

DIVISION OF DEFENSE  
HOUSING COORDINATION

Not for Release before  
7:00 P.M. January 25, 1941

*[ Addresses and press summaries of  
remarks by C. F. Palmer, Office of  
Emergency Management, Division of  
Defense Housing Coordination DH 5410 ]*

Address by C. F. Palmer, Defense  
Housing Coordinator, delivered before  
the American Institute of Planners at  
the Hotel Washington, Washington, D. C.  
7 P.M., January 25, 1941.

We have come here to discuss how each one of us in his own field of work can be of help to our country in this time of danger. I am glad to have an opportunity to tell you about the work of the Defense Housing organization-- not to give you the comfortable assurance that everything will be done in due time from Washington, but rather to show a clear outline of the planning and work that needs to be done in every locality where defense housing is a problem.

As you know, the defense program is bringing thousands of workers into certain localities in this country. The success of the program depends on being able to get and hold the necessary workers. We cannot afford to repeat the conditions of 1917 and 1918, when skilled and intelligent workers were unable to find decent accommodations, and labor turnover in some places rose to one thousand percent a year.

Decent accommodations, that will protect the health and working ability of American workers, involve a great many features beyond housing itself. In fact, the required living conditions for ten thousand new people added to a town of ten thousand population will call for doubling or enlarging almost every feature of the town. This is a job that can be done quickly only by using every resource of national and local effort.

So when I tell you what we are doing to provide defense housing, you will recognize that we shall need the cooperation of private and public agencies in

every locality that is affected by the defense program. After I have described the main part of the job, I want to go on to speak of some of the equally necessary work that has to be done locally, if it is going to be done with entire success.

The Division of Defense Housing Coordination, now established in the Executive Office of the President, is charged with the duty of seeing to it that shelter is provided for defense workers wherever it is necessary. I emphasize the words wherever it is necessary, because of the urgent nature of defense needs. At best the defense program will have no time to spare. We must save time and materials by not providing defense housing where some other way of finding accommodations can be discovered.

When we receive a report that defense activity threatens a housing shortage at some point, we immediately go into action. Our first question, of course, is how many of the new jobs will be filled by unemployed workers who already have dwellings in the neighborhood. Second, how many vacant houses are there available for incoming workers? Third, what transportation is available to bring workers as commuters from other communities? And fourth, how much private building is going on, and can it be stimulated to greater effort? As you see, our purpose is not just to build houses, but to find the quickest reasonable solution of the housing problem, whatever that may be.

By this process we find that some cities, such for instance as Los Angeles and Indianapolis, can take the defense program in their stride with little or no government housing. Others, such as the Newport News area, must have several thousand houses, and already six-thousand houses are under construction by private and public agencies in that locality. Of these, five-hundred are being built by the United States Housing Authority, one-thousand by the Defense Homes Corporation, and one-thousand-two-hundred and fifty by

the Navy. Plans for twelve-hundred more government-built houses are deferred until we see whether they will be required. The situation at Newport News is under control.

When we have determined that housing must be supplied by the government, the President issues an official finding, which authorizes the various agencies to proceed with plans and construction. The bulk of the work is done by the Navy and by the Federal Works Agency, which builds housing for Army and civilian workers. At the same time, of course, the FHA and other finance agencies are actively promoting private housing construction.

Federal agencies have about thirty-thousand housing units now under construction contract or completed, and about twenty-thousand more in process of land acquisition and negotiation. Private building is expanding in defense areas. The increase over a year ago ranges from thirty-one percent in Dallas to one-hundred-fifty-five percent in Hartford, Connecticut.

In the construction of houses by Federal agencies, substantial houses are being built that will attract a high type of workers to defense jobs. We also propose to use modern standards of spacing and street layout, and in all possible ways to do a good job inside the boundaries of the property controlled by the government. Each of the Federal housing agencies has its own standards and specifications, which are examined and checked by the Coordinator's Office for modifications that may be required by defense needs. Even where we are supplying portable or demountable houses for temporary use, we insist that they be as livable and attractive as can be obtained.

Taking the country as a whole, we are making good progress in finding shelter for defense workers and their families; the few exceptional situations where housing shortages exist will be remedied with little delay. But providing homes for defense workers will not be enough in itself to satisfy all

the requirements.. There are many other problems that are outside the field of direct action by the Division of Defense Housing Coordination.

In the first place, we are not in a position to deal with bad housing conditions in general. If an unfounded story of defense activity brings thousands of transients looking for jobs, we cannot provide for them. We can deal only with actual employees of the military forces or of contractors manufacturing defense materials. Construction workers temporarily employed in building factories or other defense works are not in our field of responsibility, but in that of the contractor on the project. Still another separate field is that of supplying barracks or cantonments for enlisted men and trainees, which is handled by the Army and Navy. This does not mean that any of us have lost interest in the national housing problem as a whole. Personally I have devoted a lot of time to promoting slum clearance, and hope to do more of the same in the future. But for the emergency some of us have been detailed to one highly specialized job, and our whole attention has to be concentrated on that job, leaving the rest of the housing problem to be handled by others.

But more important for our present discussion is the question of providing all the community features that are needed for satisfactory living.

When we investigate the need for defense housing in a community, we naturally collect as much information as possible on the conditions that will affect the success of our housing program. Whenever we find that there are indications of possible congestion in transportation or schools, or that there will be difficulty in obtaining police and fire protection, we are of course interested in calling attention to these problems. We can urge the appropriate agencies to get into action. But if the agencies do not exist or are unable to act quickly, there will be some unfortunate situations that will

harm the defense program. We need the immediate help of local organizations and agencies, to plan and carry through all the necessary improvements for the successful absorption of defense workers into the community life.

Here for example are some of the results we want, that will have to be supplied mainly through local planning.

In the first place, we necessarily depend on private enterprise to do at least as much housing construction as we have allocated to it in our plans. Some people do not like private real estate operators, others do not like to see the Government barging into the real estate business. This is no time to fight out that battle. Defense is in a hurry, and at best it will not get into full swing any too soon. The government's policy is to leave to private operators all the work they will do, and to build with public money all the needed houses that private operators will not undertake.

But while we are encouraging private construction, we have neither the authority nor the facilities to offer more than some general advice as to the rent levels at which private defense houses will be in demand. If the community has any interest in the location and planning of these new developments, it should either guard its interest while it has a chance, or forever after hold its peace.

Then there is the matter of community services. The new workers will want to put their children in school. Their wives must be able to find a shopping district somewhere within reach. There must be police and fire protection, and recreation facilities. I say there must be all these services, but I realize that in the first months there is going to be crowding and inconvenience a plenty. Planning is going to fall behind, except in the exceptional places where it is already well and capably organized. In the matter of school facilities, the Federal Government is investigating the means of helping communities that may be swamped by demands beyond their financial resources to meet.

The workers and their wives are of course reasonable, patriotic Americans, on the average, who will stand for a good deal. They expect some inconvenience when they crowd into a community and settle down. But they do not expect that the community will take advantage of their patience, and relax while the emergency stage goes on indefinitely. Planning may fall behind, but it should show a continuous effort to catch up. The progressive, highly skilled, intelligent workers that we hope to attract to defense industry can be counted on to recognize a sincere and unflagging effort to overcome emergency handicaps, and to cooperate with it.

In addition to the urgent problem of expanding community services, the question of future development will demand the attention of local planners.

<<  
So far as may be possible, the new construction supplied for defense should be so planned in its location and character as not to distort the permanent growth of the community.<sup>71</sup> Where there is already a definite city or regional plan, covering transportation, new development and services, the planning agency can define the effects of defense projects and may be able to suggest to the Federal agencies how they can best be fitted into the community. Where there are no general plans to serve as a guide, some local organization should give immediate thought to the subject, in order at least to prevent any serious errors that will lead to costly readjustments in the future. This job of understanding the continuous life of the community and making its growth conform to the real needs of its life can not be done by an agent of the Federal government coming in from outside to make a hurried survey of the requirements of defense housing. It may be done by a local Defense Council, or by local planning board, or by some special organization, but it should be done if good results are to be obtained.

In some cases the Defense Housing Coordinator can assist by making suggestions to local agencies on how to provide for planning. For instance, at Charlestown, Indiana and in the Hampton Roads area, we recommended trained planning officials who have been appointed by the local defense councils.

The Federal agencies would welcome advice from well-informed local sources on the probable future growth of the community under normal peacetime conditions, and accordingly on the policies to adopt as to permanent or temporary construction. The expansion of community services that require physical plant, such as schools, ought to be carefully planned so as to avoid over capacity after the emergency. We can do some of the planning in Washington, but a large part of it must be done right at home if it is going to be done at all.

One feature of community planning that may offer valuable possibilities is to work the defense housing into future plans for slum clearance. If you can have a clear picture of how the town would look with certain slum areas turned into parks and other areas built up, there may be a chance to give us valuable advice on the placing and design of our defense housing projects. Instead of using temporary structures, we can provide permanent buildings, and later, when the vacancies begin to appear, you can start tearing down the slums.

Speaking of slums, I would like to emphasize the fact that slum clearance in general, although it is not the job of the Defense Housing office, is a real and important element in defense. For a few months perhaps, we may have a few bottlenecks in the building industry that will require us to give first place to defense housing needs. But our emergency job after all is a small fraction of the six or seven hundred thousand houses that will be built this year. There is every reason to go forward as fast as possible with plans for improving living conditions everywhere. Every family whose living conditions are

raised to the level of decent American standards is one more point scored in the building of our national strength and morale.

In tackling the job of local or regional planning, you will have some unusual difficulties, of course, because of the world situation. You cannot hope to predict who will win the war, or whether the end will come next month or four years from now. You have no way of knowing whether air-raid precautions are going to be a governing factor in community planning, or whether they will cease to be of any interest. Whatever you do, you are going to be blamed for not doing something else, but that is just one of the sacrifices you must make for your country.

On the other hand, it is worth while appreciating the advantages we have today as compared with world war number one. The automobile and the system of hard roads were in their infancy twenty years ago. A locality today, meaning the area in which workers can commute to a job, is about twenty times as large as the locality of twenty years ago. By the same token, the exact location of housing is that much less important, and it is often possible, as we found at Quincy, Massachusetts, to locate a group of houses to serve a temporary defense need in one direction, and later to serve employment thirty miles away in the opposite direction. At Charlestown, Indiana, the housing problem for the big powder plant boils down to a matter of transportation from Louisville. Six additional commuter trains, and improvements in the highway, will take care of most of the situations in this locality. It is important to take full advantage of this new flexibility, wherever it is possible to plant new populations in reach of several alternate sources of employment.

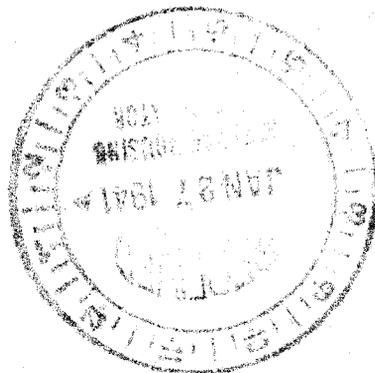
The possibilities of slum clearance as an instrument of future adjustments are also much greater today because of the enlarged responsibilities of

the Federal Government. We all know that after the war there must be a public works program to prevent the post-war collapse of business. There will be money for slum clearance and reshaping of our cities. Here too the instruments will be at hand, if you have your plans in shape and know what you need to do.

