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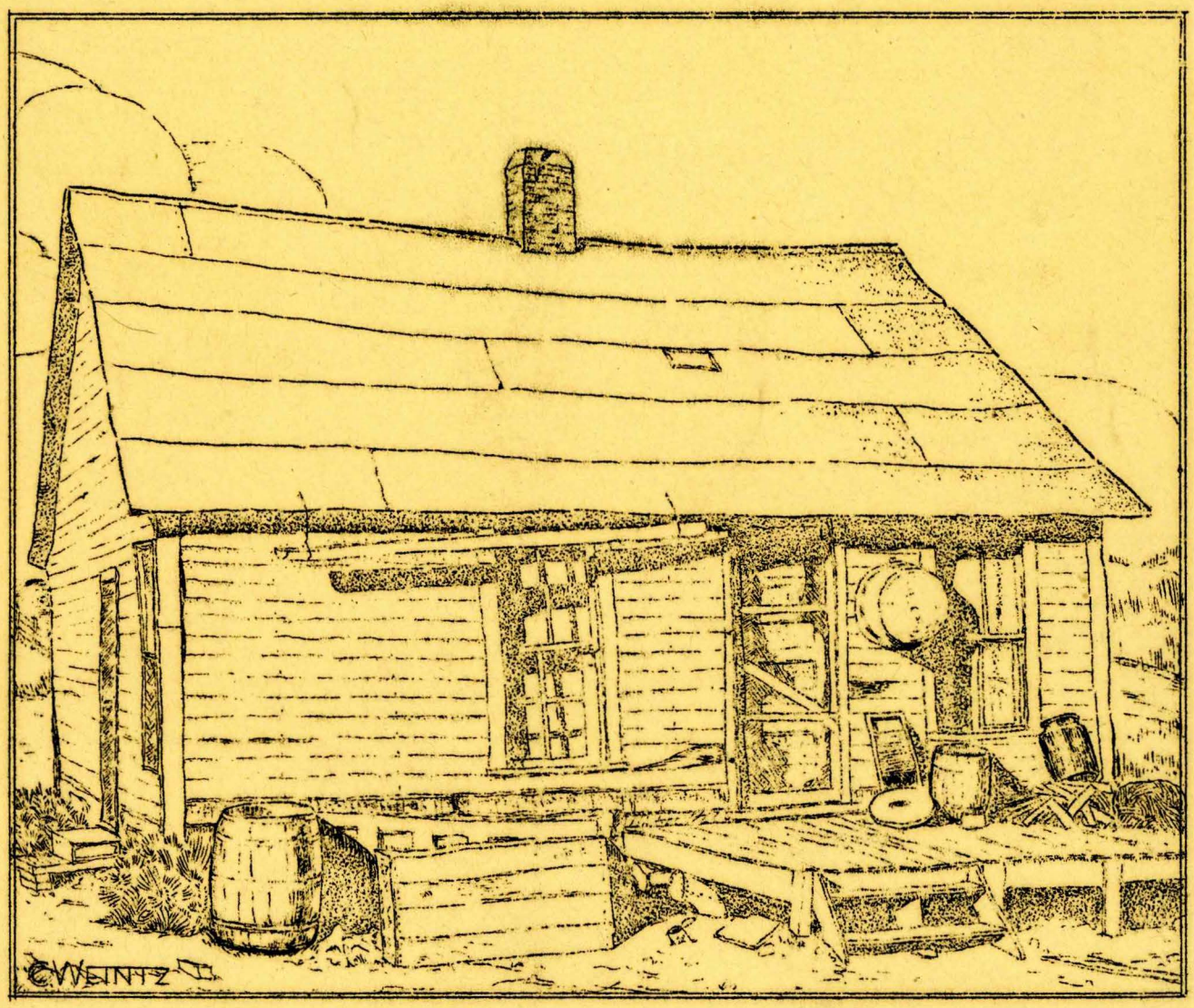

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HOUSING NUMBER

IOWA PLANNING NEWS

Volume III - Nos. 5 & 6 Des Moines, Iowa May - June 1938

AMERICA TACKLES HOUSING NEEDS

Two Federal Programs Offer Solution to Problems for Middle and Low-Income Groups; Iowa Lacks Proper Legislation

By Wayne Sprague
Research Assistant
Iowa State Planning Board

There are at least two income groups in America's population who have not been able to keep pace with time and progress in dwelling construction and improvements.

