shifts. A large percentage of schools was already antiquated. Consequently when the initiators of the Housing Division first went into the field they found very few sites with proper school facilities in the neighbourhood. Fortunately, Section 202 of the Recovery Act, which authorized the housing programme, also made it possible for cities to obtain loans and grants to resume their school building programmes. The Public Works Administration in conjunction with municipal authorities, was able to bring school facilities near project sites up to standard in a number of cities.

It would be untrue to state that this important problem has been solved in every project city. The Housing Division could take no action beyond exhortation in matters which were purely a local responsibility. The Division's representatives took every precaution to avoid aggravation of the problem where it already existed, and to prevent its creation where there was none. Whenever a site was proposed for a project by local sponsors, their first question was almost invariably, 'what are the school facilities in the neighbourhood?' A number of cities, such as some in Florida, had debt limitations which fixed the amount that could be spent on schools at a percentage of the value of real estate. They had built, during boom years, to an amount close to their limit. When the collapse of the land boom cut speculative property values in half, the value of these schools was far in excess of the statutory limit, and such cities were powerless to do anything. In cases of this type, the Housing Division was faced with the alternative of abandoning a given project or accepting the misfortune as unalterable. Need, both for housing and employment, seemed to outweigh the disadvantages and the Division went forward regardless, but with misgivings.

As early as July 1933, the Director called a meeting including such men as Harland Bartholomew, Jacob L. Crane, Jr., Russell Black, John Nolen, and L. Segoe, who were internationally famous for their work in city planning. These men were accustomed to

thinking in terms of the complete community, not merely of one or a dozen parts of it. At one time or another since, every one has been called in to advise on site selection and the relation of sites to a general city plan. They helped to write the original policies and to refine them as projects became crystallized.

Their first advice was: do nothing which does not conform to the established city plan. Now there are city plans—and city plans. On this subject the Director addressed the Annual Convention of the American City Planning Institute in Washington, 18 January 1936, as follows:

> Acceptance by cities of city planning has been an arduous and long drawn out struggle . . . The opposition which is automatically aroused by any attempt, no matter how meritorious, to change a status quo has confined your tangible accomplishments to the creation of parks, civic plazas, highways, and similar projects . . . Yet your long struggle for recognition has given you a true appreciation of the wide gulf between what should be done to humanize our cities and what can be done in a materialistic world . . .
>
> No more acute problem faces our cities today than the disposition of these (slum) areas and prevention of their further extension. Until the lid was clamped down on unrestricted immigration, the degeneration of blighted areas was neither so apparent nor so ominous . . . But, it seems evident that no further stimulants to the hothouse growth of our cities are discernible. This deceleration of growth must tend to aggravate the unhealthy conditions which prevail in our slums and blighted areas . . .
>
> There is debate not only as to the advisability but as to the probability of a continuing outward movement of urban residential areas . . . Even if it is stopped completely today, and the central blighted and slum areas are subjected to major operations, it will be a long time before we can see evidence of a cure. In the Housing Division of PWA we have worked with two policies; first, slum clearance, and second, the construction of housing on suitable vacant land . . .
>
> We are forced by the very nature of our work to confine our interest to those areas adapted to the rehousing of low income groups. Consequently, a large number now devoted to a housing use, but deemed unhealthy because of proximity to incompatible land uses, must be passed over. Insofar as public health is concerned, we are often forced to ignore the very areas which need clearance most because they are adjacent to industry or in the path of industrial development . . .
>
> Countless areas now exist, however, that have degenerated from a once high class residential district to a tenement use. These areas, adjacent to commercial or unobjectionable industrial areas, are zoned to permit an extension of these activities. With their present zoning they are inadequate for resi-

dential use since they stand defenseless against encroachment. Rehabilitation is possible only if it is accompanied by zoning revision along realistic lines . . .

You cannot hope for comprehensive slum clearance until effective ordinances, not only enjoining the occupancy of unfit buildings, but requiring their elimination, are enacted and enforced . . .

