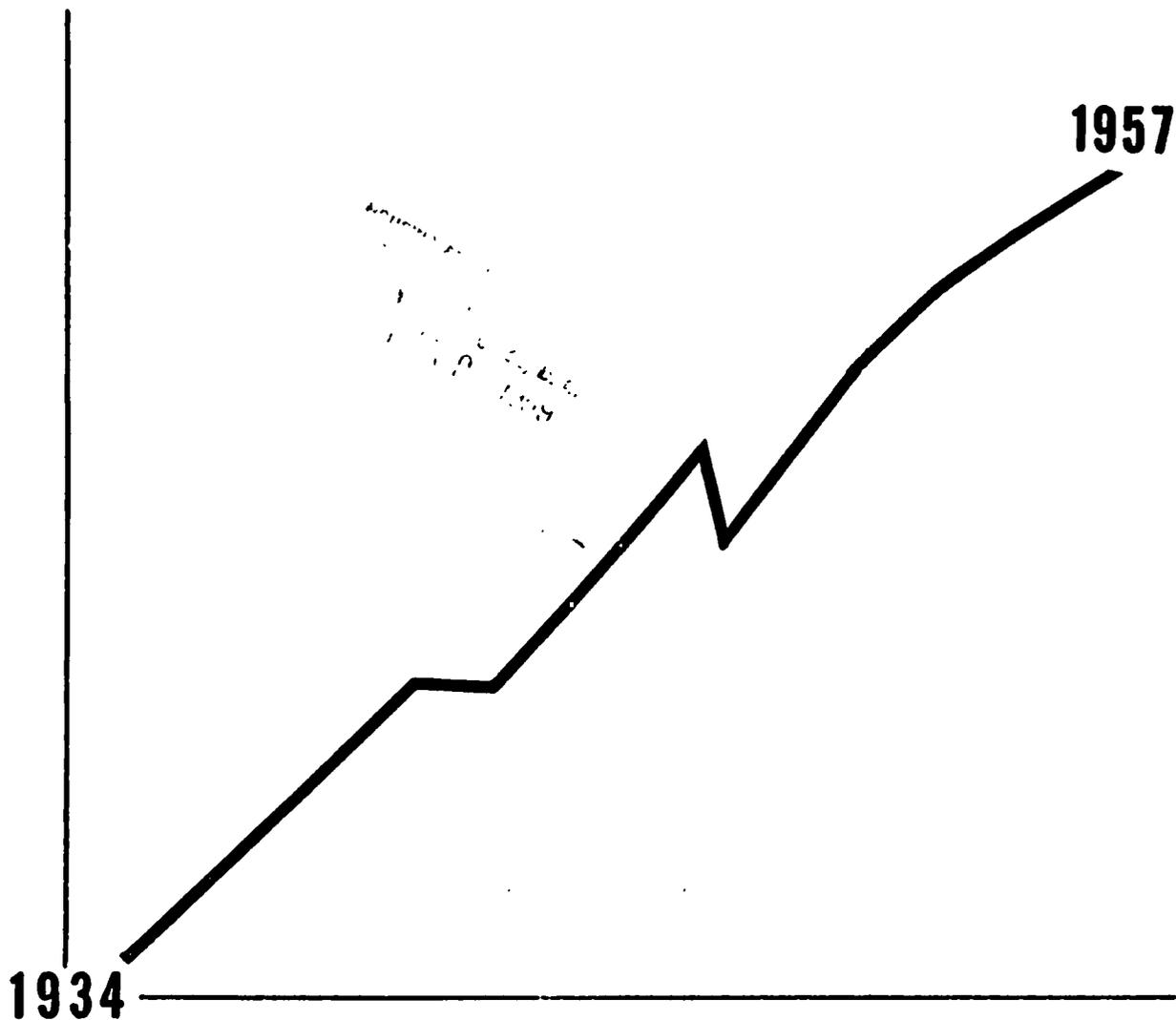


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THE LOW-RENT PROGRAM



THE LOW-RENT PROGRAM
1934 Through 1957

FOREWORD

The low-rent housing program covers a span of more than twenty years. During this time the Federal agency charged with the responsibility of administering the program has experienced several periods of change. Some of the dwindling number of employees still with the low-rent program from its earliest days recall the character of the program imparted by the initial legislation and cannot help but contrast operations in the various periods.