They are (1) those in the middle class of society whose incomes are sufficient to put them in that large group of citizens just above the much discussed low-income level, and (2) the low-income group, in which must also be included a by no means inconsiderable percentage of our population having little or no incomes.

The first mentioned of these groups has for the most part afforded modest homes, adequate for their family needs, located in neighborhoods suitable to their social requirements. However, as time passed, many of these homes became obsolete, or were badly in need of modernization, repair, replacement of equipment, and sometimes complete rebuilding.

Often whole neighborhoods have deteriorated with the passing years, community growth has shifted its direction and it is now impractical from an economic viewpoint to expend the amounts necessary to renovate the wornout dwellings to make them conform to modern living standards.

To those who have sufficient savings or collateral credit, no housing problem is encountered not capable of solution by the individuals concerned. To others, however, the solution to

HOUSING NUMBER

Iowa Planning News presents in this issue a special housing number, produced in cooperation with the Iowa Housing League. This subject is causing much concern in all parts of the state. Iowa has serious housing problems, which, rather than yielding to solutions are actually becoming more acute as depression continues, existing residential facilities become more wornout than ever, and a large section of the state's population continues to live in wholly inadequate surroundings. The housing problem affects both the urban and rural population.

housing problems must either be postponed indefinitely or a way provided for financing that fits into the family budget instead of requiring the accumulation of substantial capital sums.

The Federal Housing Administration does just that. The Housing Act of 1934 establishing the FHA laid down two goals for achievement, (1) the encouragement of improved housing standards and conditions, and (2) the setting up of a system of mortgage insurance.

FHA lends no money. Its sole function is insuring loans made by approved private lending institutions. Under the modernization section of the act, the FHA insured loans estimated at $1,000,000,000 during 1935, the first full calendar year of its existence.

Continuing to the present, this phase of the FHA activities has meant an appreciable gain in comfort and convenience to home owners through the acquirement of refrigerators, furnaces and other household equipment and also through repairs and improvements to their dwellings, such as new roofs, porches, additional rooms.

The impetus to employment as a result of the expenditures for all these items has constituted a major benefit through increased factory production.

The mortgage insurance phase of the FHA program has made possible lending money for the purchase of existing properties or for the construction of new homes, where such possibility did not formerly exist.

Loans for the purchase of a home may be insured up to 80% of the appraised value of the property, with a maximum of 20 years for payment in monthly installments.

Loans for the construction of a new residence costing $6,000 or less may be insured up to 90%, with 25 years for payment. On an appraised value not exceeding $10,000, 90% of the first $6,000 and 80% of the balance is insurable.

Thus a loan up to 86% on an appraised value of $10,000 would be possible. Such a loan must be amortized over 20 years. Loans on properties exceeding $10,000 in value may be insured up to 80% for 20 years.

All payments are monthly and include interest, taxes, insurance and principal.

Up to January 1, 1938 the FHA had accepted for insurance the mortgages on 469 new homes in Iowa having a total valuation of more than $2,000,000.

The table below indicates the distribution of mortgage values covered.

Another part of the FHA housing program has to do with the insurance of mortgages on large scale residence construction. This includes rental property.

Under this program, a limited dividend corporation, a cooperative group or a public enterprise may have loans insured up to $5,000,000 or 80% of the

FHA MORTGAGES IN IOWA

Mortgages	% of Total
Under $2,000	4.2
$2,000 to $3,000	24.3
$3,000 to $4,000	27.2
$4,000 to $5,000	18.3
$5,000 to $10,000	20.7
$10,000 to $16,000	5.3

(Note: Average amount of mortgage equals 77% of property value. See chart on back cover.)

U.S. HOUSING AGENCIES

To many persons, the technical descriptions of various federal housing programs are too complicated to be easily understood. In this article, the writer has used a minimum of figures, no technical descriptions. He has reduced the subject to simple language and has presented the two active federal benefit programs in such a manner as to clarify many questions about them. One outstanding fact revealed is that Iowa cannot participate in the newest U.S. program for low-cost housing with federal subsidies, until the State Legislature passes an enabling act. That should concern every legislator and every citizen of the state.

appraised value.