Yet such checking, forward step that it is, has only a preventive virtue. It tears down nuisances but provides no reconstruction in their place. Central slum and blighted areas must be restored to a paying basis if municipal security is to be assured. As I have said, many of these areas have been so jeopardized for development by encroachment of industry that they should never be rehabilitated for a housing use. There remains the possibility of further industrial or commercial expansion which, however, cannot be counted on to absorb a majority of slum areas . . .

However, the most logical use for the major portion of these areas is, to my mind, low rent housing. Their central location guarantees to low income workers proximity to work and relief from transportation problems. At present, land costs are high and must be written off to considerable degree by subsidy if ultimate rents are to be within the means of workers. Land prices are still too high to be compatible with the intended use. But these prices have been pegged by speculative hope which after six years without sign of fulfillment must be on the wane. It may still be some time before prices are shaken down to a reasonable level but I can see no escape from its inevitability.

The city plans of thirty years ago (and there are many of them, yellowing with age in gilt frames on a mayor's office wall) were very pretty with their intricate patterns and looked like snowflakes under a microscope. But, few were based on anything more profound than their authors' desire to create landscaped parks and boulevards, and even these were realized only in part.

It is probably fortunate that most of these plans died stillborn, for the city planners of today work on a totally different level of purpose. They recognize that development of a city can not be directed by mandate, but that its movement *can* be controlled by careful planning.

The advance, forced largely by the depression, from methods based on hunches to those based on reality is a salutary one. It would indeed be tragic if the hysteria of another real estate boom like that of the 1920's should wipe out these gains, for urban development founded in careful analysis must reduce the margin of

error that precipitates foreclosure, bank

paralysis of slums.

Yet, no matter how reasonably one m

stant unknown factor which may upset a

is land. Its availability and price are gov

scend all reason.

APPENDIX B

INFORMATION NECESSARY FOR DEVELOPMENT OF A PROJECT

The following pages comprise the statement of information forming the background of the Federal projects of the Housing Division of PWA. The facts called for are fundamental to any housing programme or any housing project.

It is included in appendix to give the reader an idea of the fundamental facts which must be ascertained before any workable project can be developed.

Much of the information listed may not be readily available. The merit and security of the project, however, will depend directly on the adequacy of this background data, on the judgment used in its interpretation, and on the validity of guess necessary to bridge deficiencies. No point, unfortunately, can be ignored with impunity.

A—Need for Public Housing and Eligible Income Groups

A. The Market For New Housing; What Rent Can Be Paid?

1. Population trends by 10-year periods from 1900. (*Is a demand for housing assured?*)
   (*a*) Growth of city by total population and by families.
   (*b*) Location and shift of total population by races.
   (*c*) Density (persons per acre); total population and by racial groups.
   (*d*) Change in family size, by races and by total population.
   (*e*) Future estimates: Total population, families, races, and densities.
2. Present housing conditions. (*What has been provided in past? Is sufficient, decent, inhabitable housing available to persons of low income?*)
   (*a*) Amount, type, condition, and character of housing now existing.
   (*b*) Building activity (past 10 years).
      1. Residential building permits, type, number, value, size of family accommodation, etc.
      2. Demolition—extent, policies, under what controls?

      3. Compare building permits with recent growth of population and families.
   (*c*) Vacancies—percentage, geographic distribution, rental ranges, types, condition, and size of family accommodations; note all unusual conditions affecting vacancy.
   (*d*) Rehabilitation of buildings—need for, estimate of extent of rehabilitation feasible and justified.
3. Economic status of population. (*What rent can be paid?*)

The purpose of the program is to aid those income groups which cannot afford, without financial assistance, decent, safe, and sanitary housing as provided by private enterprise. It is, therefore, necessary to determine a workable "standard" of housing in your locality, and to supply the following information. This analysis constitutes the basis on which a decision as to the financial soundness is made and is therefore of prime importance.

