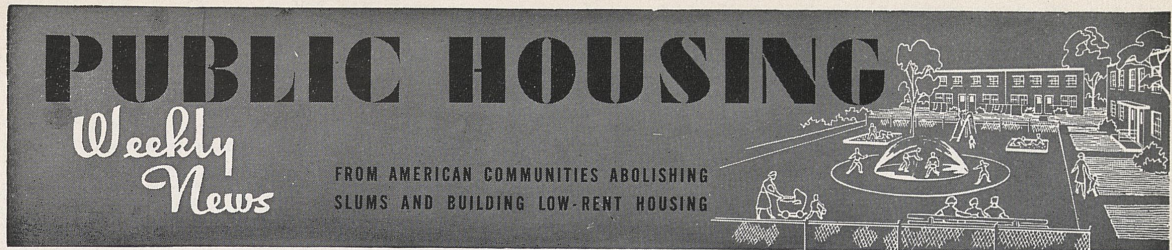


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Vol. 1, No. 31

Federal Works Agency, U. S. Housing Authority—Nathan Straus, Administrator

March 12, 1940

USHA Issues Second Annual Report—Housing Progress in 1939 Summarized

Average Family Income in Texas Project is Estimated at \$545

According to the Annual Report of the United States Housing Authority for 1939, now being distributed, USHA started the new year with main construction contracts approved on 163 projects in 24 States, the District of Columbia, Puerto Rico, and Hawaii. The contracts call for the construction of 64,575 dwellings at an average over-all cost (estimated) of \$4,487 each. In this figure is included the cost of land for present development, the cost of nondwelling facilities, the net construction cost, and the cost of equipment, architects' fees, and overhead.

The amount of loan contracts (based on 90 percent of the development cost of projects) is reported as \$581,776,000 at the beginning of the year, and the maximum amount of annual contributions based on the total estimated development cost of all projects, \$23,226,323.

Final rent and income limits had been approved on 17 projects in 8 States. Characteristic average monthly shelter rents per family in northern projects range from \$12.91 to \$14.25. In typical southern projects, the average shelter rent per family ranges from \$6.59 to \$12.26. Estimated average family incomes for the projects are, as would be expected, higher in the North than in the South. Red Hook is highest, at \$1,060, and Santa Rita is lowest at \$545.

Report in Three Sections

The Report is divided into three parts: "Projects Under the New (USHA) Program," "PWA Housing Division and Limited Dividend Projects," and "The Corporation."

Part One discusses rents, occupancy, costs, land, elimination of slums, labor and employment, financial provisions, rural housing, legal developments, and progress of the program. Nine tables supplement the text, facilitating quick, accurate comparisons. Particularly important is the discussion of rural housing which presents the most recent authoritative information on housing conditions in rural sections. More than half of the Nation's farmers, the Report points out, received less than \$1,000 a year in 1935-36. In 1934, about 60 percent of all American farm families (about four million) were living under substandard housing conditions.

Thus low incomes and bad housing combine to make the problem of rural housing a serious one.

Part Two is a brief report on the status of the PWA Housing Division projects which, in November 1937, were transferred to the USHA by Executive Order No. 7732.

Part Three is a report on the organization, personnel, and finances of the United States Housing Authority.

Tabulations Appended

Appended to the Report are useful tabulations on the PWA Housing Division projects, including: Name, location, rents, incomes of tenants, family size, income and expense on each project, together with obligations, stocks, and occupancy data on the PWA Limited Dividend projects. The final appendix is the balance sheet of the United States Housing Authority, June 30, 1939.

The Report also includes a list of available USHA publications and Policy and Procedure Bulletins.

New Projects Opened in Vincennes and Newark

Major Bowman Terrace Sets New Low Rent Schedule—\$8.85 Monthly Av.

During the last week in February two new USHA-aided projects were opened for occupancy—Major Bowman Terrace, in Vincennes, Ind., and Pennington Court, in Newark, N. J.