If individual dwellings are constructed, they may be sold to original occupants and insured mortgages assumed by such occupants up to 90% of the appraised value.

The cost of apartments or other rental projects may not have an insured mortgage in excess of $1,350 per room.

Under the large scale construction program, Des Moines, Sioux City, Waterloo and Ottumwa have been mentioned as prospective sites. No actual construction had been done in Iowa, however, up to the present month under the large scale section of the act.

USHA PROVISIONS

Certain principles have come to be recognized as a result of long experience. Among these is the one that the percentage of a family's income that may be paid for shelter cannot exceed a definite maximum, usually set at around 25%. To pay more means that other necessities for living must be curtailed to the detriment of health and well being.

It follows, therefore, that whenever the family income falls below a certain level, the amount that can be allotted for shelter becomes too low to purchase adequate living standards in dwellings. The result is inevitably sub-standard homes, slums and blighted areas.

Recognition of this condition and efforts to find a remedy resulted in the slum clearance and low rental housing projects originally sponsored by Public Works Administration, but now carried on by the United States Housing Authority.

The USHA was created in 1937. Its main function is to furnish financial assistance to local housing authorities in slum clearance and low-rental projects. USHA does no building but does exercise control of structural and financial conditions.

No aid is given to individuals or private corporations. Agencies eligible to receive assistance are local housing authorities, municipalities, counties and states, which are authorized to undertake and finance projects by proper enabling legislation.

Iowa has no such legislative enactment at the present time, hence no USHA activity is as yet possible in this state.

The USHA seeks to assure the low-rent character of housing projects by cash grants or annual subsidies. The latter is the preferred method. Loans may be arranged up to 90% of the cost of a project.

The balance must be supplied as a contribution of local government agencies or through sale of bonds issued by the local authority. Under the annual subsidy method, annual contributions are made by the USHA over a period of years not to exceed 60 years.

These contributions are fixed at such sums that when they are deducted from the cost of operation of a housing project, the remaining portion may be paid in rentals which are thus lower than the actual cost.

Local public contributions are required sufficient in amount that when they are added to the federal subsidy, rentals to tenants may be provided within the economic range of families with low annual incomes.

The local contributions are restricted to a maximum of one-fifth of the total subsidy and may be represented in tax exemptions or remissions. To

(Cont'd on Page 12)

COVER DESIGN

The cover design for this issue of Iowa Planning News is the artist's sketch of an actual photograph of the residence of a low-income family in Des Moines. It is not the "shack" type of home, but of much better construction. However, its tar-papered roof, its lack of basement, its run-down condition are tell-tale marks of inadequacy, of near poverty in which thousands of families in Iowa are living. Iowa truly needs a housing program for those citizens forced into poor living conditions by economic reverses, or who for other reasons are unable to improve their status.

SWEDISH COOP PLAN EFFECTIVE

Higher Living Standards Provided for Lowest Income Group Through Large Scale Apartment Houses

By Alfred J. Pearson
Dean of College of Liberal Arts
Drake University

It has been said that Sweden has no slums. This may have been an optimistic conclusion, but certainly an examination of housing conditions in the land of the famous "Kooperative Forbundet" reveals a close approach to the ideals of better housing.

During the World War an influx of refugees caused to become acute a housing shortage that was already giving concern in Stockholm. The threat of crime, disease and social deterioration from overcrowding in slums was intensified.

The Central Labor Union took cognizance of the need for a program of better housing in 1916. This interest resulted in construction of a group of cooperative apartments.

Committed to the cooperative idea as the Swedish people were and encouraged by this initial success, they very quickly adapted this principle of collective action to housing on a nationwide scale. A national savings and building society commonly referred to in Sweden by its initials, H. S. B., had a remarkable growth.

Through careful planning and financing, building has continued even during depression years and today 15 per cent of Stockholm's half million population lives in cooperative apartment houses. H. S. B. has competed in the open market with private construction and has produced homes superior to others in almost every respect and lower in price.

The efficient management of cooperative houses is equally as important as their economical construction. Here again the national character of the Swedish cooperative has made possible spectacular advantages through purchase in wholesale quantities of fuel (a considerable item in Sweden), refrigeration and other supplies.