   (*a*) Tabulation of population living in substandard housing by *family size* and *rents* paid for shelter; (where occupancy is expected to be largely of one or more racial groups, separate information should be given for these groups). Rents should be given on a uniform basis as to utilities included, such as heat and water.
   (*b*) Tabulation of population living in substandard housing by *family size* and *income;* (where occupancy is expected to be largely of one or more racial groups, separate information should be given for these groups).
   (*c*) Relief-status, past, present, trends. How many families are on relief and to what degree are they dependent? Size of relief families.
   (*d*) Amount required by families of each size to provide *for minimum adequate living* excluding rent and utilities (by racial groups if distinction is made in (*a*) and (*b*)).
   (*e*) Average amount paid by families of each size *for utilities* not included in rent given in (*a*) (by racial groups if distinction is made in (*a*) and (*b*)).
   (*f*) Maximum percentages of income paid for rent by families of each size in each income range (do not include exceptional cases).

Suggested Definition of "Substandard Housing"

The Applicant is required to define "Substandard Housing" so that a valid determination of the magnitude and rent-paying ability of the eligible tenant group may be made. This analysis constitutes the basis on which a decision as to the financial soundness of the application is made.

It is recognized that the following criteria will vary widely in different cities. Only a particular study will determine the appropriate revision for each municipality.

No dwelling unit shall be considered decent, safe, and sanitary where one or more of the following conditions exist:

A. *Physical Condition:*
Any dwelling unit unfit for use, or in need of major repairs or extensive minor repairs to overcome hazard to person, health, or comfort.

B. *Equipment:*
1. *Water.*—No provision for hot and cold running water.
2. *Bathing Facilities.*—No inside private tub or shower.
3. *Toilet Facilities.*—No inside private water closet.
4. *Cooking.*—No adequate private cooking facilities, including sink with running water.
5. *Heat.*—Inadequate heating facilities; no central heat in building more than two stories high.
6. *Lighting.*—Any room without electric outlet.

C. *Planning and Space:*
1. *Room sizes.*—Living room with area less than one hundred fifty (150) square feet and width less than ten (10) feet. First bedroom with area less than one hundred (100) square feet and width less than eight (8) feet. Other bedrooms with area less than eighty (80) square feet.
2. *Light and air.*—Any room, except bath, without one or more windows, area of which is equal to at least 1/10 of the floor area, and which can be opened to 1/20 of the floor area. Any window not in excess of above requirements, and not opening on street, back or side yard, court, or basement, and supplied with natural light and air. Any bath without adequate light and ventilation.
3. *Privacy.*—Necessity of passing through any bedroom from another bedroom to reach bath, toilet, kitchen, or front entrance.

D. *Regulations.*—Noncompliance with local building codes, zoning ordinance, or other regulations.

E. *Overcrowding.*—For the purposes of computing the number of eligible families, a dwelling unit shall be considered substandard because of overcrowded conditions when it is occupied by a total number of persons which exceeds two times the total number of bedrooms, plus one times the number of living rooms. In computing the occupancy capacity of a dwelling unit, bathrooms and kitchens shall not be counted. Children under the age of two shall not be counted as persons for this purpose.

Technical Information

A. Areas in the City Suitable for New Housing:
1. Land Use. (*What areas are suited for housing?*)
(*a*) Location.—Submit map showing location of existing residential, industrial, commercial, and public areas.

(*b*) Industry.—Type, character of employment; trends in change of location.
(*c*) Commerce.—Location, trends of movement.
(*d*) Public.—Location of parks and playgrounds, their operation and supervision; libraries; schools; churches; hospitals.
(*e*) Slum and blighted areas.—Location, extent, trends of spread, attempts to control, reason for spread.
(*f*) Zoning.—Date adopted, type ordinance, effectiveness of enforcement, need for revision, toward what objective. Submit copy of all ordinances or regulations.
(*g*) What is the relation between the zoning plan and existing development stated in (*a*) above?

