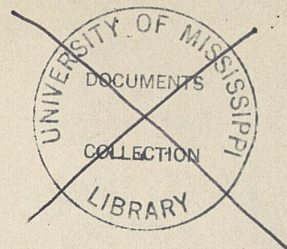


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WASHINGTON, D. C. -- Continuing the scaling downward of rentals in slum-clearance rehousing projects to within the reach of families in the lowest income groups, the United States Housing Authority today announced reductions averaging \$3.62 per month each for the 748 dwellings in "Lockefield Garden Apartments" in Indianapolis.

The new shelter rentals will average \$11.54 per dwelling per month and will become effective September 1st.

The reduction of rentals automatically resulted in a substantial lowering of the income "ceiling" placed by the USHA on families in conformity with the United States Housing Act.

Under the old schedule, maximum income levels ranged from \$1,190 for the 3-room apartments to \$2,060 for the 5-room units.

In contrast, the new maximum income limits for admission to dwellings in the project is as follows:

<u>NUMBER AND TYPE OF UNITS</u>	<u>FAMILY SIZE</u>	<u>MAXIMUM INCOME</u>
275 - 3-room apartment	2	\$840
181 - 3-room apartment	3	940
194 - 4-room apartment (rear)	4	1,000
96 - 4½-room group house	5	1,100
2 - 5-room apartment	6	1,170

(Each dwelling contains a kitchen, bedroom, living room and bath with an additional full bedroom for the 4- and 4½-room units and 2 bedrooms in the 5-room units. The 4½-room units include a dinette.)

The new income levels cited are the maximum and few, if any of the families will have the maximum incomes. A great majority of the tenants are expected to have much lower incomes.

(more)

In announcing the new schedule, Nathan Straus, USHA Administrator, pointed out that the "average shelter rents of \$11.54 per dwelling per month will make it possible * * * * to provide low-rent housing of the character contemplated by the United States Housing Act of 1937".

The average shelter rental of \$11.54 per dwelling per month does not include utility charges for heat, hot water, light, cooking and refrigeration. The cost of utilities averages \$7.27.

Mr. Straus estimated that the average shelter plus utilities rent of \$18.81 will be sufficient to pay, with 3% of the units vacant, the cost of management, operation, maintenance and insurance; will provide for a payment to the City of Indianapolis of \$7,074 per year for municipal services; will set aside an amount as reserve for future repairs and replacements and for other necessary reserve funds.

The project, which was constructed by the Housing Division of the Public Works Administration and was opened early in 1938, has been approximately 100% rented over the past 11 months and there has been a turnover of about 10% in occupancy.

Indications are that a number of the 748 families will exceed the new statutory maximum income limits for admission and may be requested to move as soon as they find decent homes elsewhere within their financial reach to make way for families whose incomes fall within the lower limitations scheduled.

There is a long waiting list of eligible applicants for the dwellings.

In scheduling the new rentals, Mr. Straus pointed out that "net income," when used with respect to a family applying for admission to, or residing in, a dwelling in the project, means the aggregate income, in whatever form received, of all members of a family, less allowable deductions.

Aggregate income is defined as including all wages, salaries, commissions, fees, tips, earnings from work relief, and other compensation in kind, such as meals or food provided to domestics and hotel workers; pensions; unemployment compensation and Social Security benefits; relief payments in cash, and the cash value of relief allowances in kind; alimony or other contributions or gifts toward the support of the family; and all other income from any and all sources whatsoever.

"Net income" at any time means the amount of the family's net income for the twelve calendar months next preceding the date of application or review adjusted to reflect the anticipated net income of the family for the twelve calendar months next succeeding.

Occupancy of a dwelling in the project is limited exclusively to a natural family or to a cohesive family group, which may be comprised of or include dependent relatives or other dependents clearly established as an inherent part of the family group; or working adults known to have regularly lived as an inherent part of the family group, whose earnings are an integral part of the family income and whose resources are available for use in meeting family expenses.

A natural family or cohesive family group may not be comprised of or include two distinct family groups, lodgers or transient paying guests, a household composed of unrelated working adults or a person living alone.

In selecting tenants who are eligible in accordance with the above standards there will be no discrimination because of religious, political, or other affiliations.