Three distinct income groups are recognized in the type of living quarters furnished. Homes for these groups are referred to as A houses, B houses and C houses. A member of H.S.B. who occupies an A type of apartment deposits 10 per cent of the cost of his apartment. This deposit varies with the size of the apartment required from less than $200 to more than $1,100. The rent to be paid varies from $125 to approximately $900 per year.

B house occupants deposit 5 per cent of the cost of less expensive apartments and pay proportionately lower annual rent.

C houses are intended for the lowest income groups. While organized and man-

SWEDEN SETS PACE

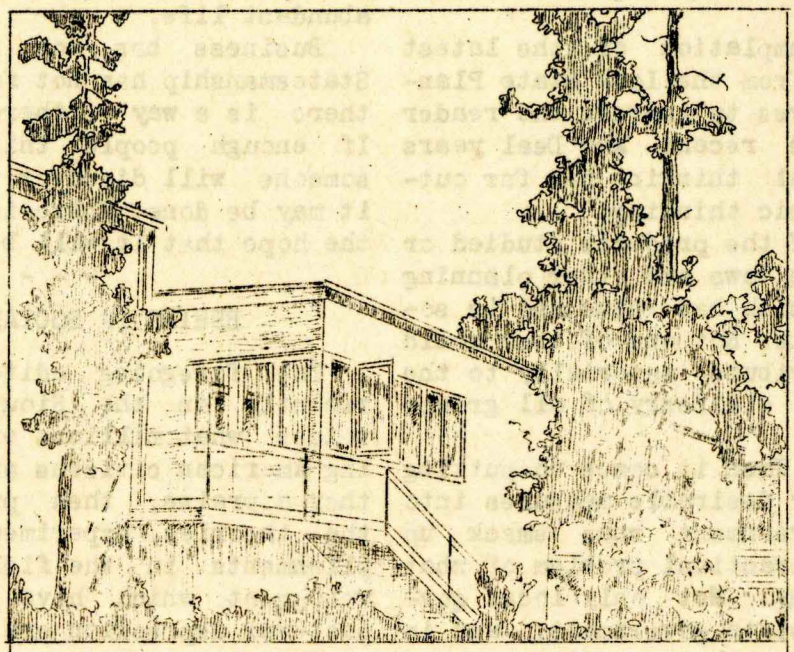
Many of America's best citizens still believe that America leads the world in everything, that no alien land could possibly teach us anything. especially if it approaches the question of social welfare. And these people refuse to look about them to see what really is going on. In this article, Dr.Pearson has briefly described how one nation, Sweden, has made great progress in a field of social welfare wherein America has done virtually nothing. Sweden is proving that the problem of housing for low-income groups can be met. Sweden is making rapid progress, while America lags, tolerating hovels and slums, disease and crime, apathetic to the menace to the whole nation of these unwholesome conditions.

aged by the H. S. B. on the same basis as A and B houses, no deposit is required and the rents are extremely low. The C houses are financed entirely by public money and a selective method is used in choosing tenants.

Income from A and B properties is used in part to reduce principal and interest on construction loans and after about 20 years deposits are returned and a 20 per cent reduction in rent is made.

By 1936, about $15 for every man, woman and child in Sweden had been invested in cooperative housing throughout the nation, despite the fact that Sweden is predominately rural in character of family occupations.

Other cooperative organizations are interested in housing. One of these under the leadership of Sven Markelius, a talented architect, carries the cooperative idea further by providing cooperative kitchens, cooperative servants, nurseries, etc. These are intended especially for families in which both husband and wife are employed. About 25 per cent of all married women in Sweden are regularly employed outside the home.



HOUSES IN THE THREE CROWNS COOPERATIVE DEVELOPMENT

Other housing has been designed to meet the needs of groups engaged in a common occupation. Of particular interest among this group is the community designed for the employes of a large mill near Stockholm. (See illustration on this page.) Rows of single and multiple family dwellings are built on terraces so that each row commands a view of the woods and country surrounding the development.