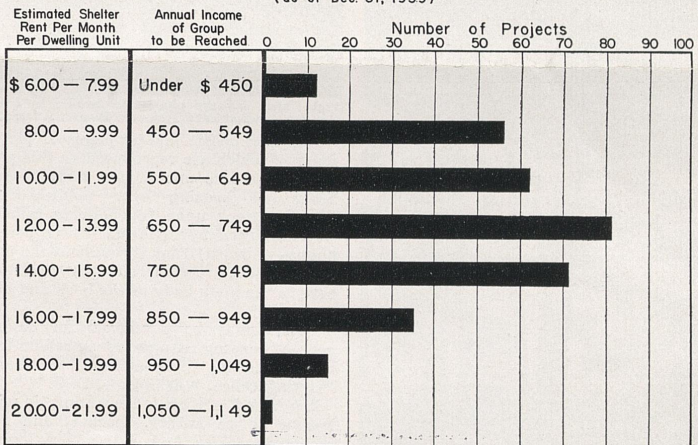
The Vincennes project has achieved the lowest rent schedule of any northern project yet opened. Shelter rent in Major Bowman Terrace will average \$8.85 per month; with utilities the total cost to the tenant per month will average only \$13.22. These rents are substantially lower than those announced last year for the privately financed Fort Wayne (Ind.) housing plan, which was designed to provide low-income families with prefabricated, WPA-built homes.

Named for one of Newark's Revolutionary War heroes, Pennington Court consists of 236 dwelling units. Shelter rents will average \$13.75 per month. Average annual income of tenants is expected to be somewhat less than \$850.

Average Rent & Income Groups to be Reached

By USHA-aided Projects with Approved Loan Contracts

(as of Dec. 31, 1939)



Federal Works Agency
 United States Housing Authority

Research & Statistics Division
 Statistics Section—Jan. 6, 1940

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Introduction to HOUSING

By Edith Elmer Wood
A Review

"Either democracy will destroy the slums, or the slums will destroy democracy," declares Dr. Edith Elmer Wood in her recently published "Introduction to Housing Facts and Principles." This latest work by one of the authorities in the housing field both here and abroad is bound to find a place on the reference shelf of every professional or amateur houser in the country.

In her introduction, Dr. Wood gives a simple, concise statement of why the housing problem is important to the individual, the family, the community, and the Nation. Having established the universal importance of her subject, the author goes on to sketch in the background of the housing problem in America—its origins and present setting.

Brief references to the reports of public health experts bring out the minimum health requirements of housing, and illustrate how far short we are of any attainment of a minimum standard. Furthermore, "Spot and rate maps of juvenile delinquency and adult crime show patterns similar to death and disease maps. . . . Roughly, it is typical to find a fourth of the delinquency cases in a city occurring among an eighth of the population who live on a sixteenth of the area." Short summaries of several city-wide surveys prove conclusively that "there is in addition the more readily measurable economic cost of slums in dollars and cents to the taxpayers."

In Chapter 9, Dr. Wood turns her attention to an estimate of nonfarm housing needs in 1938 and from 1938 to 1950. In closing the chapter, she says "Of the total 13,279,000 units which will be needed by 1950, 6,960,000 (580,000 per year) would be additional housing for increased population, which has always been the field of private



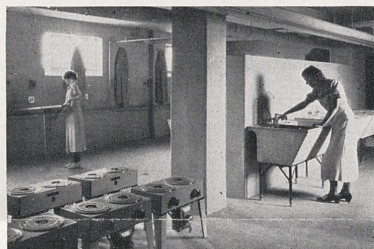
Stockholm: Cooperative apartments built on land rented from the city on a 60-year lease.



A trio of Uncle Sam's tenants—frontispiece in "Introduction to Housing."

enterprise. The somewhat smaller replacement needs, 6,319,000 (527,000 per year), would be the utmost range within which public housing would operate. If even half of this need is met during the period, it will be a noteworthy achievement."

"Effect of Future Changes in Construction Costs, Income Distribution, and Cost of Living With a Glance at Cost of Land, Financing, and Taxes," "Division of the Field of Housing," and "Housing and Planning—Neighborhood, City, State, and National" are some of the subjects covered in the last part of the book.



Light, airy, sanitary community laundry in a PWA Housing development: Techwood Homes, Atlanta, Ga.

Eighteen charts and 17 pages of pictures (four of which are reproduced on this page) help make this one of the most readable books on housing ever published. Dr. Wood's attack upon 16 "popular fallacies" (distinguished by little black fists pointing fingers of scorn) runs throughout the entire book. There are numerous statistical tables both in the main body of the book and in the Appendix.