This report, looking back over more than two decades, is designed to present the highlights of the history of the low-rent program in a concise format intended for ready reference.

Although figures on workload and activity can be found in the various annual reports, pulling them together is an exacting task. Moreover, some of the previously published figures require adjustment in order to obtain a precise history. This is particularly true of the statistics for the earlier years.

The tables in this report give a continuous record, both in terms of projects and of dwelling units from the start of planning to the completion of construction from 1934 through 1957. They also give figures on the number of projects and units completed, and under management, at the end of each year from 1936 (when the first projects

were completed) through 1957. A brief statement on legislation authorizing development is included. There is also a summary of administrative history--legislation or executive orders shifting responsibility from one government agency to another.

This report concerns itself only with low-rent housing. However, the Federal Public Housing Authority (immediate predecessor of the Public Housing Administration) was set up in February 1942 primarily as a war agency and from that time until the passage of the Housing Act of 1949 a major part of its energy was devoted to the development, management and disposition of war housing and of housing for returning veterans. For example, on December 31, 1944, the agency had almost 726,000 dwelling units under management and only 121,350 of these were in strictly low-rent use since all of the PL 671 projects and over 11,000 of the PL 412 units were at that time in war use. At the same time, another 28,000 units were under development. Before the volume of war housing had been much reduced, the agency was embarked upon the Veterans' Reuse program which eventually produced over 265,000 units. Only recently has the liquidating of emergency war housing been completed. There now remains only the servicing of mortgages on war housing sold.

NUMBER OF DWELLING UNITS UNDER MANAGEMENT AT END OF EACH YEAR, BY PUBLIC LAW UNDER WHICH DEVELOPED

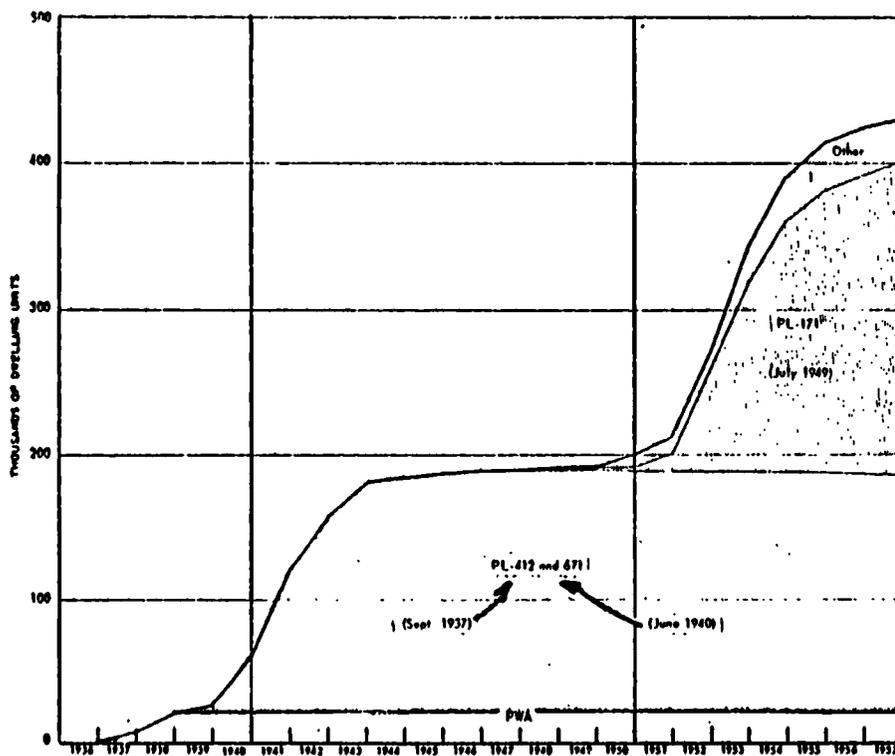


Table 1 Low-rent public housing projects approved, by year of original approval and by public law under which developed