A feature contributing to the success of mass housing in Sweden has been the acquirement by the government of large areas of land in the country adjacent to the cities. These lands are used as a subsistence aid to families dwelling in the crowded city flats. Small garden plots are assigned at practically no cost. Here workmen and their families in leisure hours can raise flowers and vegetables while deriving the health benefits of getting into the purer atmosphere of the open country. Small buildings on these garden patches provide storage for all tools and supplies and shelter from sudden storms.

The advanced social progress which has been achieved by the Scandinavians is tied in with their many happy experiences with labor unions and industrial and agricultural cooperatives, and their strong desire for home ownership. These things work together to render less difficult the achievement of a successful national housing program via the cooperative route.

Improved housing means a raised standard of living, of health, of happiness. It plays a major part in maintaining the well being of all the people, the nation itself.

* * * * *

Planning is all right, but after all there must be some energy and activity before the plan becomes reality. --- Keokuk "Gate City."

SOCIAL THINKING AND SOCIAL ACTION

We Seek the Means to Pay for Progress, Forgetting That Our Losses from Existing Conditions Over-Balance the Improvement Cost

By Floyd H. Corliss
Editor of "Iowa Planning News"

(An Editorial in the Sioux City Tribune, May 12, 1938.)

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AHEAD IN SOCIAL THINKING

Brief contemplation of the latest news bulletins from the Iowa State Planning Board serves to impress the reader that in these recent New Deal years American social thinking has far cut-stripped economic thinking.

Not one of the projects studied or reviewed by the Iowa and other planning boards but which has value and is socially desirable. Not one of them would fail to contribute materially to the welfare of the citizenry of all groups and classes.

But, alas! When it comes to putting these socially desirable measures into execution, government runs smack up against the practical problem of what to use for money. Not only local government but state government, and in all probability that condition soon will apply to the federal government.

It is well and proper, of course, to develop a social consciousness, to explore these matters, determine our needs in the way of parks, slum clearance, health measures, conservation of resources, recreation, art and of all fine things the planning commissions have investigated.

Perhaps that is the first step necessary to bring these desirable measures into being. If society wants them badly enough it will turn to thinking about the means required to make them possible. We like to think that is the case.

With all the blessings Nature has conferred upon us in the way of climate, resources, materials, creative genius and cultural desire, it still remains for us to devise ways and means by which we may fully capitalize those assets for the promotion of the more abundant life.

Business has not found the way. Statesmanship has not found the way. But there is a way -- there must be a way. If enough people think hard enough someone will discover the way by which it may be done. There is inspiration in the hope that it will be done.

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BEHIND IN SOCIAL ACTION

The foregoing editorial published recently in the Sioux City Tribune voices what millions of serious-thinking American citizens are pondering, as they appraise, then praise or condemn the theories, experiments and accomplishments in the field of social development which have come out of the post-war depression era.

What to use for money?

That is truly a deep question.

But how many have stopped to consider whether or not we are really paying for the finer things of civilization, WITHOUT GETTING WHAT WE PAY FOR?

Is it true that what we are already "using for money," if properly spent would produce for us the permanent results that are generally accepted as being desirable?

Is it true that the losses we suffer AND PAY FOR as a result of our inadequate social thinking and action, as a result of the total lack of planning, would buy for us the things we would like to have "if we had the money to buy them?"

The fact is that we are buying these things, PAYING FOR THEM, but not getting

them.

A small Iowa city recently studied a proposal to reorganize its Chamber of Commerce in order to recapture some of its rightful trade area business that has been going to other nearby cities. About 75 business men were gathered together to discuss the proposal, and to find the means to pay for a strong commercial organization.

The cashier of one of the town's banks rose to his feet.

"Gentlemen," he said, "we are paying for a Chamber of Commerce right now, but are not getting it. I know, because every morning I see the checks that come back into our bank from banks in our neighboring city. These checks represent money spent in that city by people who live in our own trade territory and who do their banking with us."

The American people are paying for planning, getting but little in return. They are paying for improved cities through economic losses of unplanned, haphazardly built cities as they exist today.

They are paying for better and safer highways in property damages and in losses due to personal injuries and deaths in automobile accidents on dangerous and obsolete highways.

They are paying for better health in the doctor and hospital bills of the sick. And the economic value of lives lost and of working time lost by unnecessary sickness and unnecessary accidents is incalculable. Who will say how many potential dollars are lost when an undernourished child of an unemployed father dies of disease that could have been prevented?