Copies may be purchased for 30 cents each by sending cash or money orders to the Superintendent of Documents, Government Printing Office, Washington, D. C.

Dr. Wood, a USHA Consultant, is widely known as an author, teacher, and social economist. Her first outstanding publication in the housing field was "The Housing of the Unskilled Wage Earner; America's Next Problem," written in 1919. This was

Ft. Wayne Development Sets Low-Cost Record

Roosevelt Signs 12 Loan Contracts

The lowest average net construction cost of any public housing project in the United States was announced recently when President Roosevelt, on March 5, approved USHA loans to 13 local housing authorities, making possible the construction of an additional 6,386 homes for low-income families in 12 States.

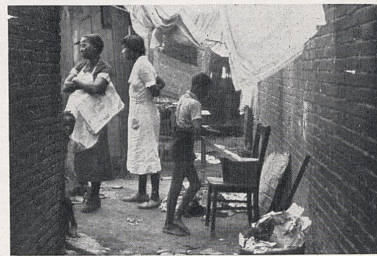
Smallest of the loans, \$307,000, went to Fort Wayne, Ind., for the construction of a 120-unit project at the record low average net construction cost of \$1,791 per unit. This is Fort Wayne's first USHA loan.

In Fort Wayne, where a privately financed plan to build low-cost, prefabricated units for low-income families was introduced in 1938, the number of families has been increasing much faster than the number of new homes. According to a 1939 survey, Fort Wayne's population increased from 29,145 families in 1930 to 32,372 in 1939. Compared to this gain of 3,227 families, only 1,114 dwellings were built in the same period, and only 104 of these were within the reach of the city's low-income families. The local survey shows that 7,120 dwellings in Fort Wayne are occupied by families living under substandard dwelling conditions.

The total of the approved loans, \$27,236,000, brought to \$624,114,000 the amount of USHA loans now contracted to local authorities. The contracts call for the construction of 140,242 dwellings.

The largest loan approved on March 5, \$7,092,000, went to the Philadelphia Housing Authority for the construction of a 1,500-unit project. Loan contracts also were approved for projects in: San Francisco, Calif.; Athens, Ga.; Danville, Ill.; Louisville, Ky.; Detroit, Mich.; Toledo, Ohio; Chester, Pa.; Providence, R. I.; Alexandria, Va.; Wheeling, W. Va.; and Superior, Wis.

followed by "Housing Progress in Western Europe," "Recent Trends in American Housing," and "Slums and Blighted Areas in the U. S." She has authored numerous magazine articles on both American and European housing and was affiliated with Columbia University's housing courses from 1925 to 1932. Member of the New Jersey State Housing Authority, Vice President and Director of the National Public Housing Conference, and member of the Executive Committee of the International Housing Association, are but a few of the offices she has held during her long and active career.



Doing his best to help mother—who is doing her best to make a home in a Washington, D. C., alley dwelling.

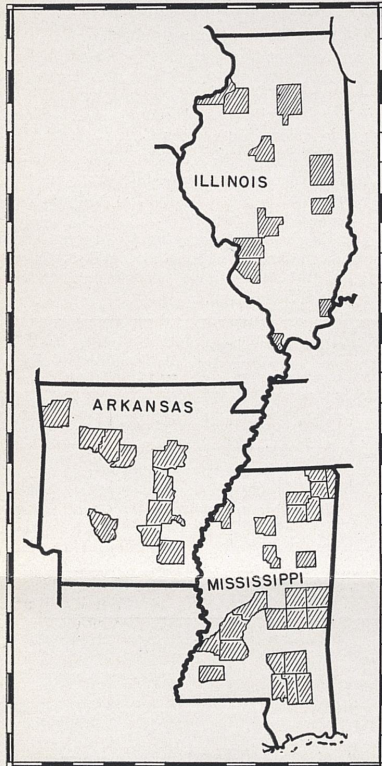
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Two-thirds of New Local Authorities Set Up in Rural Areas—Total of 34

County Authorities Now Operating in 14 States—6 Added in 5 Months

That public housing for rural families is fast becoming a reality is borne out by a recent check-up of local housing authorities throughout the country. In the past 5 months, 54 authorities in 14 States have been created, bringing the total from 262 at the end of September, to 316 at present. Of the new authorities, 34, or 63 percent, are county authorities set up to obtain USHA aid in the construction of rural projects.