2. Plans for Future Development. (*Is housing integrated with all other planned future developments?*)
(*a*) City plan and zoning commission.—Date established, character and extent of work; are there any officially adopted plans for the future development of streets, recreation facilities, schools, transit, housing, or any other physical improvements? If any, submit copies. What progress has been made in accomplishing adopted plans?
(*b*) What housing surveys or investigations have the city plan or zoning commissions undertaken? Submit copies.
(*c*) Does the city plan as developed have any legal authority?
(*d*) Can the neighborhoods suited for housing, and the specific section of the city in which the site of the proposed project is located, be protected for residential use?
(*e*) Is the proposed housing project consistent with the following items, planned for the future?

(1) Street plan.	(5) Transit.
(2) Recreation.	(6) Rapid transportation.
(3) Schools.	(7) Industrial expansion.
(4) Public buildings.	(8) Railroad transportation.

B. Specific Site Data:
1. Location of Site of Proposed Project—Description.
(*a*) Boundaries.
(*b*) Streets to be closed.
(*c*) Total net area within property lines; sum of purchased plus dedicated.

2. Relationship of Site to City Structure. (*Is the site accessible and convenient?*)
(*a*) Streets.—From central business district and industry.
(*b*) Transit.—Means of mass transportation, availability, cost and time to places of employment.
(*c*) Parks and playgrounds.—Location, facilities, extent of use, supervision, availability from site.

(*d*) Schools.—Location, age of structures, capacity, and enrollment for past 3 years of all public, private, and parochial schools. Is it necessary to construct new facilities?

(*e*) Land Use.—Survey of extent of land used for various purposes within and immediately adjacent to the site.

(*f*) Sources of employment.—Amount of employment within reasonable time and travel radius. Names of principal employers and average annual wage.

3. Adaptability of Area to Residential Use. (*Is the area desirable for residential use?*)

(*a*) Predominant condition and use of the neighborhood.

(*b*) Location of industrial developments which might make site objectionable due to emission of smoke, dust, noise, odor, or vibration.

(*c*) Physical or physiographic features, as watercourses, area subject to inundation, damp, fog, swamp, etc.

(*d*) Prevailing winds.—Winter, spring, summer, fall.

4. Existing Physical Conditions (*What is being displaced?*)

(*a*) Topography and soil conditions; describe topography. Do any features require special study? Are borings available? Was area ever a dump?

(*b*) Street structure.—Present arrangement, widths, pavements, block dimensions; are they plotted only, or existing?

(*c*) Utilities.—Surface and subsurface, location, condition, size, availability within and adjacent to site. Ownership of utilities.

(*d*) Housing structures.—Number of existing family accommodations now available, condition of buildings amount of area covered by buildings, number of inside and outside toilet facilities and baths, privies, number of water connections, age of buildings, type and prevalence of accessory buildings.

5. Existing Economic Conditions. (*Can site be acquired at reasonable price?*)

(*a*) Assessed valuation of proposed site:
Land; Improvement; Total.
Assessed value of purchased area per sq. ft. within property line.

(*b*) Legal basis of assessment, per cent of actual value.

(*c*) Tax rate per $1,000 of assessed valuation:
State; County; City; School; Other; Total tax rate.

(*d*) Tax levy:
Total taxes levied against proposed site; total delinquencies on proposed site.

(*e*) Special assessments: Total against proposed site:
Not due; delinquent.

(*f*) Appraisal. (*What is appraised value of proposed site?*)

Total; per square foot; when was appraisal made; by whom; submit copy of appraisal.

(*g*) Tax-exempt properties.
Define any properties in the site which are exempt from taxation.

(*h*) Ownership of site.
How many parcels are there in the site? How many owners are there and what is the form of ownership? What is the condition of titles? What unusual factors might delay acquisition of the site?