What can you do to provide for local planning? I have two suggestions. If your community has no regularly established planning board, now is a good time to start one, while all the citizens are longing for a chance to help. The other suggestion is that each local Defense Council obtain the services of a trained planning official if possible, to help provide the long-range view in all the activities of the council.

National defense, as we all know, is a necessary job that has been forced on us by world conditions. But along with the costs of defense there is also a great awakening of national energy and effort. We can do much, with proper planning, to guide our vast energies into constructive channels that will lead to a real and permanent improvement in many American communities.





OFFICE FOR EMERGENCY MANAGEMENT  
DEFENSE HOUSING COORDINATOR

Not for release before  
7:15 PM, April 3, 1941

DH 34

Address by C. F. Palmer, Coordinator  
of Defense Housing, over the Mutual  
Broadcasting Network, at 7:15 PM,  
April 3, 1941.

Now is the time to stand up and be counted. How goes the job each of us is doing for the Country? Mine is defense housing. In accounting to you, I am undoubtedly talking with thousands of other workers all over our land now listening after returning to their homes from a common objective --- making our Country strong. We are doing it shoulder to shoulder.

Through the Division of Defense Housing Coordination, more than 70 thousand houses are now in the works by Uncle Sam in 136 localities of 47 states and territories for the families of defense workers.

We are concentrating on housing of defense workers because of the emergency. But before I tell about that job, I want to make it clear that no one who is working in defense housing, has forgotten the other Americans who also need decent houses but who do not have defense jobs. One thing in fact, has been proved by the war in Europe. The health and working power and security of every family are important in the total defense of our Country.

We are glad to realize now that before this crisis came up, this Country had begun to protect and improve the homes of America. Eight years ago, the American people decided not to take their troubles lying down. Ever since, you have supported the many different efforts of your government to do away with slums, to keep people from losing their homes, and to build up decent housing conditions in cities, in villages and on farms.

Millions of Americans have had experience with these constructive efforts of the government. Millions are now living in houses that were built with the help of a mortgage guaranteed by the Federal Housing Administration. Other millions have been saved from mortgage foreclosure by the Home Owners' Loan. Also, back behind the lines where not so many people know about it, your government has been protecting your deposits in savings banks and in building and loan societies, so that the money could be safely loaned for building houses. Without all these government aided financial institutions to protect home building, there would probably have been few new houses built during the depression. Or if they were built, the owners would probably have lost money on so many of them that others would have been discouraged.

We can be thankful now, when more and more houses are needed in a hurry, that we have these protections that have been set up and that have had time to gain the confidence of the people. This year, with the help of our government insurance, home building is speeding up. In some of the defense areas where houses are most needed, private building is up 150 or 200 percent over last year.

Then in addition to the success of the government's efforts to help private building, we have seen the beginnings of a great movement to sweep away the slums by substituting public housing. In my own town of Atlanta, Georgia, more than a quarter of the slum houses have been cleared away in the past seven years, and we are still going strong. This job, of building decent houses for all the American people who need them, was started under

President Roosevelt in 1933. It is a long job, too long to be finished in a hurry. But we can be thankful that before this defense crisis came on we had already set up the organization for building good houses in place of the slum tenements, and also organized to help private enterprise, and that we had already made good progress in both fields in so many places all over the United States.

Our nation is not in perfect condition yet by any means. We all wish it were, now that we have to meet the strain of a hurry-up defense job. But we have made good progress, and all the Americans who are better housed because of this program know that the job was a real contribution to the soundness and the strength of our Country. What is really more important, our confidence in our democracy is stronger because we have shown that we do not have to take our troubles lying down; that we can tackle a hard, complicated problem and find the answer. That experience means a lot now that we have the harder and more complicated problem of building our defenses in a hurry.

So in one sense every improvement in American living conditions is defense housing, since it all contributes more or less to national health and strength. But when the defense crisis came on, it was necessary to concentrate on a special kind of housing problem that had to be solved not in ten years but in one year. Just as the Country had to concentrate its effort on making ships and airplanes and shoes and blankets and all the other things that the Army and Navy must have, so we had to focus our housing effort on taking care of the people who would soon be moving into the

neighborhood of shipyards and airplane factories and other defense industries.

During World War Number One, the housing conditions around some of the shipyards and factories were extremely bad. In those days we did not have the well-developed public housing agencies that we have today. Everything had to be started in a hurry from scratch, and before the housing program was well started the war was over. This time, the Administration tackled the housing job at the start, by setting up the office of Defense Housing Coordination to tie together all the various agencies and focus their work on the places that were most likely to give trouble.

But Defense Housing is more than just buildings. It serves two purposes. One, it shelters the worker who must be at his job to defend America against enemies from without. Two, it protects the worker and his family against the over-crowding, disease and vice which attack a nation from within when such nation neglects to house its people well.

Yes, defense housing serves two purposes. It is double defense. And a surprisingly large proportion has permanent use. Much of it will carry on right where it is now being built, and will cure old ills after the emergency. A smaller part may have to be moved from areas where contraction takes place as we return to a peace time economy, to other areas where housing shortages then occur. For that purpose, demountable homes are used.

Only in a few places will houses have to be wrecked for salvage, and, we hope, in no places will there be ghost towns. Our temporary

shelter program of modern, comfortable trailers, not available in 1917 and 1918, gives a new answer for that problem.

How was this job done?

At the start, last summer, the U. S. Housing Authority was able to put in more than 30 million dollars of its regular funds for housing in defense areas, much of which is now built and occupied.

Next, the President allocated 10 million dollars of his general defense fund to be used by the Defense Homes Corporation. This is a sort of feeder for private enterprise. The Defense Homes Corporation puts up 20 percent on housing that could be done profitably by private builders, in places where no private builders are ready to get into action in time to meet the emergency. The other 80 percent is borrowed from the RFC on mortgage guaranteed in the usual way by the FHA. The intention is to sell the 20 percent stock equity later on to private investors and so get these houses out of public into private ownership.

The next step was an appropriation of 100 million dollars by Congress, to be used by the Army and Navy for housing, other than the construction of barracks. Also, money was needed to take care of industrial workers, and so the Lanham Act was passed appropriating 150 million for that. Practically all this money appropriated last summer has now been allocated. The number of houses provided for to date is 5,424. Contracts have been let for 45,157 houses. The rest are in the stage of buying land and negotiating the contracts. Most of these homes will be ready in the next few months as the defense program comes to its peak.

While we were working on this first housing program, of course the defense effort itself has been growing, as the foreign situation developed and the immense capacity of American producing power began to fall into line. The original housing program has been outgrown and we have to add more to our first estimates of need. Moreover, as we get past the first peak of urgent defense housing requirements, we must of course take on the less urgent cases of crowding and inconvenience that harm the health and efficiency of the American people.

The first measure for expansion is another 150 million dollars for more government owned houses, to continue our original program. It should be available soon.

Two additional measures have been passed by Congress in the last few weeks.

One provides \$100,000,000 by giving more liberal FHA terms in guaranteeing mortgages on houses in defense areas, with a 10 million dollar fund to protect the guarantee. We expect this law to add still more speed to the private building industry in areas where it will do the most good.

The other measure, passed three weeks ago, gives 5 million dollars for trailers, dormitories, and other temporary shelters, to be used for piecing out in places where the defense work is running ahead of the house construction.

This week you may see in the newsreels a convoy of defense housing trailers headed through Washington on their way to Wilmington, North Carolina. These trailers will shelter many families in Wilmington for a few weeks while their regular houses are being

finished. Then they will take the road again, to fill in the gap somewhere else, or to stop a threat of rent profiteering, or perhaps to relieve the jam on a construction job. Other hundreds of trailers will soon be taking the road here and there all over the country. The Farm Security Administration which is handling this part of the job has bought nearly 1,200 trailers already, three weeks after getting the money to buy them.

We have not finished our job. No one has finished the job till the danger to our country has passed. Then, we hope, we can return to the longer job of building a better country for ourselves and our children, in freedom and security, and in a peaceful world. We have not finished the defense housing or any other defense job, but America is getting into her stride. Building on the foundation of the good work in housing that had already been done before this foreign crisis came to threaten our safety, we are concentrating our power for our own protection. We are finding that our country is still young and full of strength and vigor.

With this youth and strength and vigor we can deal with the problems from outside our country and within our country. Defense housing does both. It is double defense. It is going ahead.

OFFICE OF EMERGENCY MANAGEMENT  
DIVISION OF DEFENSE HOUSING COORDINATION

Federal Housing Administration  
Library

Not to be released before  
2:30 P.M., Thursday  
April 17, 1941

DH 37

Speech by C. F. Palmer, Coordinator of Defense Housing  
to be delivered over the NBC Blue Network April 17, 1941  
in connection with the National Association  
of Real Estate Boards' program.

Fellow Realtors:

Too much defense housing construction is being allocated to private enterprise. That is a statement we all hear with some frequency. Private builders and the real estate market are being ruined by public construction of homes for families of defense workers. That is a statement we also hear with some frequency! Well, as a matter of fact neither statement is true. Private enterprise and public enterprise are both doing their jobs — and doing their jobs well for defense housing.

We have to supply defense housing to meet a great emergency and there isn't time to bicker. I am glad of this opportunity to tell thousands of realtors gathered at luncheon meetings of our method and progress in filling this need. Mr. Abner Ferguson, Federal Housing Administrator, who speaks next, will probably outline a specific part in the defense housing program so I will restrict my remarks to the over-all picture.

Every man needed in our defense industries must have a home, and we are going to see that he gets one. When private industry can and will do the job, that is fine. That solves the problem. When private industry cannot do the job, for any reason whatsoever, then the government is going to build. The swift tide of world events leaves no time for argument.

Of course if we are able to find enough suitable housing in a defense community, then we're that much ahead of the game. Likewise if private

builders are keeping ahead of the demand in any area, our problem is simple.

But what is private enterprise actually doing in the \$3,000 to \$5,000 field? During a recent seven months period it was up 29% over the comparable period of the previous year for the country as a whole, and in some defense areas the increase was 150% to 200%. This survey covered 89,000 units for the seven months period and yet didn't get them all. The total actually is much greater. Yes, private enterprise is doing a real job.

Now how about public enterprise? It, too, is getting results. Some 75,000 dwelling units in 259 projects in 136 localities, scattered through 47 states and territories, are under construction or in the final stages of land buying or contract negotiation.

Perhaps some of us may think this is invasion by the government of a field normally left to private enterprise in a democracy.

But has it ever occurred to you that the very democracy which assures us reasonable profits for initiative and investment is at stake? And that the government is housing only where private enterprise can't?

It's more than just furnishing a shelter for a worker and his family when he moves into a new community to help make airplanes or tanks or battleships. This worker is essential in our rearmament. He is on the industrial firing line day and night. Properly housed he can and will produce. Badly housed, disease and worse afflict him, and he may possibly become a dangerous clog in the defense machinery.