Year	Total	FWA (PL-67 & 11)	PL-412	PL-671	Reactivated under PL-301 and PL-171	Initiated under PL-171 <u>1/</u>
1934.....	6	6	---	---	---	---
1935.....	43	43	---	---	---	---
1936.....	1	1	---	---	---	---
1937.....	---	---	---	---	---	---
1938.....	134	---	122	12	---	---
1939.....	190	---	158	31	1	---
1940.....	166	---	92	57	17	---
1941.....	132	---	12	62	58	---
1942.....	26	---	1	24	1	---
1943.....	5	---	---	5	---	---
1944.....	8	---	---	8	---	---
1945.....	3	---	---	1	2	---
No new authorizations possible 1946 through 1949						
1950.....	314	---	---	---	---	314
1951.....	582	---	---	---	---	582
1952.....	465	---	---	---	---	465
1953.....	44	---	---	---	---	44
1954.....	---	---	---	---	---	---
1955.....	87	---	---	---	---	87
1956.....	390	---	---	---	---	390
1957.....	45	---	---	---	---	45

1/ By year in which Annual Contribution Contract executed.

Table 2 Low-rent public housing units approved, by year of original approval and by public law under which developed

Year	Total	PWA (PL-67 & 11)	PL-412	PL-671	Reactivated under PL-301 and PL-171	Initiated under PL-171 ^{1/}
1934	3,031	3,031	---	---	---	---
1935	18,337	18,337	---	---	---	---
1936	271	271	---	---	---	---
1937	---	---	---	---	---	---
1938	65,057	---	58,393	6,664	---	---
1939	51,505	---	40,745	10,396	364	---
1940	39,744	---	17,103	16,930	5,711	---
1941	16,020	---	1,470	7,168	7,382	---
1942	6,071	---	44	5,792	235	---
1943	2,833	---	---	2,833	---	---
1944	1,366	---	---	1,366	---	---
1945	1,579	---	---	547	1,032	---
No new authorizations possible 1946 through 1949						
1950	77,706	---	---	---	---	77,706
1951	90,338	---	---	---	---	90,338
1952	45,421	---	---	---	---	45,421
1953	11,116	---	---	---	---	11,116
1954	---	---	---	---	---	---
1955	30,215	---	---	---	---	30,215
1956	44,380	---	---	---	---	44,380
1957	5,412	---	---	---	---	5,412

^{1/} By year in which Annual Contribution Contract executed.

Table 3 Low-rent public housing projects put under construction, by year in which started 1/ and by public law under which developed

Year	Total	FWA (PL-67 & 11)	PL-412	PL-671	PL-171
1935.....	14	14	---	---	---
1936.....	29	29	---	---	---
1937.....	7	7	---	---	---
1938.....	11	---	11	---	---
1939.....	142	---	137	<u>2/</u> 5	---
1940.....	181	---	156	25	---
1941.....	115	---	64	51	---
1942.....	104	---	10	94	---
1943.....	12	---	1	11	---
1944.....	10	---	---	10	---
1945.....	6	---	2	4	---
1946.....	---	---	---	---	---
1947.....	2	---	1	---	<u>3/</u> 1
1948.....	4	---	2	---	<u>3/</u> 2
1949.....	3	---	---	---	3
1950.....	143	---	1	---	142
1951.....	452	---	---	---	452
1952.....	443	---	---	---	443
1953.....	319	---	---	---	319
1954.....	40	---	---	---	40
1955.....	16	---	---	---	16
1956.....	14	---	---	---	14
1957.....	203	---	---	---	203

1/ Through 1945 based on date of award of construction contract. Data for later years based on effective date of notice to proceed.

2/ Originally planned as PL-412 housing, but development completed under PL-671 after passage of law in June 1940.

3/ Built under provisions of PL-301, later brought under PL-171.

Table 4 Low-rent public housing units put under construction, by year in which started 1/ and by public law under which developed