6. Character of Population. (*Should the present neighborhood composition be maintained?*) Give authority for estimates.

(*a*) Population. Racial characteristics and density; trends in change in racial characteristics.

(*b*) Trends of increase or decrease in total population past 10 years.

(*c*) Trends in number and size of families.

7. Municipal Services. (*Are commitments between the municipal government and the Applicant necessary?*)

(*a*) Service subject to no special charge. (Sewer, water, police and fire protection, street maintenance, refuse collection, etc.).

(*b*) Services now provided for which a charge separate from ad valorem tax rate is made (water, sewer, etc.). Specify rates.

(*c*) Parks, playgrounds; give location and size of new facilities contemplated.

(*d*) What commitments by municipality now exist, and with what agencies? Submit copies of—

1. General resolution approving project and agreeing to cooperate.
2. Agreement to accept service charge.
3. Agreement to vacate streets where necessary.
4. Agreement to accept rededicated streets and maintain streets.
5. Agreement to provide and maintain utilities.
6. Agreement to provide fire and police protection.
7. Agreement to change zoning restrictions if necessary.
8. Agreement to collect refuse.
9. Agreement to maintain recreation areas, and provide supervision.
10. Agreement to provide adequate school facilities.
11. Agreement to maintain health clinics.
12. Agreement to assist in providing public transportation.
13. Agreement to waive building and inspection fees.
14. Does this proposed project meet with concurrence of planning bodies?
15. Is project consistent with building codes, or has an exception been granted?

C. Analysis of Proposed Improvements.

1. Site:

(*a*) Boundaries.
(*b*) Streets and alleys to be vacated; give areas.
(*c*) Other areas to be donated.
(*d*) Purchased area.
(*e*) Total net area within property lines, sum of purchased plus area otherwise acquired.
(*f*) Gross area to center line of bounding streets.

2. Arrangement of Site:
(*a*) Density of population, proposed versus existing.
(*b*) Coverage of land proposed.
(*c*) Orientation for prevailing winds.
(*d*) Orientation for sunlight.
(*e*) Creation of usable open spaces.
(*f*) Accessibility of structures from streets and service drives.
(*g*) Proportion of buildable area used for proposed streets.
(*h*) Relation of stores (where provided) to anticipated project population, and to tributary population.
(*i*) Economy of utility design.
(*j*) Landscape development.

3. Dwelling Units:
(*a*) Room size, arrangement, and number.
(*b*) Size and distribution of dwelling units, and number.
(*c*) Equipment and utilities provided.
(*d*) Type of structural design.
(*e*) Method of heating and determining factors.
(*f*) Outline specifications.

4. Appurtenant Facilities in Structures, if any:
(*a*) Social, recreational, and educational rooms.
(*b*) Storage space.
(*c*) Maintenance and repair facilities and space.
(*d*) Laundry facilities.
(*e*) Nursery school.
(*f*) Clinics.
(*g*) Management office.
(*h*) Community building.
(*i*) Stores.
(*j*) Garages and parking space.

5. Management:
(*a*) Type and character of management contemplated.

6. Local Building Conditions:
(a) Labor conditions and wage rates.
(*b*) Local building methods.
(*c*) Available local building materials.
(*d*) Transportation of imported materials.

(*e*) Responsible local contractors and capacity.
(*f*) Local building codes. Is the project consistent with all restrictions?
(*g*) Local custom in building types and construction; what is recommended for new construction?
(*h*) Sales taxes on materials.

7. Architects and Engineers:
Local architects and engineers available, their qualifications and indicated cooperation. Has the Applicant made any commitments, or accepted services gratuitously or on a contingent basis?

8. Expense of Operation:
(*a*) Local prevailing wages and customs for building management.
(*b*) Local standards of maintenance in same rent ranges as that of proposed projects. Repairs, redecorating, etc. Submit schedule of charges.
(*c*) Local water rates.
(*d*) Local utility rates.