All enlightened citizens nowadays recognize that slums and bad living conditions breed crime and disease. Why shouldn't the same environment be a ripe field for Fifth Columnists?

- 3 -

Certainly a man who is proud of his home is not likely to listen long to the subtle suggestions of a saboteur seeking to slow up our defense program and undermine our democratic form of government.

Are the ideals that we have nurtured for generations to be lost now merely to grasp for profits in dollars?

Of course, those who have taken a long range view of this emergency are ready and willing to cooperate. You perhaps wonder, however, just what you can do.

If you approach the task in the patriotic spirit of giving your time and effort to your country, there is much you can contribute. There is no group of citizens in the country more familiar with the housing situation in a given locality than are you in your respective communities. So first, please keep on producing homes and speed it up! The Defense Housing Insurance fund which we arranged to have set up, will help. Mr. Ferguson will tell you more about that.

Then, secondly, when our regional coordinators visit your towns and cities to analyze the defense housing needs, give them all the accurate information at your disposal. And, in making appraisals, remember that it's Uncle Sam and all he stands for, who is your client.

Our concern is chiefly with the housing needs of families in the lower income brackets. As a rule, most communities have plenty of dwellings available to families able to pay forty, fifty, or sixty dollars a month in rent.

Believe it or not the income of the average defense worker is such that he must look for decent and livable accommodations in the range between

- 4 -

\$20 and \$30. And it is in this range that most of the shortages exist.

As a realtor normally deals in the higher-priced homes, he too often is prone to think that a higher percentage of vacancies in that range obviates the necessity for new defense housing. Let him take a look at the slums before he decides against it.

There is a third way you can help our program. There are thousands of partially run-down properties that can be modernized with the expenditure, in many instances, of a limited amount of money.

In these days when so many building materials are needed in other phases of the defense program, repairs to existing property will serve the double purpose of providing additional living units without dislocating markets.

You can also assist our Homes Registration Bureaus by seeing to it that all available rooms and apartments are listed. We recognize that a broker is entitled to a reasonable rental commission. This will be paid where accommodations are listed with realtors as well as with the Homes Registration Bureau.

Finally, there is one aspect of this housing program that you are in a position to control, for better or worse. I mean the maintenance of fair rental schedules.

There are instances, perhaps, where a slight increase in rents is warranted to offset sharp reductions brought on by the depression. But the temptation is to push the pendulum too far in the opposite direction, especially when the demand exceeds the supply and consumer purchasing power is rising.

No one wants rent control legislation. It proved impractical in this

country in the World War, and similar experiments in Canada right now are having their troubles.

As most of you know, model legislation for rent control has been drawn up, and any abuse in the direction of exploitation is apt to be and should be dealt with summarily.

Let's hope that a combination of patriotism and plain horse sense will keep rents fair. You have an investment in America and democracy that is vital and will in the end prove vastly more profitable than any business enterprise ever turned out to be.

Uncle Sam is our biggest stockholder. By just so much as we increase his dividends, by just that much do we increase our own. Never before has this been so true.

If Uncle Sam fails, so do we. If Uncle Sam succeeds, so do we. So you see it is all one; private enterprise and public enterprise working shoulder to shoulder. That is the Democracy we will preserve.

OFFICE FOR EMERGENCY MANAGEMENT

Defense Housing Coordinator

Not to be released  
before 1:00 P. M.  
April 18, 1941

DH 41

Speech by C. F. Palmer, Coordinator  
of Defense Housing, before the  
ninth annual convention of the  
National Association of Housing  
Officials at Cincinnati, Ohio,  
April 18, 1941, at 1:00 P. M.

Members of the National Association of Housing Officials:

It is truly an ill wind that blows no good. I am sure we could apply that phrase even to the chaotic world in which we find ourselves struggling today, hopeless as it may seem at times. It is possible such optimism will be applicable to many of the endeavors we are undertaking these days in national defense. Perhaps it will apply to a very few. In the case of housing, we must make it apply.

There is one constructive thing the emergency has done for us already. It has brought realization to thousands of people that a housing problem aside from defense housing actually exists, too. And, except for the fact that an enlightened government recognized the problem and did something about it during the early days of the New Deal, this reality would have struck even more sharply.

It is unfortunate, however, that it took a national emergency to force this realization upon us. Because of the emergency we must hurry. Because we hurry we are likely to make mistakes. Our nerves become jangled and often we are given to bickering. We haven't the time to plan as much as we'd like. We can't enjoy the luxury of study and contemplation necessary

for the ultimate and fundamental solution to many of our housing problems. Speed is the watchword.

Speed has been the watchword, and I think you will agree with me that we have had action. During the past three weeks public defense housing units have been made available for occupancy at the rate of 1,000 a week. During the next few weeks this tempo will be stepped up. At the same time private industry has raised its beat with the result that small home construction is showing gains of approximately 30% over last year on average, while in some defense areas this margin has even attained 200%.

Thus far, we have allocated public funds for the construction of more than 75,000 homes, accounting for substantially all of the money thus far made available to us by Congress. Why, those 75,000 houses are more than all the public housing built in the United States last year. But there is an even more startling comparison. Those 75,000 houses are more than all the non-farm dwelling units built in the United States public and private combined in either the year 1932 or 1933 or 1934. It seems to me this record is a documented answer to the charge that too much housing construction has been allocated to private enterprise.

Why are we doing all of this building? We are doing it because one of the great problems of the defense effort is to assure a continuity of employment in the factories and plants which turn out the material that will protect our lives, our homes and our institutions. We do it so that when a skilled machine tool worker comes here to Cincinnati he will have a decent place to live, which in turn will give him an added incentive to stick to his job. Unfortunately, we are no more altruistic than that.

We are doing these things out of grim, stark necessity, ugly as that attitude may appear. Because of necessity we are doing that job in the most expeditious way we know, or, can learn. If such a method involves private construction that is the way we accomplish our aim; if it takes public money to do the job, we carry it out that way.

That, then, is defense housing. How — let us ask — is our defense housing program linked with broader aspects of our country's truly social endeavors? Outside of the defense picture how do we stand, anyway? Was our present job made more easy by previous accomplishments, or is the truly critical situation today the result of our failure to provide when we might have been able to do so more easily.

I have some figures here with which you may be familiar. The statistics answer these questions all too graphically. They indicate we in the U.S. haven't been on our job. They spell out only too plainly our present task.

For example, in the six years 1932 through 1937, our private building industry supplied little more than enough housing units to take care of one year's normal requirements. In 1932 there were 74,000 non-farm units constructed; in 1933 and 1934 slightly more than 50,000 for each period; in 1935, 144,000; in 1936, 261,000; and in 1937 the really amazing total of 282,000! Even in 1940 — considered by many people a very good year — there were only 466,404 non-farm dwelling units constructed by the building industry. These remarkable totals are related to an estimated annual need of approximately 600,000 units with which to offset obsolescence, demolition, and increase in population.

In addition, we find, over a seven-year period, that PWA and the United States

Housing Authority have built a total of 127,258 units, some of which are still under construction. This building has helped in our present situation, but obviously it could not possibly measure up to normal needs. It could not come up to normal needs even if we forgot entirely for the moment the requirements precipitated by the dislocation of populations brought about by the defense effort.

When we began to get ready for defense last summer, therefore, we had a housing problem on our hands. It was a problem that could not be solved by any one of the government agencies. All of the government agencies, individually, had made valuable contributions to our nation's well being.

At that time--let me emphasize--it was strictly a defense problem, and it was brought about in exaggerated form by technological changes manifested in the character of present day warfare. Changes that ever are shifting emphasis from the contribution of the soldier on the line--great as that may be--to the contribution of the soldier behind the lines manning the machines which turn out the devices of war. For today there is an ever decreasing necessity for manpower to wield our weapons in favor of the workers who fashion them. And let me say here, our success on the field of battle--if we ever have to join forces against an adversary--will depend upon the efficiency of our productivity.

We had a defense housing problem, therefore. It was self-interest to see to it these workers were properly housed. A protective measure, if you will. We tackled the problem. We went from defense area to defense

area. We found needs. We asked Congress for funds with which to start to supply these needs and they were granted. We didn't ask for enough. We made the mistake of under programming because we were justified in dealing only with known needs. Those needs are much clearer now. They are much longer, too, than any of us anticipated. The program is being expanded accordingly.

With well over 80% of all home building in the country being done by private industry, we naturally sought to enlarge those activities, too. As a result, we initiated Title VI of FHA. Through Title VI the impetus of thousands of experienced builders will help to relieve our defense requirements. We believe that rigid FHA standards will prevent this Act from becoming a medium for speculative abuses. At the same time we will achieve my previously mentioned objective of supplying more homes. We have encouraged modernization and repair to existing structures; conversion of waste space into habitable quarters, and the registry of all available living accommodations. Every one of these things we have carried out in the interest of defense housing.

More and more, however, I have come to the realization that housing for defense is just one more unit in the manifold devices for attacking an objective near to the heart of each and every one of us: Better homes for those who need them. And we know that no single existing agency has the solution to the overall problem. Just as the Home Owners Loan Corporation was delegated to salvage the remnants of the mortgage structure built up during the booming twenties, the Federal Housing Administration was

developed to prevent a recurrence of real estate abuses. The housing division of PWA took the first steps in this country toward providing homes for the very low income groups. This experiment was followed by the United States Housing Authority which has carried on and made notable progress in eradicating the slum areas from our cities.

Finally we came to defense housing. An organization delegated to coordinate the facilities of all the agencies I have mentioned, plus several unmentioned, in the interest of providing adequate shelter for at least one group of people--our defense workers. Like HOLC, like FHA, like USHA, we are doing the job assigned to us.

"There are none so blind as those who will not see." Such a term might be applied to us in the Division of Defense Housing Coordination if we were unaware of the criticism we have had. Some of this criticism has been justified. Our program had to be formulated in a hurry and mistakes have been made. I daresay mistakes are made even when one is not in as much of a hurry as we were. Besides the speed with which we were forced to act, we had to develop our procedure as a part of the existing housing machinery and methods. We were not presented with a problem we could attack arbitrarily. We naturally had to learn to get along with people and often adapt methods to our own organization which may have worked better somewhere else. This has been done with much good-natured and patriotic understanding all around.

But besides this criticism, we have had a few troubles of our own. We have had to formulate our programs to a considerable extent on incomplete and unsatisfactory statistical data. Most of you know that practically no

local housing authority in the country has had complete and up-to-date market figures on its areas of operation. Gradually, however, we are ironing out the wrinkle of incomplete statistical data.

Thus far we have relied mainly upon three existing federal agencies to supply information pertinent to our program. The Works Projects Administration has made vacancy counts for us in all sections of the country. The Bureau of Employment Security has made surveys of labor supply and demand, and the FHA has given us the benefit of its extensive market analysis organization.