Year	Total	PWA (FL-67 & 11) <u>2/</u>	PL-412	PL-671	PL-171
1935	5,768	5,768	---	---	---
1936	12,845	12,845	---	---	---
1937	3,026	3,026	---	---	---
1938	6,351	---	6,351	---	---
1939	53,006	---	50,610	3/2,396	---
1940	54,332	---	44,383	9,949	---
1941	24,834	---	11,788	13,046	---
1942	22,260	---	3,419	18,841	---
1943	3,882	---	90	3,792	---
1944	2,475	---	---	2,475	---
1945	1,401	---	204	1,197	---
1946	---	---	---	---	---
1947	1,336	---	146	---	<u>4/</u> 1,190
1948	1,514	---	482	---	<u>4/</u> 1,032
1949	714	---	30	---	684
1950	30,999	---	252	---	30,747
1951	69,430	---	---	---	69,430
1952	55,099	---	---	---	55,099
1953	32,095	---	---	---	32,095
1954	16,242	---	---	---	16,242
1955	8,572	---	---	---	8,572
1956	4,916	---	---	---	4,916
1957	20,706	---	---	---	20,706

1/ Through 1945 based on year of award of construction contract. Data for later years based on effective date of notice to proceed.

2/ Excludes 209 units in Puerto Rico transferred to Puerto Rico Redevelopment Agency almost immediately after transfer of PWA projects to USHA. No record of date of start available.

3/ Initially planned as PL-412 housing, but went ahead under PL-671 after the passage of that law in June, 1940.

4/ Built under provisions of PL-301, later brought under PL-171.

Table 5 Low-rent public housing projects completed, by year in which completed, and by public law under which developed

Year	Total	PWA (PL-67 & 11)	PL-412	PL-671	<u>1/</u> PL-171
1936.....	2	2	---	---	---
1937.....	19	19	---	---	---
1938.....	29	29	---	---	---
1939.....	7	---	7	---	---
1940.....	95	---	92	3	---
1941.....	186	---	165	21	---
1942.....	169	---	92	77	---
1943.....	94	---	22	72	---
1944.....	13	---	1	12	---
1945.....	9	---	---	9	---
1946.....	6	---	2	4	---
1947.....	2	---	---	2	---
1948.....	2	---	1	---	<u>2/1</u>
1949.....	1	---	1	---	---
1950.....	7	---	1	---	<u>3/6</u>
1951.....	94	---	1	---	93
1952.....	516	---	---	---	516
1953.....	468	---	---	---	468
1954.....	228	---	---	---	228
1955.....	52	---	---	---	52
1956.....	35	---	---	---	35
1957.....	30	---	---	---	30

1/ Excludes 1 former PWA project and portion of 1 PL-671 project rehabilitated under PL-171.

2/ Built under provisions of PL-301, later brought under PL-171.

3/ Includes 2 projects started under PL- 301.

Table 6 Low-rent public housing units completed, by year in which completed and by public law under which developed

Year	Total	FWA (PL-67 & 11)	PL-412	PL-671	<u>1</u> /PL-171
1936.....	798	798	---	---	---
1937.....	7,376	7,376	---	---	---
1938.....	13,465	13,465	---	---	---
1939.....	4,960	---	4,960	---	---
1940.....	34,308	---	33,391	917	---
1941.....	61,065	---	53,496	7,569	---
1942.....	36,172	---	19,152	17,020	---
1943.....	24,296	---	5,637	18,659	---
1944.....	3,269	---	5	3,264	---
1945.....	2,080	---	---	2,080	---
1946.....	1,925	---	204	1,721	---
1947.....	466	---	---	466	---
1948.....	1,348	---	146	---	<u>2</u> /1,202
1949.....	547	---	280	---	<u>2</u> / 267
1950.....	1,255	---	232	---	<u>3</u> /1,023
1951.....	10,246	---	252	---	9,994
1952.....	58,258	---	---	---	58,258
1953.....	58,214	---	---	---	58,214
1954.....	44,293	---	---	---	44,293
1955.....	20,899	---	---	---	20,899
1956.....	11,993	---	---	---	11,993
1957.....	10,515	---	---	---	10,515

1/ Excludes 110 units in a former FWA project and 228 units in part of a former PL-671 project rehabilitated under PL-171.

2/ Built under provisions of PL-301, later brought under PL-171.

3/ Includes 753 units started under PL-301.