As the accompanying map indicates, the rural authorities are concentrated in the States of Arkansas, Illinois, and Mississippi. All 10 of Arkansas' county authorities were set up in the last 5 months, as were 3 of Illinois' 11, and 18 of Mississippi's 25. Altogether, county authorities were established



Distribution of county housing authorities in 3 States.

during this period in six States: Arkansas, California, Georgia, Illinois, Mississippi, and South Carolina. At present, 14 States have county authorities. They are, in addition to the six already named: Indiana, Maryland, Oregon, Pennsylvania, Virginia, and Washington.

The names of the new authorities created during the past 5 months are as follows:

ALABAMA: Tarrant Housing Authority.
 ARKANSAS: Clark County, Ark., Housing Authority*, Housing Authority of the City

of Pine Bluff, Housing Authority of Pope County*, Housing Authority of Johnson County*, Housing Authority of Conway County*, Housing Authority of Cleveland County*, Housing Authority of Drew County*, Housing Authority of Washington County*, Jefferson County Housing Authority*, Lonoke County Housing Authority*, The Housing Authority of the City of North Little Rock, Ark., White County Housing Authority*.

CALIFORNIA: El Centro Housing Authority, Kern County Housing Authority*.

CONNECTICUT: Housing Authority of the Town of Enfield.

GEORGIA: Thomas County Housing Authority*.

ILLINOIS: City of Rock Island Housing Authority, Madison County Housing Authority*, Montgomery County Housing Authority*, Quincy Housing Authority, Tazewell County Housing Authority*.

MISSISSIPPI: Housing Authority of the County of Perry, Miss., Housing Authority of the County of Lee, Miss., Housing Authority of the County of Alcorn, Miss., Housing Authority of the County of Lamar, Miss., Housing Authority of the County of Prentiss, Miss., Housing Authority of the County of Tishomingo, Miss., Housing Authority of the County of Union, Miss., Housing Authority of the County of Neshoba, Miss., Housing Authority of the County of Newton*, Housing Authority of the County of Montgomery*, Housing Authority of the County of Lauderdale, Miss., Housing Authority of the County of Jones, Miss., Housing Authority of the County of Forrest*, Pontotoc County Housing Authority*, Scott County Housing Authority*, The Housing Authority of the County of Copiah, Miss., The Housing Authority of the County of Kemper, Miss., The Housing Authority of the County of Madison, Miss., Tupelo Housing Authority.

NEW JERSEY: Housing Authority of the City of Burlington.

NEW MEXICO: Housing Authority of the City of Gallup, Housing Authority of the City of Clovis, Housing Authority of the City of Roswell.

NORTH CAROLINA: High Point Housing Authority, Housing Authority of the City of New Bern, N. C., Kinston Housing Authority.

SOUTH CAROLINA: Housing Authority of the County of Darlington*.

TENNESSEE: Jackson Housing Authority.

TEXAS: The Housing Authority of the City of Del Rio, Tex., Housing Authority of the City of Texarkana, Tex.

VIRGINIA: Housing Authority of the City of Hopewell, The Housing Authority of the City of South Boston, Va.

Funds totaling \$2,522,000 have been set aside and are now awaiting Presidential approval for the construction of rural projects in 6 Southern and Midwestern States. The loan contracts would, in every case, cover 90 percent of the development cost of the project.

*A county, or rural, housing authority.

1,000,000,000 Bricks Used in Construction

More than one billion building bricks—an amount sufficient to build a high wall spanning the continent from New York to San Francisco—will be utilized in the construction of low-rent dwellings under the USHA slum clearance program.

Approximately 230,000,000 lineal feet of structural hollow tile—a total of 43,560 miles or nearly twice the distance around the earth at the equator—will lend added safety and sanitation to the new homes.