In addition to these sources we are now developing a statistical measure for private construction through the Bureau of Labor Statistics. This agency is supplementing and expanding its present reports on building permits by taking in the commuting distances of a given area. It is contemplated as a WPA project, and experimental surveys have already been made in Quincy, Massachusetts; Hartford, Connecticut; Camden, New Jersey; and Norfolk, Virginia. These surveys will be set up in our principal defense areas and should give us a much fairer estimate of the need for public construction.

Even though we found a great many immediate defense housing needs with the means we had at hand, there were many other difficulties before our allocations could be translated into dwelling units. One of the principal problems was that of site location and the rapid acquisition of land.

This country has built many--yes--most of our communities like someone putting up a large house with no working plans. Our cities have grown helter-skelter.

In the bustle of prosperity and rapid growth of the nation, little thought was given to city planning and today we are paying the price of that negligence.

When public housing came into the picture, we had an opportunity to correct some of our earlier mistakes. However, we were still in a hurry. We hurried to relieve conditions that were intolerable and sacrificed many of the more fundamental reforms that might have been gained, in the interest of saving time.

Today with our large public building program for defense we are again forced to take time by the forelock. We cannot wait to institute the many innovations necessary for placing our communities and cities on a sounder basis. So far as possible, however, the new construction supplied for defense shall be so planned in its location and character as not to distort the permanent growth of the community in which it will be placed. Where there is already a definite city or regional plan covering transportation, new development, and services, the planning agency can define the effects of defense projects and may be able to suggest to the federal agencies how they can best be fitted into the community. Where there are no general plans to serve as a guide, some local organization should give immediate thought to the subject to prevent any serious errors that will lead to costly readjustments in the future.

This job of understanding the continuous life of the community and making its growth conform to the real needs of its life cannot be done by an agent of the federal government coming in from outside to make a hurried survey of the requirements of defense housing.

The federal agencies welcome advice from well-informed local sources on the probable future growth of the community under normal peacetime conditions, and accordingly, on the policies to adopt as to permanent or temporary construction. The expansion of the community services that require physical plants such as schools ought to be carefully planned so as to avoid over-capacity after the emergency. We can do some of the planning in Washington, but a large part of it must be done right at home if it is going to be done at all.

The possibilities of slum clearance as an instrument of future adjustments are much greater today because of the enlarged responsibilities of the federal government. We all know that after the war there must be a public works program to prevent the post-war collapse of business. There will be money for slum clearance and reshaping of our cities. Here too the instruments will be at hand, if we have our plans in shape and know what we need to do.

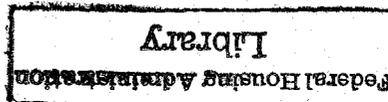
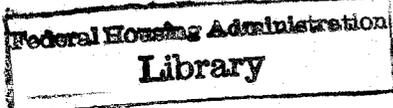
Local housing authorities in our large cities should be the leaders in this program. As long ago as October 25, 1940, we urged the fullest use of local authorities to do the whole job and brought together leading federal officials and NAHO leaders to accomplish this for two reasons. One, to speed up building by decentralization, by having sites acquired and projects designed and built in the field instead of from Washington. Two, so local ingenuity could be brought into play in building the kinds of projects the communities wanted and needed, and to increase the probability of use for low-rent housing after the emergency.

As Chairman of the Atlanta Housing Authority and a past president of NAHO I have been happy to notice that the Federal Works Administrator more and more is leaning upon the facilities provided by these agencies which are so familiar with local conditions and local requirements. Many authorities are going to act as a direct agent of the Federal Works Agency, giving to them the same latitude and responsibility in defense housing that they have had in carrying out the slum clearance program of the United States Housing Authority. Under the order issued by the Administrator, local authorities are authorized to make surveys, investigate, plan, design, construct, remodel, and carry out all other duties and responsibilities delegated to the constructing agencies in providing defense housing. I feel this move will definitely speed up our program and get the results we want in those communities where the local authorities are well set up.

So today we build for defense. Right now it is very difficult to see far into the future, but we know that tomorrow we must build for peace. We know that after the war, not only this country, but the whole world will have to reconstruct. We should not miss the opportunity to begin our reconstruction on a more solid foundation than we have built thus far.

It is obvious the government will have a housing problem on its hands no matter how hard we try to make the homes we build today fit in with our future program.

For the present, however, our minds and our strength must be devoted to the preservation of all we cherish in this free land of ours. Provision of adequate shelter for our defense workers and families of our enlisted personnel will aid materially in this objective. That is our job--that is our duty!



OFFICE FOR EMERGENCY MANAGEMENT  
Division of Defense Housing Coordination

For Release in AM papers  
May 27, 1941

DH 107

Award of more than \$500,000,000 of contracts for defense materials in the Detroit area and the consequent industrial expansion and increased employment have created an acute housing shortage, according to city officials, employers, and labor organizations.

President Roosevelt today moved to alleviate this situation by approval of a defense housing program to provide 1,000 dwelling units for families of industrial workers, recommended by C. F. Palmer, Defense Housing Coordinator.

The dwellings will be built with public funds made available under the Lanham Act, and construction has been assigned to the Federal Works Agency. Suggested rentals for the houses range from \$20 to \$35 per month, the range in which the shortage is most severe, and in which private enterprise builds very little.

According to a survey conducted by the Bureau of Employment Security, it is expected that total employment in Wayne County will be increased by approximately 110,000 during 1941. The net effect of the curtailment of production of automobiles on the number of incoming workers cannot yet be determined with much accuracy. A WPA vacancy survey made in January 1941 shows a net habitable vacancy rate of only .8 percent. Many of the then existing vacancies have been absorbed.

It was tentatively recommended that 700 of the new units be located in the northeast section of the city, accessible to industrial plants such as Briggs, Dodge, Chrysler Tank and Hudson Arsenal, the

remaining 300 in the Wayne area. These are the locations in which the present housing crisis demands attention most urgently.

The Division of Defense Housing Coordination expects that private builders in Detroit will furnish about 10,000 units for rent. The financing provisions of the new Title VI of the National Housing Act can be used to aid private capital. President Roosevelt, on the recommendation of the Defense Housing Coordinator, declared the Detroit locality to be a defense area within the meaning of the amendment, as it was apparent that large numbers of workers in addition to the regular supply would be migrating into the area.

There is a large volume of private building presently being done in Detroit which will fill part of the demand. It is expected that this rate of building will be maintained and increased.

The Division of Defense Housing Coordination will carry on a continuous survey of housing needs in Detroit, as well as the effect of decreased automobile production on labor supply, and will make further recommendations for programs if the need arises. The Division intends to make sure that adequate housing facilities are made available for defense workers.

OFFICE FOR EMERGENCY MANAGEMENT

Federal Housing Administration  
Library

Division of Defense Housing Coordination

Not for release before 10:30 AM, EST  
June 11, 1941

DH 118

Address by C. F. Palmer, Defense Housing Coordinator, before the National Housing Inventory at the Mayflower Hotel, Washington, D. C. on Wednesday, June 11, 1941.

Accomplishments and obstacles in defense housing and what of the future?

The first job that had to be accomplished was initiating and clearing the necessary legislation which meant six separate bills with their numerous, exhaustive hearings. Then came determining requirements, integrating the jobs into the plans of the communities to replace slums later, using temporary shelter where necessary, or demountable units if uncertain how long they will be occupied, establishing standards, setting up rooms registration offices, and on top of all that making sure the coordinated program makes sense to private enterprise and to 12 agencies of government who do the building or aid in financing.

Take the Muscle Shoals locality, to be specific. I quote from a recent report: "At the time the LPR was made up in January of the year, there was an estimated need for 500 new dwelling units for incoming defense workers during 1941. These facts were laid before a representative group of citizens in a meeting called by the local officials.

"On the basis of these estimates a resolution was adopted by the meeting asking that the Government build 250 defense houses, leaving the remainder of the defense need (250 houses) and normal growth requirements to private enterprise.

"While there may be some slight overlap in figures, it seems reasonably safe to assume that private building operations begun or definitely scheduled

up to the first of June total around 300 units, or 50 more than the allocation made in the LPR for private construction during the whole year. Public construction of 250 units has been proceeding during the same period.

"Many of the people who have private interests in residential construction are also, as officials of the cities or members of the planning commissions, giving active support and cooperation to the public housing program. All in all, a very splendid spirit has been shown throughout, and even the traditional rivalry between the four communities has been completely subordinated to the over-all effort."

On the basis of such information as is available for specific areas for the first four months of 1941, however, a wide disparity is indicated in the performance of private enterprise. In communities, such as Boston, Detroit, Jacksonville, Miami, Washington, San Francisco, Oakland, and Alameda, private building appears to be accounting for its full share of the housing needs as set forth in the LPR's. In Seattle, where no LPR has been issued, private construction is running 27 percent ahead of last year's level. On the other hand, a pick-up in the rate of private building is needed if the goals for private enterprise are to be attained in Buffalo, Baltimore, Bridgeport, Philadelphia, Pittsburgh, Canton, and Akron.

According to figures made available by the Bureau of Labor Statistics, 466,000 or 87 percent of the 537,000 dwelling units put under construction in the non-farm areas during 1940 were privately financed. Based upon the experience in 104 of the larger defense areas, it would appear that, in proportion to public construction, private builders were somewhat less active in defense centers than they were in other regions.

An accomplishment of major importance, is the understanding the agencies of government are acquiring of each others problems as the top men sit around the table with us and work on the job. Never before in the housing field has there been so much give and take. Sometimes there seems to be more inclina-

tion to "take" than to "give" on some people's part, but as the emergency gets tougher and tougher, the coordination gets better and better. It is not perfect yet but it has come a long, long way since our shop was set up last summer.

Defense houses built with public funds are now beginning to come through to completion at the rate of thousands every month. About 15,000 units are finished, out of a total of 70,000 for which contracts have been let. Altogether allocations have been made for 100,000 defense houses to be built from public funds.

Obstacles? Yes, we have had, and do have, them. They are to be expected as part of the job. Many have been solved. Many still remain to be solved. You can help.

The outcome of your deliberations will be most welcome. It is not for us in government to say whether the job goes well or ill. It is rather for you, for whom we work, to judge.

And in judging you need facts. You asked me to be frank. Being literal minded, I am going to be just that. You may not like some of the things I am going to say.

The fact is that we have met only one major obstacle - a failure on the part of some of the varied interests with whom we have to deal to recognize that there exists not only a "housing emergency" but a national emergency so grave in its implications that no man can now foresee what the future holds. I am talking with the frankness which the situation demands. I repeat, our first problem is the unwillingness of a good many of those concerned with housing to cease trying to put a razor-edge on the little private hatchet with which they have been hacking away on their own little patches of woods and to help to do their share to grind Uncle Sam's big axe.

That goes, with some gratifying exceptions of course, for business men, labor and even Government, as well as other less easily classified "housing

experts." Some business men can see beautiful mirages of profits in one direction and grave risk to their percent in the other. There are even some in labor who ask for the moon and complain when they get less. The Government agencies sniff the fresh smell of power and prestige. Some housing experts confuse their blue prints of Utopian communities with actual working drawings.