Table 7 Low-rent public housing projects under management, by ownership and by public law under which developed or transferred

1936 - 1957

As of December 31	Total	Federally owned	Locally owned	Units provided under					
				PWA (PL-67&11)	PL-412	PL-671	PL-171	PL-475	Farm Labor Camps
1936.....	2	2	---	2	---	---	---	---	---
1937.....	21	21	---	21	---	---	---	---	---
1938.....	50	50	---	50	---	---	---	---	---
1939.....	57	50	7	50	7	---	---	---	---
1940.....	152	50	102	50	99	3	---	---	---
1941.....	338	50	288	50	264	24	---	---	---
1942.....	507	50	457	50	356	101	---	---	---
1943.....	601	87	514	50	378	173	---	---	---
1944.....	614	91	523	50	379	185	---	---	---
1945.....	623	98	525	50	379	194	---	---	---
1946.....	628	101	527	50	381	197	---	---	---
1947.....	630	103	527	50	381	199	---	---	---
1948.....	632	103	529	50	382	199	1	---	---
1949.....	633	103	530	50	383	199	1	---	---
1950.....	677	140	537	50	384	197	7	---	39
1951.....	770	140	630	50	385	196	100	---	39
1952.....	1,296	107	1,189	50	385	195	616	11	39
1953.....	1,804	84	1,720	49	383	194	1,084	55	39
1954.....	2,041	61	1,980	49	383	194	1,312	65	38
1955.....	2,103	61	2,042	48	382	193	1,364	78	38
1956.....	2,133	57	2,076	47	381	190	1,399	79	37
1957.....	2,134	17	2,117	47	377	190	<u>1</u> /1,431	82	7

i/ Includes 1 former PWA project and 1 former PL-671 project rehabilitated under PL-171.

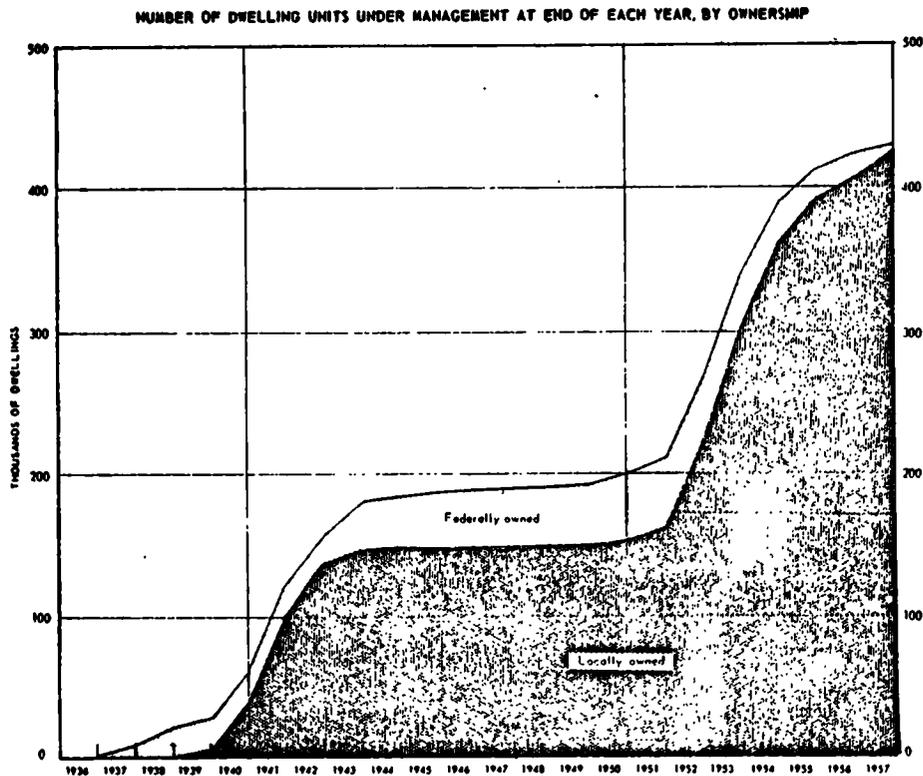
Table 8 Low-rent public housing units under management, by ownership and by public law under which developed or transferred - 1936 - 1957