USHA technical experts have submitted the following estimates of the quantity of building materials and equipment which will go into the dwellings built under the present program:

Item	Approximate quantity to be used
Brick	1,000,000,000
Cabinets (kitchen)	160,000
Cement	8,000,000 (barrels)
Conduit and tubing (electrical)	54,000,000 (feet)
Doors	1,200,000
Fine lining	300,000 (feet)
Glass (window)	12,000,000 (square feet)
Gravel and stone	3,000,000 (tons)
Gypsum plaster	800,000 (tons)
Heaters and tanks (domestic hot water)	30,000
Insulation	5,000,000 (feet)
Lighting fixtures (electrical)	1,300,000
Lumber (boards and miscellaneous)	120,000,000 (feet)
Lumber (dimension)	130,000,000 (feet)
Lumber (form)	150,000,000 (feet)
Masonry units (cement)	39,000,000
Paint	1,500,000 (gallons)
Pipe (sewer)	7,000,000 (feet)
Piping (heating)	13,000,000 (feet)
Piping (inside plumbing)	19,000,000 (feet)
Plumbing fixtures	644,000
Quicklime	150,000 (tons)
Radiators (heating)	310,000
Ranges (kitchen)	160,000
Refrigerators	160,000
Roofing felts	200,000,000 (square feet)
Sand	4,000,000 (tons)
Shade cloth	12,000,000 (square feet)
Sheet metal (duct systems and breechings heating)	2,000,000 (pounds)
Steel (structural and reinforcing)	275,000 (tons)
Tables (kitchen)	160,000
Tile slate and shingles	30,000,000 (square feet)
Tile (structural)	230,000,000
Windows (steel)	500,000
Windows (wood)	500,000
Wiring (inside electrical)	215,000,000 (feet)
Wiring (outside electrical)	8,000,000 (feet)

ects. Ranging in size from 150 to 300 dwellings, the projects would provide new homes for some 1,300 low-income rural families.

The plans for the rural developments (for complete story, see PUBLIC HOUSING, No. 23, Jan. 16) call for homes on 1-acre tracts of land, with small orchards, gardens, sanitary privies, and fenced areas for poultry. Rentals will be roughly \$40-\$50 a year. The homes will be frame structures, and they will be occupied by farm-operator families who work adjacent farms.

The following table gives the amount of USHA loans necessary to cover 90 percent of the development cost of the projects, and the estimated number of new dwellings to be provided under each loan.

State	County	USHA loan	Number of dwelling units
Arkansas	Lonoke	\$565,000	300
Georgia	Thomas	357,000	200
Illinois	Alexander	316,000	150
Indiana	Vigo	351,000	150
Mississippi	Lee	570,000	300
South Carolina	Darlington	365,000	200
Total		\$2,522,000	1,300

Competition on Bids Drives Costs Down

Savings of \$670,000 Result From
Attracting Bidders on 4 Projects

The experience which several local housing authorities have had recently in reducing construction costs by increasing bidding competition on their projects, warrants the attention of every local authority in the country. Planning to secure a wide field of bidders on projects has resulted in enormous savings in construction costs.

Three housing authorities in particular deserve special commendation for their efforts—the Housing Authority of Baltimore City, the City of Paducah Municipal Housing Commission, and the Alley Dwelling Authority for the District of Columbia. A total of some \$670,000 was saved by these three authorities by obtaining a wide range of competitive bidding.

When bids were opened on two projects by the Paducah Municipal Housing Commission recently, there were 7 general construction bids received for the two projects combined and 16 general construction bids on each single project. The low bid afforded a saving of about 16 percent in construction cost as compared to estimates made prior to advertising for bids. The large number of bidders on these projects was attributed to the fact that the staff and Chairman of the local Commission and its architect visited contractors in several of the larger cities and metropolitan areas and, after explaining carefully the nature of the projects which were being advertised for bids, were successful in interesting contractors in submitting construction bids.

When bids were opened on a large Baltimore slum clearance project very recently, 9 general bids were received, the low bid affording a saving of about 20 percent as compared with the pre-bidding estimates. In this case, 2 weeks after the bids had been advertised on this project, it appeared that only about four bidders would submit figures, so the Baltimore Authority had its staff make personal visits to contractors in Pittsburgh, Philadelphia, New York, and other of the larger cities to explain the nature of the project and to interest contractors in submitting bids.