They are paying for it in police and fire and health and social services extended now to slum and tenement areas to prevent the spread of conflagration, contagion and crime to the "more respectable" neighborhoods.

They are paying for it in unplanned monuments built to incumbent political administrations --- water works, city halls, boulevards and what-not built without regard to future city growth or future requirements, without any planning.

They are paying for it in the loss of natural resources being exploited by private interests.

Iowa farmers are paying for planning which should have been done many years ago, in their lost farm fertility and lost soil that now lies in the Mississippi Delta and on the bottoms of Iowa lakes. And what about the damage to these lakes by silting? What about the cost of dredging just small areas in an effort to prolong the rapidly disappearing fish life?

America is paying for better education in the results of inadequate and incomplete schooling given to countless millions of rural boys and girls in inefficient country schools that were out-moded before the World War. There still are more than 9,000 one-room country schools in Iowa.

America is paying a terrific price for recreational planning in its bill for crime that continues to mount year after year. Where playgrounds and supervised leisure time programs are in existence, they have proved conclusively that supplanting idleness with directed recreation keeps boys and girls out of the breeding places of crime.

One-third of the nation is ill clad, poorly housed, underfed. The social, physical, economic cost of this condition far outbalances the cost of improvement.

The Nineteenth Century was a period of exploitation, ending in serious problems which the Twentieth Century inherited. We in this Century are "paying through the nose" for that unplanned exploitation and shortsightedness. Are we going to pass these problems on to the Twenty-first Century, still unsolved?

America is awakening. There are unmistakable signs of that. We wholly agree with the Sioux City editorial writer that the people will find a way, that our Social Action will catch up with our Social Thinking. There is truly inspiration in that hope.

But what a pity that social progress and human welfare have to be measured in terms of money!

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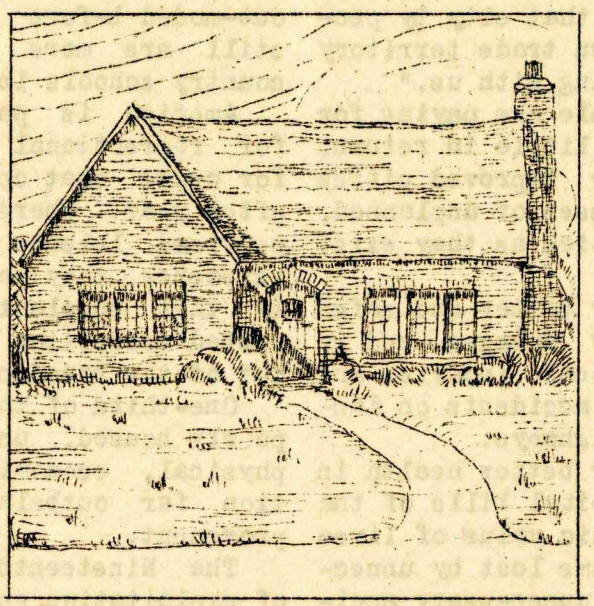
HOUSING INFLUENCES HEALTH

Likewise, Absence of Sickness and Its Cost Relieves Family Budget to Make Possible Improved Environment

By A. H. Wieters, Director
Division of Sanitary Engineering
Iowa State Department of Health

The far-reaching influence of proper housing and living conditions on the health of the individual, the family and the community has been given too little consideration by the average citizen.

The physician, the nurse and the public health official charged with the duty of guarding the health of the people have carried on continuous battles to arouse the public to the danger to the whole community of living conditions that are forced on a part of the community by economic necessity and congenital inability.



There is a definite relation between bad housing and unhealthful living. The existence of humble dwelling places does not in itself mean concurrent low health levels. But the evils which may, and usually do, accompany congested housing such as is typified in slum and tenement districts and in blighted borders of our cities are specific causes of disease and epidemics. These evils are well known. They include impure water supply, insanitary and inadequate toilet facilities, lack of sewer connections, inadequate ventilation, crowding, dampness, lack of protection from flies and vermin and dilapidation of buildings.

In recognition of the relation existing between health and housing, the Iowa General Assembly placed the administration of the State Housing Law under the Department of Health.