On May 27 the President declared a state of unlimited emergency. In effect, what he solemnly told the American people is that the economy of this country must now be put upon a war basis. That means the end of business as usual. It means the end of soft living and softer thinking. We all know that, at least we talk about it glibly. But what concrete meaning does the word "emergency" have for us in terms of change in our daily lives? What, beyond lip service, are we each willing to give to help end the "housing emergency"?

A good many of you remember 1918. You remember the meatless days, the sugar shortage, the days without heat, the Liberty Bond drives, the uncertainty about your loved ones in the trenches. You feel it in your pocket-book, and in your stomach, and in your heart and in your whole being. The emergency becomes close and real and dreadful. There is no question then that unselfish, sober thought, and firm, concerted action are demanded. And you do not stop to think how your own interests or favorite theories can best be promoted.

May 27th our President also told us our duty. "The Nation will expect all individuals and all groups to play their full parts, without stint, and without selfishness, and without doubt that our democracy will triumphantly survive."

If we will capture that spirit, we will eliminate the greatest obstacle to the job of defense housing. We will be spared the arguments of property owners who are primarily concerned with real estate values, the criticisms of

well intentioned persons who feel that defense housing means the vast job of rehousing all the underprivileged, the scepticism of those in government agencies who, having originally recognized the need for coordination, now sometimes fail to realize they must work for the Country first and their own departments second. Too often when it comes to giving the break to Uncle Sam or to their own agencies, Uncle Sam comes off second best.

Coordination doesn't mean usurping anyone's power or authority. It means bringing all the forces at hand to bear on a single problem - the defense of the United States. It means concentrating our shots. As an illustration, if you were on a battleship and met the enemy's fleet, you wouldn't try to sink it with grape shot. No, you would have all your lead, steel and explosives moulded into a few projectiles of many thousands of pounds. Such would stand some chance of piercing the enemy armor.

In carrying out the defense housing program we have to mould the strength and resources of as many as 12 federal agencies of the government 50 local agencies and hundreds of private concerns. That is coordination. That was the conception of the President when he began to stream-line not only the housing activities of the government but all the productive resources of the nation as well.

Last among the obstacles from which we would be free is total preoccupation with "What is going to happen after the emergency is over?" Frankly, I, for one, do not know. But I do know that the emergency will not end (at least not in the way we all pray for it to end) unless we get together on common, sensible ground and move to lick it.

But what of the future? Mr. Knudsen said I would mention the plans for home production for the coming year. We have no plans that can't be changed. I learned that policy as I watched Mr. Knudsen work. Consequently, as the plans of O.P.M. for our defense are set to change to meet all the diabolic strategies and surprise of the aggressors, so, also, are ours flexible

because we are determined to continue to produce housing for the Navy, Army and industry whenever and wherever needed.

The changing technique of modern war has made production paramount. That means more soldier-workers and fewer soldier-fighters. As Director of the Budget Smith pointed out last January, more than 14% of World War One expenses were for soldiers pay, but now the proportion is only 9%, not because of any reduction in pay, but because of an increase in the ratio of outlay for material.

Some folks say 50% of Nazi production is for war; 40 to 50% of Britains, but so far only 15% of ours. And those same folks say we must bring ours up to 50%.

The result is self evident! Curtailment of all non-essentials; luxuries; frills; yes, even many kinds of building.

First things must come first in this call for action now. No longer is aluminum being channeled into pots and pans. It's going into airplanes because pirates no longer only sail the seas - they also sail the skys and we must be ready to repel them.

The volume of automobile production is being curtailed so more machines for war can come forth. First things will soon come first in every field. Certainly it is better to have fifteen \$3,000 homes for defense workers where and when needed than one \$45,000 home, desirable though such a home may be for one who can afford it under normal circumstances.

No shortage in lumber now exists to any great degree, although in certain areas there has been an apparent shortage because water transportation which was formerly used extensively is not now so generally available, and strikes have interfered. The boats are busy at other jobs. Lumber is being shipped to some extent by rail and still, of course, considerably by water. Here you can see a portent.

With priorities in steel and the diversion of ships to other uses, our

transportation problem may assume alarming proportions before long.

You can see, can't you, where these problems will ultimately lead us? We must plan as fair and easy a system of priorities as possible but we must see that essential defense housing gets material next in line after bombers. Defense housing is just as much material of war as planes, tanks, and guns. It may even be necessary to make a tight and narrow definition of defense housing and restrict other building.

We hope such drastic measures won't be required. But if it is necessary to achieve our objective, essential defense housing plus as much as possible additional housing for low income families, we will certainly proceed accordingly.

Already, we have had reports of defense housing need which far exceed the little money which is still available and there is no doubt that additional funds will be necessary. In anticipation of exhausting all present appropriations for federally financed defense housing construction, and this is expected within the next week, we expect to go back to the Congress for a substantial authorization to carry out this portion of the program.

Some reports to us indicate it may be necessary to authorize immediately \$500,000,000 more for the public construction of 125,000 homes to be used as needed through suitable appropriations from time to time. We already have the data to support these needs.

In addition, it may become necessary to urge that mortgage lending on residential construction be curtailed in non defense areas, and that such curtailment be applied to higher cost building even in defense areas.

The following procedures are possibilities:

- (A) Encourage the use of substitute building materials instead of those which are essential to other phases of the defense program.
- (B) When necessary, apply priorities on residential construction to give preference to defense housing needs.

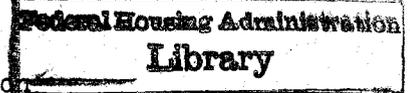
- (C) Utilize available machinery to obviate unreasonable advance in cost to residential construction.
- (D) Expand Title VI of the National Housing Act to encourage further private building in defense areas in order to hold as nearly as possible to the present high level of privately financed construction in spite of the increasing difficulties which are anticipated.

Altogether, it now looks as if there is a minimum need for total residential construction during the fiscal year 1942 (that is July 1st, 1941 to June 30, 1942) of 625,000 units. Of this number 525,000 should go into defense areas. Of the 525,000 to go into defense areas probably 125,000 should be built with government funds, leaving 400,000 to be supplied by private industry.

That, then, is what we see for the coming year. We would rather see 800,000 houses instead of 625,000 total output, with 675,000 of them instead of 400,000 by private industry. But in a world that is changing almost hourly - in a world, a good portion of which is cringing under the lash of a ruthless conqueror, - we are forced to be realists. Our plans have been formulated accordingly. Long ago we gave up the business as usual outlook. If necessary, however, we can become even more drastic in charting the course, if it will take that to do the job we have before us.

The fact that you and I can come together to talk over our mutual problems in this frank and open way illustrates the principles we are preparing to defend. Rather bluntly I have tried to tell you today our problems and our objectives. Rather bluntly, I hope, this conference will tell us what it thinks. That is Democracy and Democracy is what we are preparing to defend!

OFFICE FOR EMERGENCY MANAGEMENT  
Division of Defense Housing Coordination



For Immediate Release  
June 14, 1941

DH 119

Drastic shortages in housing were predicted for the District of Columbia today by C. F. Palmer, Coordinator of Defense Housing, unless the plan to decentralize Government activities is implemented as soon as possible.

The Coordinator pointed out that despite the large defense housing program, comprising 2,650 homes to be built with public funds, as well as an additional 1,000 dormitory accommodations for girls, already programmed for Washington, it would not be feasible to house with public funds all of the additional people who will come into Washington to take defense jobs with the Government.

Additional units are now being planned for these new employees who will be superimposed upon those Government agencies carrying out duties essential to the smooth running of normal activities. Such housing will help, but other ways of alleviating the situation should not be overlooked.

Mr. Palmer said that while the shortage of housing is not as acute as many reports would indicate, it could be relieved considerably by transferring to existing field offices additional work and personnel from Washington in accordance with investigations now under way. He said he believed that the officials in charge might find that considerable work conducted in Washington by normal Government agencies could just as well be performed in existing field offices.

Mr. Palmer declared that the principal objective of the coordinated Defense Housing Program is to see to it that the defense effort is not impeded by any shortage in adequate living accommodations at the scene of the defense activity.

"Sometimes to achieve our objectives in the preparedness effort it is

necessary to change our normal operations to conform with the exigencies demanded by the situation. Curtailment of automobile production in Detroit is an example of such measures.

"We have a limited amount of money to take care of housing requirements in hundreds of localities throughout the country. In the case of some of these localities, the nature of the defense activity is such that it is impossible to have any recourse other than the provision of homes with public funds for the workers who migrate to the community.

"As an illustration, it is quite obvious that a shipyard must be near the water, and favorable climatic conditions are helpful in aircraft production. In such cases, therefore, labor must be brought to the scene of the defense activity.

"Although Government workers are also vital to the Defense Program," he said, "it may be much more practical to move the activities of purely peace-time agencies to a locality where there is not only more housing, but also more available office space and other facilities. In fact, the lower cost of living in some communities should be an advantage to the Government workers by such a transfer. As a matter of fact, in many cities there has been an exodus of population resulting from the dislocations caused by the defense program.

"The transfer to the field of a considerable volume of work now being carried on in Washington would provide an essential cushion for the substantial increases now foreseen in the employment load here. Estimates, which come from several sources, indicate a minimum of 12,000 new employees in Government activities during the fiscal year 1941-1942.

"This minimum increase of 12,000 employees comes on top of a gain of approximately 14,000 during the period from February 1 to June 30, 1941.

In addition to this, of course, Government rolls have increased from around 100,000 in 1934 to more than 170,000 at the end of last year.

"It is estimated that three or four people are brought in for every new defense worker in the Government. Multiplying the 12,000 employees who will be hired during the coming fiscal year by this figure gives a total increase of population of between 40,000 and 50,000. On this basis, the potential demand for housing and other facilities reaches alarming proportions.

"Of course there is also the additional fact that overcrowding would be extremely harmful to Washington as a city. No one wishes to see additional temporary office buildings or dormitories encroaching upon much needed park space, if such measures can be avoided through the decentralization plan."

Not for release before 11 AM, EST  
June 18, 1941

DH 120

Address by C. F. Palmer, Coordinator of Defense Housing before the National Association of Building Owners and Managers at the Stevens Hotel in Chicago, Illinois, on Wednesday, June 18, 1941.

#### DEFENSE HOUSING AND ITS EFFECT UPON CITIES

At this Thirty-fourth Annual Convention of our National Association of Building Owners and Managers we find defense housing as vital to those interested in office buildings as to those interested in apartments. Homes make cities. Cities make office buildings.

Defense homes go hand in hand with defense production. Defense production makes business. Business fills office buildings. Consequently, we all want to know more about defense housing.

But, the people of London are not worrying today about defense housing and its effect upon cities. They are concerned with winning a war. Afterwards, there will be plenty of time to work on reconstruction. In London, first things come first.

You noticed I said "work" on reconstruction. That means the brick and mortar end. The plans for the future are now in actual process. Lord Reith, as Minister of Works and Buildings, has already instructed the London County Council and the City Corporation to prepare preliminary plans for the reconstruction of London.

To forestall individual, selfish action after the emergency with "every man for himself and devil take the hind most", Lord Reith stated to the House of Lords on January 29, 1941, that his Committee of Experts was "to advise, as a matter of urgency, what steps should be taken now or before the end of the war to prevent the work of reconstruction thereafter being prejudiced."