Schedule of Bid Opening Dates¹

Local authority and project number	Number of units	Date of bid opening
Baltimore (Md.—2-2)....	434	3-27-40
Camden (N. J.—10-1)....	275	3-25-40
Charlotte (N. C.—3-1-A)....	108	3-20-40
Frederick (Md.—3-2)....	50	3-26-40
Lexington (Ky.—4-1)....	86	3-23-40
Lexington (Ky.—4-2)....	206	3-23-40
Nashville (Tenn.—5-1)....	350	3-27-40
Ponce (P. R.—1-4)....	120	3-27-40
Tampa (Fla.—3-2)....	320	3-13-40
West Palm Beach (Fla.—9-2)....	120	3-19-40

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

The Alley Dwelling Authority for the District of Columbia was quite successful, through the medium of extended newspaper advertising in a widely scattered field of larger cities, in obtaining 13 general bids on a slum clearance project, the low bid being about 10 percent below the pre-bidding estimates.

The experience of the above mentioned authorities indicates that in many cases the normal system of bid advertisement does not reach the responsible executives of many of the larger contracting firms throughout the country, and even though it does, it does not impress them sufficiently to produce a bid from them. The methods used by the three authorities to interest contractors has obviously produced enormous savings, and the extra cost involved in interesting a wider field of bidders has been minute in comparison to savings effected in construction costs.

Construction Report Analysis

During the month of February, main construction contracts on 14 new projects were authorized. These projects are: 288 units in Allegheny Co., Pa.; 167 units in Holyoke, Mass.; 218 units in Washington, D. C.; 311 units in El Paso, Tex.; 272 units in Laredo, Tex.; 136 units in Norwalk, Conn.; 896 units in New Orleans, La.; 204 units (2 projects) in Bristol, Va.; 278 units in Augusta, Ga.; 332 units in Nashville, Tenn.; 328 units in Tampa, Fla.; 120 units in Hattiesburg, Miss.; and 236 units in Harrisburg, Pa.

On February 3, President Roosevelt approved loan contracts for 16 low-rent housing projects in 12 communities as reported in PUBLIC HOUSING No. 28. The value of loan contracts under the USHA program amounted to \$597,633,000 as of the end of February.

Vincennes Annual Report Describes Typical Cases

The 1939 report of the Housing Authority of the City of Vincennes explains the purpose of Major Bowman Terrace, USHA-aided project in Vincennes, in terms of housing need. (See story of the opening of Major Bowman Terrace on page 2 of this issue.) Sample reports, typical of those submitted by investigators examining the housing conditions of prospective tenants, effectively tell the story without embellishment.

1. Family composition—Man, wife, one daughter 8 years of age, one daughter 5, one son 3, one daughter 11 months. Annual income \$577.20.

Housing need—Occupying two-room house in outskirts of Vincennes. House has been sold and they have been given notice to move. Pump and privy. Oil lamps. Stove heat.

2. Family composition—Man, wife, one daughter 4 years of age, one daughter 2, and one son 7 months. Husband's mother 65 years old. Annual income \$726.

Housing need—Occupying two-room house that was formerly a restaurant. Have no pump, carry water. No privy, use neighbor's. Electricity and stove heat. Very hazardous location—faces C. & E. I. tracks. Acute housing need.

3. Family composition—Mother, one son 12, one son 10, one daughter 7, and one son 4. Income \$348 annually.

Housing need—Occupying two rooms next to B. & O. tracks. Pump and privy. Electricity and stove heat. Very undesirable location for children.

Construction Report

Weekly Data

Item	Week ended March 1, 1940	Week ended February 23, 1940	Percentage change
Number of projects under construction.....	184	179	+2.79
Number of dwellings under construction.....	71,699	69,916	+2.55
Total estimated over-all cost ¹ of new housing.....	\$320,179,000	\$312,635,000	+2.41
Average over-all cost ¹ of new housing per unit.....	\$4,466	\$4,472	-0.13
Average net construction cost ² per unit.....	\$2,803	\$2,809	-0.21

Summary of USHA Program as of February 29, 1940

Item	Projects under loan contract	Projects under construction	Projects being tenanted ³
Number of projects.....	363	181	20
Number of local authorities represented.....	153	107	15
Number of States represented.....	43	28	10
Number of loan contracts.....	225		
Value of loan contracts.....	\$597,633,000		
Number of dwelling units in projects.....	134,056	70,272	10,532
Number of dwelling units completed.....			8,421
Total estimated development cost ⁴	\$670,693,000	\$341,380,000	\$51,638,000
Total estimated over-all cost of new housing ¹	\$608,997,000	\$314,073,000	

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

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

³ As of February 24.

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

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

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