Statistics gathered in many parts of the world by medical authorities, combined with analysis and investigation, have established certain minimum standards. The State Department of Health conducts a continuous campaign of education seeking to place these findings before the people in such effective manner that aroused public sentiment will aid in eliminating the many sources of disease and in bringing about better housing conditions for low income groups who are forced by economic conditions to live in sub-standard dwellings.

If men and women of the future are to have strong, healthy bodies, clean minds, then the children of today must grow in decent homes with sufficient ventilation and fresh air, an abundance of sun light by day and illumination at night, personal privacy, sanitary conveniences and clean, wholesome surroundings.

Housing conforming at least to minimum standards is an adjunct to community health. It should be emphasized, however, that housing represents but one phase of well rounded public health programs. Housing and health are complements of each other. For if better housing is conducive to better health, so also is better health an aid to im-

(Cont'd on Page 14)

PERTINENT COMMENT ON HOUSING

(The following brief opinions and statements pertaining to Housing have been gathered for presentation in this issue.)

A HOUSING PROGRAM FOR IOWA

By the Hon. Nelson G. Kraschel
Governor of Iowa

The benefits that would accrue to Iowa through a low-cost housing program are enormous. Idle capital would be used productively. Idle labor in the building trades and related industries would find employment. Business men would benefit from the demand for materials and supplies and from the increased purchasing power of men who are now existing on inadequate incomes.

But above all these benefits, our state would reduce the enormous loss from disease and crime which it suffers every year because of inadequate housing.

The government through the Federal Housing Administration, the Home Owners Loan Corporation and the U.S. Housing Authority has provided means for protecting private capital from loss.

I urge all our citizens to acquaint themselves, through the agency of the Iowa Housing League, with the need for better homes and with the opportunities offered by our Federal Government.

* * * * *

HOMES ARE STILL IMPORTANT

By Mrs. Eugene Cutler
President
Iowa Federation of Women's Clubs

The home in the 20th Century is still an institution of paramount importance and tremendous influence. While the home constitutes far more than physical shelter alone, all the physical factors contributing to the attractiveness and healthfulness of our dwellings are vital to our happiness and to our efficiency.

When thousands of families in Iowa are without modern sanitation in the home, without safeguarded water supply, without sufficient protection from the weather or adequate space for family needs, it is time we faced the question of what to do about it. We cannot be satisfied to say, "they brought it on themselves." For, even if that be true, succeeding generations are being ushered into conditions for which they are not to be blamed.

If there is a way, within the American philosophy of things, to improve the housing of those in need of assistance, let us perfect the means of assistance and raise the level of housing to the standards we have a right to demand.

* * * * *

DO LIVABLE HOMES PAY?

By Mrs. Bert McKee
State Chairman of Publicity
Iowa League of Women Voters
State Vice Chairman of Radio
Iowa Federation of Women's Clubs

The practice of giving to the people of the lowest income groups the shacks and most undesirable places in the community for their homes should belong to the dark ages. For even to suggest that a stable citizenry can develop of its own momentum out of the hovels and ash heaps is to clog the machinery of our thinking, to fool ourselves into believing the impossible simply to relieve our minds of our own responsibility.

Someone inquired of one of the nation's leading city planners as to the advisability of a housing program for the wage earner of the lowest income group (or even for the no-income group) and the city planner replied:

"In our nation we have various types of citizens. Some, through no fault of their own, are in the highest income group; others are in the lowest.

"There are people who are physically handicapped or victims of situations over which they have no control. Then, there is an entirely different class known as law violators.

"The financially independent group needs no assistance. But for all the others, we provide aid of one sort or another; for some we do everything.

"Now this type of citizen whose earnings are small but who wants employment, who can and will work, -- why should we not make it possible for him to have a livable home for his family, as we do for other groups? All are dependents, but of varying degrees of dependency. When we provide livable homes for the wage earner of the lowest income group, we shall have done much to eliminate crime and disease. And we shall have better communities in which to live."

An investment by governmental units in a program of decent homes is an investment in human bonds. There are no holding companies in this corporation. The taxpayers are the stockholders, and the community, state and nation are the directors. Dividends are a satisfied people in an enduring democracy.