As of December 31	Total	Federally owned	Locally owned	Units provided under					
				PWA (PL-67 & 11)	PL-412	PL-671	PL-171	PL-475	Farm Labor Camps
1936.....	798	798	---	798	---	---	---	---	---
1937.....	8,174	8,174	---	8,174	---	---	---	---	---
1938.....	21,639	21,639	---	21,639	---	---	---	---	---
1939.....	26,599	21,639	4,960	21,639	4,960	---	---	---	---
1940.....	60,907	21,639	39,268	21,639	38,351	917	---	---	---
1941.....	121,972	21,639	100,333	21,639	91,847	8,486	---	---	---
1942.....	158,144	21,639	136,505	21,639	110,999	25,506	---	---	---
1943.....	182,440	35,475	146,965	21,639	116,636	44,165	---	---	---
1944.....	185,453	37,811	147,642	21,639	116,635	47,179	---	---	---
1945.....	187,511	40,017	147,494	21,631	116,631	49,249	---	---	---
1946.....	189,435	41,247	148,188	21,638	116,825	50,972	---	---	---
1947.....	189,750	41,566	148,184	21,640	116,822	51,288	---	---	---
1948.....	191,090	41,554	149,536	21,640	116,962	51,286	1,202	---	---
1949.....	191,626	41,565	150,061	21,640	117,230	51,287	1,469	---	---
1950.....	201,790	50,075	151,715	21,640	117,458	50,594	2,492	---	9,606
1951.....	211,281	49,829	161,452	21,640	117,701	50,094	12,486	---	9,360
1952.....	271,583	48,963	222,620	21,625	117,691	49,695	70,744	2,469	9,359
1953.....	343,758	42,886	300,872	21,571	117,596	49,516	128,956	16,759	9,360
1954.....	390,065	28,965	361,100	21,571	117,150	49,472	173,249	19,585	9,038
1955.....	413,558	20,923	392,635	21,360	117,049	49,356	194,149	22,607	9,037
1956.....	423,935	18,060	405,875	21,135	117,022	48,407	206,141	22,461	8,769
1957.....	429,500	5,400	424,100	21,135	117,003	47,954	1/216,994	24,844	1,570

1/ Includes 110 units rehabilitated from a former PWA project and 228 units rehabilitated from a former PL-671 project.

The initial low-rent housing under the NIRA and the Emergency Relief Appropriation Act was built by PWA and was federally owned. As local housing authorities were organized following the passage of the Housing Act of 1937, the PWA projects were turned over to these authorities for management under lease. All of the projects were federally owned until early 1953. By the end of 1957 only 3500 units were still in federal ownership.

Provisions regarding the establishment of local housing authorities were contained in the Housing Act of 1937. Virtually all of the housing authorized under this act was developed and owned by local authorities as was most of that developed for war under PL-671.



The substantial increase in the number of federally owned units between 1942 and 1946 was due to two things:

1. An Ohio court decision relating to the payment of taxes resulted in turning over to federal ownership all low-rent housing developed by local authorities in that state, but left management functions with the local authorities.
2. A number of PL-671 projects came into management which had been developed directly by the Federal Government to expedite acquisition of land and construction.

The number of federally owned units increased again in 1950 with the transfer of the Farm Labor Camps from the Department of Agriculture to PHA.

Since 1950 the low-rent program has become almost completely a locally-owned program as PWA and PL-671 projects have been transferred to local ownership.

THE EARLY HOUSING PROGRAM

NATIONAL INDUSTRIAL RECOVERY ACT, PL-67, 73d Congress, June 16, 1933.

This Act created the Federal Emergency Administration of Public Works with a life of two years from the date of enactment. Among other things it provided for "construction, reconstruction, alteration or repair under public regulation or control of low-cost housing and slum clearance projects." It made funds available for the development

of the Subsistence Homesteads. Under it loans were also made for limited dividend housing projects.

EMERGENCY RELIEF APPROPRIATION ACT, PL 11, 74th Congress, April 8, 1935.

The Act continued the FEAPW to June 30, 1937, and provided \$450,000,000 for housing.