Therein lies the lesson for us. No matter how tough the going gets we must keep constantly before us the long range job just as long as our plans for the future do not impede the work of the present.

That work of the present is to see that guns, tanks, bombers, and ships, are not delayed for lack of workmen, because they can't find places to live.

That means \$21,500,000 of public housing for ship workers in the Hampton Roads area. That means \$20,000,000 of public housing for bomber workers in San Diego. That means more millions for 5,000 homes with government money to house steel workers in Pittsburg.

That means the workers of our country are on the move, because production is speeded up, and production means man power.

Manpower drawn from rural areas to town; from towns to cities; from one city to another city. Why, a recent survey shows that in 68 labor markets alone more than one million workers will have to be imported.

In the San Diego, San Francisco and Vallejo areas of California there will have to be an in-migration of 31,000 workers. Detroit will need 60,000 to 90,000 dependent on extent of automobile curtailment. Philadelphia, 90,000. Northern New Jersey, 30,000. The Dallas-Fort Worth area, around 17,000, and a town the size of Wichita, Kansas must find 7,000.

These people must have homes. These homes are being produced under the coordinated defense housing program, through the efforts of private industry and the government. With public funds alone, 70,000 family dwelling units are under construction and 15,000 are complete. Allocations for thousands more have been made, to be built with Uncle Sam's money.

Private industry has been doing its part. Private home building has shown tremendous gains the first five months of this year. These gains have been particularly pronounced in the small house field in defense areas -- housing that is available to our defense workers.

But there is still not enough. We need more houses just as we need more

bombers, more tanks, more ships.

We can't expect the workers who build our bombers, our tanks, our ships to live under sub-standard conditions. We can't expect them to work long hours in the factories and then spend more hours commuting long distances back to their homes. Doing this month after month breeds discontent. It lowers efficiency. It breaks up families, and families form the stronghold of Democracy.

There are four main ways we go about housing these families. All four vitally effect cities. First, we try to see how they can be housed without building new houses. This sometimes means the arrangement for as many as six commutation trains a day such as now run back and forth between the powder plant at Charlestown, Indiana, so those incoming powder workers can use the vacant homes in Louisville, Kentucky.

Or it may mean a change-over from peace to war-time production. If auto workers become tank workers, they still live in the same homes. There is then no need for us to build, because for every 20% curtailment in automobile production about 100,000 workers are released for defense purposes.

It isn't as simple as that in Washington. Normal government can't arbitrarily be cut 20%, 40% or 60% as in the motors' field. But normal government can be decentralized. In fact it should have been long ago. Now with 35,000,000 square feet of vacant office space and many available homes well located in some of our leading cities, the removal from Washington of those departments that can and should go elsewhere will make room in Washington for the thousands of defense workers needed there. Such a movement will provide those additional defense homes, otherwise so difficult to get for our nation's capital, just as curtailment of automobile manufacture does the same service for Detroit.

Another way to get defense housing is by better use of existing homes. For example, our Rooms Registration Service in Wilmington, North Carolina uncovered eight hundred single rooms patriotic citizens would rent to ship workers. We have such registration offices already functioning in 74 hot-spot cities. Also,

plans are now being perfected through these offices to help owners convert large, single residences into comfortable, modern duplexes, or to modernize certain out-moded properties as was recently done in Newport News through the help of the Home Loan Bank Board.

You can see we are using all sensible, business-like solutions for the problem. In this way we not only get defense housing more quickly and more economically, but we also absorb the workers with less dislocation within the city itself.

However, I am sorry to report that the two methods just outlined; one, curtailment of non-essential production, commuting or transfer of workers; and, two, intensive use of existing homes, do the trick only to a small degree and only in a comparatively few places.

So we use a third way which is direct building. It must be done in most defense areas and we want private enterprise to try it first. That is why we promptly devised Title VI of F.H.A. You all know how this special insurance fund helps private building, and you all know that Uncle Sam wants private building to carry all the load it can. By such a policy less public money is used. Also, local people who know the local problems do the jobs better for their cities than anyone from outside possibly can.

The fourth and last way is for Uncle Sam to roll up his sleeves and do it himself. Paradoxical but true is that such action in its first steps, parallels disaster action. When a hundred thousand people were deprived of 17,450 buildings by the Chicago fire in 1871, temporary homes were quickly provided for 40,000 in barracks. Incidentally, of the \$1,000,000 of help given by foreign countries more than half came from England!

The British knew! They had their fire of 1666 which destroyed 13,200 homes, three-fifths of London, a much greater proportion than yet done by all the incendiary bombs of all those Nazi, flying arsonists.

King Charles the Second did much as we are now doing. Homes were shared. Rents were controlled, priorities, were put on building materials, profits

were limited, brickfields and lime plants were encouraged to expand, labor had its wages fixed and temporary shelter was provided by the State.

Great as was the disaster of the fire of London, great as was the disaster of the fire of Chicago, greater still were their rebuildings. From that lesson we must learn to capitalize on all we do now, too. We must make better cities even as we build in haste.

Some of our defense housing problems are nearly as sudden, nearly as great and nearly as indefinite in duration of need as the ones posed by those great fires.

But to solve them we now have and use trailers, or portable dormitories or both.

Where we can see a few years ahead, but where there is a reasonable doubt that the city can absorb the homes permanently, demountables are built. In every respect of as high standard as the orthodox forty to sixty year houses, these demountables can be unbolted and moved where needed, if and when they become surplus.

The foregoing is how we get defense housing quickly without hurting cities. But, except for the private enterprise housing, it still touches upon the minority of cases. In most places permanent homes are needed. The country has underbuilt too long. From the 240,000 non-farm homes produced in 1900 to the 894,000 of 1925 there was only one year that as few as 200,000 were built between the turn of the century and the depression. That was in the war year, 1918.

The trough of the depression created the greatest valley in the housing curve for over 50 years. Only about 50,000 non-farm homes were built in 1933, slightly more in 1934, and approximately 75,000 in 1935. Last year we did better than 500,000 but those didn't touch the deficit.

In other words, the defense housing problem is accentuated by this accumulated shortage. The \$598,000,000 we are already using isn't enough to lick it. More is under consideration.

The vast preponderance is going into permanent homes. Over 88,000 of the 96,000 homes already allocated are in cities. Those homes will help those cities now. Local citizens must help see to it that those homes help those cities a long

time.

Almost everyone realizes that many of the problems which arise from the defense effort cannot be handled by the localities without federal assistance. That is particularly true in the case of housing. Also, we recognize that whatever is done in the way of federal assistance must be done with the full advice and cooperation of local governments. Local interests must be consulted. The problem as far as each community is concerned is an individual one. It must be serviced by a centralized force which combines the resources of thousands of similar communities all over the country. That reservoir of strength is the government of the United States.

We are ready to use these resources, but we must depend largely on local cooperation for the information which makes a sensible program possible. No federal agency or group of such agencies operating out of Washington can do its best job without such cooperation from you. If you want new construction for defense to be so planned in its location and character that it will be of the greatest help to the permanent growth of the community in which you live, and consequently to your own investment too, then you must help. You can do this by making available to us fair and reasoned information with the public interest coming first.

Where there is already a definite city or regional plan covering transportation, new developments, and services, the planning agency will define the effects of defense projects and will be able to suggest to us how they can be fitted best into the community. Where there are no general plans to serve as a guide, some local organization should give immediate thought to the subject to prevent any serious errors that will lead to costly readjustments in the future.

The problem of defense housing is not a simple one of construction alone. It is the problem of providing shelter, plus all the numerous services which are essential to present day living. For instance, the building of 500 homes for defense workers in a city of, let us say, 10,000 people immediately raises many questions of local planning. How are schools for the children of these defense workers to be provided? The city will almost surely be unable to afford the full cost of schools, and

federal aid will be necessary.

But federal aid must be in reality federal aid, and not the federal government taking over the responsibility of the local government. Who will provide police and fire protection for these new homes? Who will pay for the necessary extension of sewer and water lines and possible extension of the entire system of municipal services? Who will handle the traffic problems involved? Who will assume responsibility for the houses when they are no longer needed for defense purposes? Who will see to it that a slum shack is demolished later for each defense home built now?

There are many other questions which must be considered at the time defense housing is planned. They must be considered, not as problems of the federal government, but as problems of the locality in which the federal government is assisting.

We do not feel it is wise--and I say this with the reservation that nothing which helps us to fulfill our duty of speedily providing accommodations for workers is unwise--to open up new lands for our defense housing project which will lead to the further decentralization of our cities. We feel rather--that wherever possible it is preferable to use idle land already provided with municipal services or to intensify the use of serviced areas by rehabilitating or erecting structures that will accommodate more families.

As a study by the 20th Century Fund has pointed out nearly all of our cities have been laid out well in advance of anticipated growth and frequently in excess of any growth that could be hoped for, except in the dreams of the super-optimists who for generations have guided the nation's urban expansion. Much of this expansion remains as completely vacant subdivisions in which large investments in streets, sewers, and other public utilities lie idle in the ground. It is just good common sense to use them when practical.

I guess these three words, "good common sense" tell you as much about what we are trying to do as anything else. It makes sense, it seems to us, to use existing facilities to the utmost, to modernize, to encourage private industry, and to have Uncle Sam roll up his sleeves and go to it only when the job won't get done

otherwise. All of these common sense ways are now in full swing.

This far-reaching defense housing program then is bound to have a tremendous effect upon our cities. Whether our building will be constructive and helpful in the general post-war rehabilitation will rest in a large measure upon you. You wield great influence in your respective communities in matters of this nature. It is to your own interest that you work to carry out in detail some of the general ideas I have discussed with you.

For a score of years, through membership and official position, it has been my good fortune to know intimately you members of this great trade association. I know how you love your country. Why, you are the ones who built its symbol; the skyscraper.

We are now in an Unlimited National Emergency. Defense workers must be housed. We will see that they are. You will help. I know you will. You are needed. Our country can count on you to do your part now and afterwards.

## Division of Defense Housing Coordination

For release at 12 noon, EST  
Thursday, June 19, 1941

DH 122

Address by C. F. Palmer, Coordinator  
of Defense Housing before a joint meet-  
ing of the Cleveland Chamber of Commerce  
and the Metropolitan Housing Authority  
Thursday, June 19, 12 noon, EST.

DEFENSE HOUSING IN THE COMMUNITY

Cities resemble their citizens. They are recognized by their profiles; they are known for their accomplishments and they are judged by the company they keep.

Cleveland is typical. Your giant skyscrapers form the profile of a recumbent giant. Your magnificent residential areas and your modern business districts are the accomplishments of sturdy builders. Also you keep good company. You walk hand in hand with my own home town, Atlanta, Georgia, because you too are clearing your slums.

In fact, if you won't accuse me of punning on the name of the Executive Director of your Cleveland Metropolitan Housing Authority, Ernie Bohn, I might even term Cleveland as a bon ton or a Bohn Town.