The record of construction starts for that portion of this housing which subsequently became a responsibility of PHA or its predecessor agencies is as follows:

<u>Year</u>	<u>PWA PROJECTS</u>		<u>SUBSISTENCE HOMESTEADS</u>		<u>GREENTOWNS</u>
	<u>PL-67</u>	<u>PL-11</u>	<u>PL-67</u>	<u>PL-11</u>	<u>PL-11</u>
1933	- - -	- - -	166	- - -	- - -
1934	- - -	- - -	1,562	- - -	- - -
1935	3,131	2,637	506	53	2,272
1936	803	12,042	730	130	- - -
1937	<u>1,112</u>	<u>1,914</u>	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>
<u>Total</u>	5,046	16,593	2,964	183	2,272

All this housing was completed by the end of 1938 and the record of completion is as follows:

<u>YEAR</u>	<u>PWA</u>	<u>SUBSISTENCE HOMESTEADS</u>	<u>GREENTOWNS</u>
1934	---	---	---
1935	---	1,195	---
1936	798	786	---
1937	7,376	631	542
1938	<u>13,465</u>	<u>535</u>	<u>1,730</u>
Total	21,639	3,147	2,272

Approximately 1,200 Subsistence Homestead units had already been sold to occupants when the nonfarm part of the program was transferred to FPHA and the securities were transferred for collection. The remaining units have since been sold and at no time were they operated as a part of the low-rent program. Although the three Greentowns were operated by FPHA from the time they were turned over to the agency in 1942 until they were sold, they were not operated as low-rent projects.

From these early programs only the PWA projects remain as a part of the PHA program and have been operated throughout as low-rent housing. Although built by the Federal Government, the majority of these projects have been managed by local authorities since the early days of the program. During 1953 PHA started the conveyance of this housing to local authorities. By the end of 1957 all but 7 projects with 3,522 dwelling units were in local ownership. Of the original group, one dormitory project has been sold; the project in the Virgin Islands has been rehabilitated under PL-171 and is now considered part of that program; a portion of another project has been disposed of; two projects were considered as one when transferred to local ownership. Other scattered small units have been combined to make larger accommodations. Of the original 50 projects with 21,639 dwelling units, there remain 47 projects with 21,135 units.

MAJOR LOW-RENT PUBLIC HOUSING LEGISLATION

THE UNITED STATES HOUSING ACT, PL 412, 75th Congress, September 1, 1937.

This Act created the U. S. Housing Authority in the Department of

Interior to provide loans and annual contributions to local housing authorities for the development and operation of low-rent public housing. The major part of the development of this program was done in the years 1938 through 1941. In contrast to the earlier legislation, its emphasis was on clearing slums and providing decent housing for families of low income, not on providing employment. This legislation also introduced the idea of local participation and responsibility.

To quote from the 1940 Annual Report, "This difference was by no means an arbitrary reversal or a change for the sake of change. It grew out of the realization that there are many advantages in a decentralized program based on local initiative and deriving its impetus from local support. A decentralized public housing program recognizes that local authorities, working closely with local governments are the best agencies to plan for projects in accordance with known local conditions, to place local projects consistent with orderly city planning, to construct projects in line with locally accepted building practices, to establish rents to fit the income of low-income families in their respective communities, and to select tenants on the basis of local needs."

ACT TO EXPEDITE NATIONAL DEFENSE, PL 671, 76th Congress, June 28, 1940.

This legislation authorized the Navy and War Departments and the U. S. Housing Authority to cooperate in making necessary housing available for persons engaged in national defense. Funds available under the Housing Act of 1937 were used to give financial assistance to public

housing authorities in providing such housing in the same way as under PL 412. In some cases this housing was built directly by the Federal Government to expedite acquisition of land and construction. Housing was built under this act only in localities where the President determined that there was an acute shortage of housing which would impede the national defense program. The years of major development activity were 1941 through 1943. Almost 52,000 dwelling units were built. Early in 1946 the President found that almost 34,000 of these units were in localities which no longer required housing to meet defense needs and, consequently, conversion to low-rent status began. Near the end of that year a similar finding covered almost all of the remaining units. Some projects were disposed of, but 48,000 units remained in the PHA program at the end of 1957, all but 200 in low-rent use.

THE HOUSING ACT OF 1937, 1947 Amendment, PL-301, 80th Congress, July 31, 1947.

Rising construction costs had made it impossible to go ahead with the development of previously approved low-rent housing after materials became available. The act enabled local authorities to build even though the costs exceeded statutory limitations if the excess cost could be covered locally. Only three localities took advantage of this legislation. Subsequently these three projects with 2,222 dwelling units were brought under PL-171 contracts and are considered to be a part of that program.

THE HOUSING ACT OF 1949, PL 171, July 15, 1949.