When a Chamber of Commerce and the Housing Authority of a city join forces for a meeting such as this today to hear a mutual problem discussed, Democracy manifests its strength. Such was the case last week in Washington when representatives from every section of the country came to discuss with us the nation's defense housing problem.

There were people from state and local governments, from housing authorities, representatives of labor, trade associations, the professions, and last, but by no means least, just plain everyday citizens.

These people were members of the National Committee on the Housing Emergency. Because this is truly a democracy they came to offer their counsel and to lend their cooperation to the tremendous task we have before us--the job of providing

adequate shelter for the families of our defense workers. Without such help, without such advice, without such enthusiasm, we in Washington cannot possibly do the kind of job our country needs.

Yesterday I was in Chicago and today I am more than pleased to be with you here in Cleveland. I sometimes feel that one of our great disadvantages in Washington is the seeming inability to spend more time on the firing line. It is in these individuals communities themselves where we find our problems and it is here that we must look for guidance to their solution. Also in the communities will be whatever success we achieve.

What are we trying to do?

A moment ago I mentioned a conference of the National Committee on the Housing Emergency. Here is what the Committee on Recommendations for that conference reported:

"Adequate housing for workers in defense industries is as much a part of the defense establishment of the nation as are cantonments for the armed forces or factory buildings in which to produce defense materials. It must be provided without delay. Such housing, if properly located, planned and constructed need not create future community problems but can in most places be made an available asset."

In that summation of our job, there is a challenge to all of us. We must see to it that adequate housing for our defense workers is provided, and you must help us see to it that such housing does not create future community burdens.

And I want to say here that great advantage through local participation in the national defense housing effort will accrue to the community itself. Conversely, the lack of proper cooperation may lead to future disadvantages to the community as far as housing is concerned. When you consider the many phases of this program, you may readily understand these statements.

Let us take, for example, part of our job--the determination of the need for housing. Naturally we have established sources of information which form the

basis of our decisions in this respect. But we have learned, and very wisely, I think, to lean more and more upon local sources both to gather original estimates of housing needs and to confirm the estimates we already have. The local sources may vary in each community, but in general they may be said to represent all important interests. Real estate groups, banking groups, housing authorities, Chambers of commerce, labor organizations--these, and many others, make invaluable contributions to defense housing.

It is imperative, however, to realize two things--that defense housing is an integral part of the national defense effort itself; and also that it is a job being done on a nationwide scale. It is not an isolated effort. Nor is it a real estate operation restricted to one community.

It is essential, therefore, that each community have an understanding of the why's and wherefore's of what we are doing. Some people may feel at times that their own particular and personal interests are being overlooked. But what we must all do in these critical times is subordinate those interests to the larger, collective good.

There is no better illustration than a true story I have just heard.

One of our Regional Coordinators was approached in an eastern city by a man of some local influence who had been opposing our efforts. Something apparently had caused him to change his mind completely.

"I have a son in the Army," he said, "And I have just realized that what you are doing may mean all the difference between his having a Garand Rifle and a wooden gun." The point, of course, is that if workers aren't housed they can't make guns.

Let us consider for a moment those other features of the job which follow the determination of the need. There is the question of the selection of the site, the types of homes to be built, and the management policies to be followed. Each phase is a vital one, and each has a direct bearing on the relationship of the new homes to the entire community. It is not difficult to see, therefore, that

your own interests are best safeguarded by a sincere effort to understand our problems on a national scale, and to assist wherever possible in the practical local solution of these problems.

You in Cleveland will be given the opportunity to demonstrate how effectively you can integrate our defense housing construction into your community.

I am very glad to tell you that the analysis made of your situation which is now about completed indicates we undoubtedly will recommend a substantial number of homes with public funds for defense workers here in Cleveland. I am also glad to be able to report to the members of the Cleveland Metropolitan Housing Authority that we shall further recommend that the construction be carried out under their supervision.

Why are we programming this construction for Cleveland?

You are no doubt familiar with the Cleveland industrial situation so you must know that, according to a survey by the Bureau of Employment Security made in May of this year, approximately 48,500 workers, above the capacity of Cleveland to supply, will be required to man the industrial front line, which is as important in this war as the civilian army we are in the process of pulling together.

Let me give you a list of the employment categories concerned.

41% of the workers to be imported into this area will be skilled workers. And these are the specific designations: assemblers, screw machine operators, engine lathe operators, grinder hands operators, milling machine operators, turret lathe operators, tool makers, die makers, welders, coremakers, molders, draftsmen, drill press operators, punch press operators, heaters.

Some of these classifications are among the most highly skilled labor in the country. And these men, I should like to emphasize, are essential workers and not to be found on any street corner. No matter what amount of money they make, they will not stay in a community that will not provide decent living conditions for their families.

These men are in demand, and they know it. They would have no trouble find-

ing jobs anywhere in the country. They are as patriotic as anybody. They want to do their part in the defense program. But they will not live in badly overcrowded or slum conditions with their wives and children, and why should they?

The importation of labor which will be apparent in a very short time here will obviously cause a demand for housing which cannot be met by present available supply.

According to our surveys, defense manufacturing alone will require 14,350 skilled, and 11,283 semi-skilled workers during the next 12 months. A large proportion of these workers cannot be found in this locality. There will have to be importation; and importation on a large scale means that housing accommodations must be provided.

I would like to say here, however, that this importation would be lessened considerably if employers would relax their specifications to permit a greater use of the Negro labor market. There are approximately 4,000 Negro workers available, and they should be given employment in keeping with their skills or talents.

Cleveland is one of the three leading machine tool centers in the country and is among the principal iron and steel production regions also. Automotive equipment, electrical machinery, foundry products, paint, clothing, brass and chemicals are manufactured in quantity here.

The vacancy ratio for Cleveland on the basis of the 1940 housing census was 2.9%. You gentlemen no doubt remember when a 10% vacancy ratio was not uncommon for Cleveland. And that figure I gave you from the 1940 census has been superseded by a WPA survey conducted in April 1941 which shows a gross vacancy ratio of 1.9% and a habitable (habitable, not particularly fulfilling ordinary standards) ratio of 1.1%.

Obviously, housing is desperately needed here.

In addition to the homes for defense workers which will soon be recommended from government funds, we also suggested that private industry can and should supply about 1500 homes. Whether or not industry will fulfill its part of the

bargain, I cannot tell. The market is there among the higher paid workers because the homes to be built with Government money are intended for those defense workers in the lower income brackets. If private industry cannot or will not tackle the number allotted to them we stand ready to program further housing to be paid for by the government.

The snowball of defense orders is just beginning to roll up in Cleveland. The effects of the program will become more and more apparent as time goes on. It cannot be slowed for lack of housing. It will not, if we have anything to say about it.

Up to April 1, 1941, Cuyahoga County had received \$174,000,000 in primary defense contracts. The largest single contract is one to the White Motor Co. for \$85,000,000, for automobiles and parts. A \$45,000,000 contract has been awarded to the Diesel Engineering Division of General Motors. A \$14,000,000 contract has gone to the American Shipbuilding Co. A substantial proportion of the remaining contracts was for machine tools.

Plants in Cleveland are expanding. The city is doing a great job for defense. It has even been estimated that defense business in Cleveland will amount to \$500,000,000 or more. And the defense housing program must keep pace with this expanding industrial activity.

Because of my own interest in office buildings I have marvelled in years past at the growth of your skyscrapers. Because of my own belief in slum clearance I have watched with admiration your attack on squalor.

Your accomplishments speak for themselves. They foretell what Uncle Sam may expect from you in defense housing.

Our American way of life is being threatened as it had never been before. With you, the citizens of this country are rallying to meet the challenge of those flying anarchists from Central and Southern Europe. Citizens everywhere are giving freely and gladly of their time, their money, their labor.

The pocketbooks of all will feel the pinch of taxes for defense. But the government is taxing more than money. The brains, the energy, the loyalty, the faith of Americans are being called upon. We know what to expect from Cleveland. You will respond.

OFFICE FOR EMERGENCY MANAGEMENT

Division of Defense Housing Coordination

For Immediate Release  
June 23, 1941

DH 125

President Roosevelt today approved 30 new localities in which moderately priced homes may be financed under the liberalized FHA insurance provision, known as Title VI of the National Housing Act, upon the recommendation of C. F. Palmer, Coordinator of Defense Housing.

The Act permits 90 per cent mortgage insurance to operative builders on multi-unit developments in localities "in which the President shall find that an acute shortage of housing exists or impends which would impede national defense activities." The housing which is expected to be provided through this legislation is intended for workers whose earnings amount to \$1800 to \$3000 annually. Homes built under the title may be sold or rented.

In his letter to the President, Mr. Palmer recommended that, pending further determination, this financing medium should not be utilized in excess of the defense housing needs as determined by the Division of Defense Housing Coordination. The total of these needs is already greatly in excess of the number of homes which can be insured under the \$100,000,000 now authorized by the title, he said.

"Unfilled needs," said Mr. Palmer, "may be provided for through expansion of this authorization if the Congress sees fit."

Title VI was designed to spur the production of defense housing by private industry in circumstances where it is possible for defense workers to pay commercial rents or purchase prices. This type of financing complements existing FHA facilities in the home financing field.

- 2 -

The following are the newly approved areas:

ALABAMA

Anniston

GEORGIA

Albany

INDIANA

Connersville

LOUISIANA

Alexandria

MAINE

Bangor

MISSISSIPPI

Biloxi

NEVADA

Las Vegas

NEW HAMPSHIRE

Manchester

NEW JERSEY

Phillipsburg

NEW YORK

Albany-Troy

Rome

Ilion

Sidney

Watertown

NORTH CAROLINA

New Bern

Morehead City

OHIO

Mansfield

PENNSYLVANIA

Johnstown

Ellwood City

SOUTH CAROLINA

Spartanburg

TEXAS

Goose Creek-Baytown-Pelly

Mineral Wells

Wichita Falls

Brady

Harlingen

WASHINGTON

Longview-Kelso

Spokane

WISCONSIN

Madison

Green Bay

ALASKA

Ketchikan

OFFICE FOR EMERGENCY MANAGEMENT

Division of Defense Housing Coordination

For Immediate Release  
June 23, 1941

DH 125

President Roosevelt today approved 30 new localities in which moderately priced homes may be financed under the liberalized FHA insurance provision, known as Title VI of the National Housing Act, upon the recommendation of C. F. Palmer, Coordinator of Defense Housing.

The Act permits 90 per cent mortgage insurance to operative builders on multi-unit developments in localities "in which the President shall find that an acute shortage of housing exists or impends which would impede national defense activities." The housing which is expected to be provided through this legislation is intended for workers whose earnings amount to \$1800 to \$3000 annually. Homes built under the title may be sold or rented.

In his letter to the President, Mr. Palmer recommended that, pending further determination, this financing medium should not be utilized in excess of the defense housing needs as determined by the Division of Defense Housing Coordination. The total of these needs is already greatly in excess of the number of homes which can be insured under the \$100,000,000 now authorized by the title, he said.

"Unfilled needs," said Mr. Palmer, "may be provided for through expansion of this authorization if the Congress sees fit."

Title VI was designed to spur the production of defense housing by private industry in circumstances where it is possible for defense workers to pay commercial rents or purchase prices. This type of financing complements existing FHA facilities in the home financing field.

- 2 -

The following are the newly approved areas:

ALABAMA

Anniston

GEORGIA

Albany

INDIANA

Connersville

LOUISIANA

Alexandria

MAINE

Bangor

MISSISSIPPI

Biloxi

NEVADA

Las Vegas

NEW HAMPSHIRE

Manchester

NEW JERSEY

Phillipsburg

NEW YORK

Albany-Troy

Rome

Ilion

Sidney

Watertown

NORTH CAROLINA

New Bern

Morehead City

OHIO

Mansfield

PENNSYLVANIA

Johnstown

Ellwood City

SOUTH CAROLINA

Spartanburg

TEXAS

Goose Creek-Baytown-Pelly

Mineral Wells

Wichita Falls

Brady

Harlingen

WASHINGTON

Longview-Kelso

Spokane

WISCONSIN

Madison

Green Bay

ALASKA

Ketchikan

For Sunday AM release  
June 29, 1941

A broad program providing priority aid for defense housing projects, designed to assure the completion of such projects as promptly as possible, was announced jointly today by E. R. Stettinius, Jr., Director of Priorities and Charles F. Palmer, Coordinator of Defense Housing.

This program puts defense housing ahead of civilian and non-defense housing projects and will assure a steady flow of necessary building materials to the projects deemed essential to the national defense program.

Under the terms of the agreement, no priority aid will be granted for defense housing, whether publicly or privately financed, until these requests have been cleared through the Coordinator or his field representatives in accordance with the procedures being developed.

The Division of Defense Housing Coordination is to supply the Priorities Division of the Office of Production Management with:

- (1) A complete list of all publicly financed defense housing projects for which priority assistance is recommended.
- (2) A list of areas in which an acute shortage of housing either exists or impends, thereby threatening to impede or interfere with national defense activities together with figures on each area indicating how much defense housing is needed.
- (3) A formal definition of what shall constitute defense housing.

Under this new program, priority assistance may be given either to a publicly financed defense housing project or to private defense projects within a designated area.

With the concurrence of the Army and Navy Munitions Board, the Priorities Division will be prepared to give each publicly-financed defense housing project, or any area named by the Defense Housing Coordinator, a preference rating considered appropriate in the light of the national defense activity to be served.

Plans are being worked out under which these projects or area ratings may be extended to applicants by local representatives of the government to be designated by the Coordinator with the approval of the Priorities Division.

The ratings to be assigned will aid contractors engaged in defense housing work to speed up delivery of materials to be specifically named on a Defense Housing Critical List, now being prepared.

The ratings may be used only for orders or contracts for ~~these~~ critical list items.

This critical list will contain only those items on which, in the opinion of the Priorities Division, preference ratings are necessary to obtain the quantities and delivery dates required. The list will exclude items of a vital defense nature -- such as aluminum, copper, nickel, bronze, zinc, etc. -- except when the Defense Housing Coordinator demonstrates that these items or products containing these items are absolutely essential and that adequate substitutes cannot be used.

The Defense Housing Critical List will be subject to revision when necessary. When items needed are not on the list, but priority aid is still considered necessary, applications will be made to the Priorities Division on its form PD-1 through the designated local representative of the Coordinator.

Representatives who are designated to handle applications for priorities for privately financed defense construction may only extend an area rating when they are satisfied that the housing will be suitable for, and reasonable preference in occupancy will be given to, workers engaged in the designated defense industries; that the intended sales price is \$6,000 or less or the intended shelter rental is \$50 per month or less, and that the housing is, in general, necessary in connection with defense housing needs.

It was pointed out, however, that exceptions may be made for such other proposed residential construction as may, in particular cases, be necessary to meet defense needs. In such cases, the necessity must be demonstrated to the Coordinator through his designated local representative and the Coordinator will make appropriate recommendations to the Priorities Division.

It was stated that the procedures being developed will apply to rehabilitation of existing structures, as well as new construction, where a dwelling unit not otherwise habitable would thereby be made available.

The Division of Defense Housing Coordination has for the past few months given aid for defense housing, both publicly and privately financed, and the new agreement has been developed in order to establish regular procedure.

The present agreement will clarify the priorities situation with relation to residential defense construction and, it is hoped, will remove any hesitancy on the part of builders, lenders, and others to undertake this type of construction.

## Division of Defense Housing Coordination

For AM Release  
July 3, 1941

DH 130

President Roosevelt today found a need for the immediate construction with public funds of an additional 10,070 homes for the families of industrial workers and the enlisted personnel in 34 localities of the country, upon the recommendation of C. F. Palmer, Coordinator of Defense Housing.

The localities and the number of homes in each for which public funds have been allocated are as follows:

Childersburg, Alabama	400
Litchfield Park, Arizona	100
Bakersfield, California	85
Richmond, California	450
Bristol, Connecticut	200
Washington, D. C.	1,000
Banana River, Florida	50
Jacksonville, Florida	400
Pensacola, Florida	200
Savannah, Georgia	150
Connersville, Indiana	300
Fort Wayne, Indiana	75
Kingsbury-LaPorte, Indiana	400
Madison, Indiana	100
Burlington, Iowa	200
Wichita, Kansas	600
New Orleans, Louisiana	325
Baltimore, Maryland	1,000
Springfield, Massachusetts	300
Biloxi, Mississippi	175
Meridian, Mississippi	100
Charlotte, North Carolina	85
Jacksonville, North Carolina	700
Cape May, New Jersey	50
Northern New Jersey	250
Canton, Ohio	300
Cleveland, Ohio	500
Port Clinton, Ohio	100
Knoxville-Alcoa, Tennessee	250
Victoria, Texas	100
Wichita Falls, Texas	175
Dahlgren, Virginia	50
Seattle, Washington	500
Charleston, West Virginia	400

In his letter to the President, Mr. Palmer pointed out that in most of the communities the coordinated defense housing programs provided for a substantial

contribution to the defense housing need by private enterprise.

"The reasons upon which the recommended government programs are based vary to some extent in each case," the Coordinator pointed out. "They are stated in detail in each case and can generally be summarized as follows: national defense activities in the locality have caused a sudden and immediate need for the number of dwelling units indicated for occupancy by persons of limited income engaged in national defense activity. Such need cannot be provided for by private capital, either because the extent thereof is beyond the capacity of normal building in the area, or the continuance of need is so uncertain, or the rentals so limited, that private capital cannot afford to take the risks involved."

At the same time Mr. Palmer requested that the President reduce previous findings of defense housing need for 22 localities due to the fact that it was found subsequent to original findings that such defense housing was not needed to the extent anticipated.

The localities and the number of homes originally found necessary, together with the number now programmed are as follows:

<u>Locality</u>	<u>Date of Original Finding</u>	<u>Approximate Number of Family Dwelling Units</u>	
		<u>Original Finding</u>	<u>Reduced to</u>
Tucson, Arizona	Oct. 29, 1940	150	135
Stockton, Calif.	Oct. 29, 1940	150	100
Delaware City, Dela.	Oct. 29, 1940	40	20
West Palm Beach, Fla.	Oct. 29, 1940	300	150
Augusta, Georgia	Oct. 29, 1940	125	75
Savannah, Georgia	Oct. 29, 1940	325	250
Corydon, Iowa	Oct. 29, 1940	250	0
Leon, Iowa	Oct. 29, 1940	250	0
Baltimore, Md.	Oct. 29, 1940	100	85
Long Branch, N. J.	Oct. 29, 1940	525	265
Ft. Meade, S. Dakota	Oct. 29, 1940	50	35
Lee Hall, Virginia	Oct. 29, 1940	25	0
South Tacoma, Wash.	Oct. 29, 1940	150	100
Spokane, Wash.	Oct. 29, 1940	200	160
Canal Zone	Dec. 31, 1940	2200	200
Ft. Knox, Kentucky	Dec. 31, 1940	219	0
Yorktown, Virginia	Dec. 31, 1940	80	0
San Antonio, Texas	Jan. 16, 1941	17	0
Rolla-Waynesville, Mo.	Apr. 21, 1941	600	500
Great Bend, N. Y.	May 26, 1941	125	50
San Juan, P. R.	May 26, 1941	450	50
District of Columbia	May 2, 1941	70	0

OFFICE FOR EMERGENCY MANAGEMENT

Division of Defense Housing Coordination

For Immediate Release  
July 11, 1941.

DH 167 ✓

Allocations were made for more than 10,000 homes during the week ended July 5, C. F. Palmer, Defense Housing Coordinator, announced today.

These homes for defense workers and their families will be in 34 localities of 21 states, and the District of Columbia. Among the localities are Baltimore, Maryland; Cleveland, Ohio; Jacksonville, Florida; Savannah, Georgia; Wichita, Kansas; New Orleans, Louisiana; Seattle, Washington; and Richmond, California.

Of the new allocations, 5,425 homes will be constructed by the United States Housing Authority, 1,525 by the Public Buildings Administration, 1,450 by the Federal Works Agency, 1,250 by the Navy, and another 600 by the Local Housing Authorities and the Office of the Federal Works Administrator.

Also more than 1400 homes were completed during the week. This raises the total number of completions, as of July 5, to 18,947 homes in 65 localities of 29 states and territories.

Among the areas where defense homes were completed are Erie, Pennsylvania, with 56; Bremerton, Washington, with 70; Hickman Field, Hawaii, with 214; Muscle Shoals, Alabama, with 34; and 200 at Fort Bliss, Texas.

The total number of allocations made under the coordinated housing program now totals 107,383 homes. The number of these contracted for totals 70,146. Of the total number of allocations, 77,298 are for civilians, and 30,085 are for enlisted personnel.

STATUS OF PUBLIC DEFENSE HOUSING CONSTRUCTION

DH 167

July 5, 1941

	Funds Allocated		Contracts Awarded		Completed	
	July 5	June 28	July 5	June 28	July 5	June 28
Number of states and territories	49	49	46	46	29	28
Number of localities	170	162	142	142	65	59
Number of projects	410	364	248	248	82	69
Number of family dwelling units (regular)	107,383	97,313	70,146	70,146	18,947	17,522
Civillian industrial workers						
in private defense industry	47,455	41,855	24,440	24,440	3,245	2,870
Civillian industrial workers in Government plants	19,201	17,201	13,026	13,026	3,918	3,774
Other civillians, employed by the Army and Navy	10,642	10,607	8,509	8,509	2,656	2,637
Married enlisted personnel	30,085	27,650	24,171	24,171	9,128	8,241
Number of family dwelling units (trailers)	4,094	4,094	2,159	2,159	1,170	1,170
Civillian industrial workers						
in private defense industry	3,594	3,594	2,159	2,159	1,170	1,170
Civillian industrial workers in Government plants	500	500	-	-	-	-
Number of units for single persons	8,891	8,891	6,525	6,525	3,076	3,076

PRIVATE CONSTRUCTION UNDER FHA MORTGAGE INSURANCE

New homes started under FHA inspection, January 1 to July 5 ----- 103,342

New homes started under FHA inspection, week ended July 5 ----- 4,722