This marked the beginning of a revived and much enlarged low-rent public housing program. Title III amended the Housing Act of 1937 and authorized Federal loans and contributions for not over 810,000 additional low-rent dwelling units to be built over a 6-year period.

THE HOUSING ACT OF 1950, PL 475, 81st Congress, April 20, 1950.

The Administration was authorized to convey certain specified permanent war housing to local housing authorities for operation as low-rent housing. Other projects could be conveyed if application was made within 60 days of passage. Conveyance under this provision began in 1952 and continued through 1957. By the end of 1957 almost 25,000 units were under management as low-rent housing. The same law transferred the farm labor camps previously administered by the Department of Agriculture to PHA for use as low-rent housing.

INDEPENDENT OFFICES APPROPRIATION ACT, 1952, August 1951.

This limited to 50,000 the number of dwelling units initiated under the Housing Act of 1949 for which PHA could authorize the start of construction during fiscal year 1952. During this year the agency authorized the award of construction contracts covering 49,999 units.

INDEPENDENT OFFICES APPROPRIATION ACT, 1953, July 5, 1952.

This limited to 35,000 the number of newly-initiated dwelling units for which PHA could authorize the start of construction during the fiscal year. Awards were approved covering 34,982 dwelling units. This act also limited the agency rate in entering into new Annual Contribution Contracts.

INDEPENDENT OFFICES APPROPRIATION ACT, 1954, July 31, 1953.

This limited to 20,000 the number of newly-initiated dwelling units for which PHA could authorize the start of construction. Awards were approved covering 19,995 units. The Agency was not permitted to enter into any new contracts for preliminary loans or for annual contributions during this year.

HOUSING ACT OF 1954, August 2, 1954.

This permitted PHA to enter into new annual contributions contracts for not more than 35,000 dwelling units during fiscal year 1955. The program for this year was limited to communities with a slum clearance and urban redevelopment or urban renewal program under way. In each case the number of units could not be greater than the total determined by the Administrator necessary for the relocation of families to be displaced as a result of Federal, State, or local government action. The time for utilizing this authorization was extended by one month and Annual Contribution Contracts were executed for 30,351 dwelling units.

HOUSING AMENDMENTS OF 1955, August 11, 1955.

This permitted the agency to enter into contracts for an additional 45,000 units by July 31, 1956. Expansion during this period was not limited to localities carrying out slum clearance and redevelopment activities. Annual Contribution Contracts were entered into for 44,422 dwelling units under this legislation.

HOUSING ACT OF 1956, August 7.

This Act set up a two-year program of 35,000 units for each year. The agency was given until July 31, 1958, to enter into contracts covering the first installment and until June 30, 1959, for the second 35,000. Contracts can be executed only in localities with a workable program for the prevention and elimination of slums approved by the Administrator. The Act also extended indefinitely the balance of the authorization of the Housing Amendments of 1955 (580 units).

ADMINISTRATION HISTORY

- 1933 -- Federal Emergency Administration of Public Works. This Agency was created by PL 67 of the 73d Congress. The Housing Division developed the PWA projects, the Subsistence Homesteads and Greentowns.
- 1935 -- Executive Order 7044 transferred Subsistence Homesteads and Greentowns to the Resettlement Administration which later became the Farm Security Administration in the Department of Agriculture.
- 1937 -- September. U. S. Housing Authority in the Department of Interior created by PL 412 of the 75th Congress.
- October. Executive Order 7732 transferred PWA projects and securities of limited dividend projects to U. S. Housing Authority.
- 1939 -- President's Reorganization Plan No. 1 transferred U. S. Housing Authority to Federal Works Agency.
- 1942 -- Executive Order 9070 created the Federal Public Housing Authority as one of the constituent units of the National Housing Agency. It was organized primarily to take over all the public war housing activities of the Federal Government except projects on military posts or reservations and projects permanently useful to the War and Navy Departments. Full administration of the U. S. Housing Authority's program was turned over to it, both units in regular low-rent use and those diverted to meet war-time housing needs. The order also transferred to FPHA the Greentowns and the Subsistence Homesteads not associated with farming.

1947 -- Reorganization Plan No. 3 established the Public Housing Administration as a permanent agency -- one of three constituent agencies under the supervision of the Housing and Home Finance Agency.

Data prepared by Statistics Branch

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