* * * * *

LIVABLE HOMES FOR IOWA

By Dr. Robert E. O'Brian
Secretary of State

There is no problem as important to a nation as the problem of housing, for while a house does not make a home, nevertheless the kind of a dwelling in which a family lives determines to a very large extent what the children in that family will do.

Approximately a quarter of the population of Iowa lives in homes that are really unfit for human habitation in a rigorous climate like ours. These people want better houses. They cannot afford to pay as high rentals as people who live in good houses, for they are too poor. But they are entitled to receive better dwellings than they now inhabit when one considers the rentals they have to pay.

Every person who has had experience with real estate knows that the highest returns on capital invested ordinarily come not from the good expensive houses but from the houses that have been allowed to run down to the point where they are beyond insurance and repair.

Our problem is to find a way to get capital employed in building houses and labor employed in a construction program, for when this is accomplished many of the shanties and shacks will disappear, and modest homes, sanitary and clean and neat, will be provided for the people of Iowa.

Slums do not pay. They cost society more by many times what it receives from them in taxes. But there is another side to the loss.

What about children who are obliged to grow up in slum sections? It will pay society to give them decent homes rather than to bear the enormous expense that we bear every year to maintain protection for slum sections and to protect ourselves later on against the kind of people which the slums turn out to threaten society.

The nation that spends its wealth building splendid monuments and neglects the homes of its people will never have a stable government. It is only as you improve the home in which a family lives that its responsibility rises.

Better homes for Iowa mean better people for Iowa, better children for Iowa, better incomes for Iowa and a better and nobler future.

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HOUSING BY W. P. A. ?

According to the May issue of the "News Letter" of the American Society of Planning Officials, the city of Detroit has just completed construction of ten houses for relief families. Having paid rent for such families for some time, and finding that many places so occupied were unfit for habitation,

the city purchased lots in a low-priced residential area.

Using W. P. A. labor and reclaimed building materials, Detroit's Department of Public Works has built ten minimum sized but well constructed homes, each with hot air, full basement, gas stove and refrigeration, and electric lights.

A somewhat similar program for low income families in Des Moines has been proposed by persons interested both in low cost housing and in filling some of the city's vacant areas.

* * * * *

AN APPRECIATION

By Mrs. Charles E. Palmer
President
Iowa Housing League

To all in Iowa who have been working so faithfully for better housing conditions, Greetings and Congratulations!

Passage of the Wagner-Steagall Low-Rent Housing Bill by Congress last year marked the beginning of an era of public housing for the whole United States. A nationwide, non-political enthusiasm for better housing has brought great plans for decent living and slum clearance.

We wish to take this opportunity to extend our appreciation of the unselfish and hearty cooperation of our Governor, our Secretary of State and other state officials, of the members of the State Planning Board, the Iowa Housing League, the housing commissions and committees in Iowa's cities and towns, the mayors, our Iowa senators and congressmen.

The women's clubs, the many civic and service clubs, labor unions, building and supply companies, real estate boards, welfare organizations have all helped tremendously in evolving plans for "Livable Homes for all Iowa."

Let us unite to obtain the proper state legislation for authority to bring about better housing for the low-income groups in Iowa.

* * * * *

IOWA NEEDS LEGISLATION

By H. Dale Bossert
Research Supervisor
Iowa State Planning Board

The time may come when housing costs are so low or income so high that there won't be any housing problem. To contemplate that situation is pleasant, to work toward it in the best American manner is admirable, but to anticipate it soon is extremely optimistic.

For the present, one practical though definitely limited approach is the U.S. Housing Authority. To the country at large, USHA offers a program limited by the fact that even millions of dollars do not go far in providing shelter for millions of people. To Iowa this program is not yet available.

One legal step must be taken if Iowans are to be eligible for USHA help.

That step is the passage by the Iowa General Assembly of an enabling act permitting Iowa communities to create local housing authorities, which in turn can deal with USHA to obtain federal loans or grants for low-rent housing projects.

While such an enabling act must comply with certain general requirements of the federal government if federal aid is to be provided, it need not follow any "standard act." It should carefully consider Iowa's needs.

Such enabling legislation would call for no state appropriations either immediately or subsequently. A local housing authority that might be established under the act could impose no financial obligations on the public and its indebtedness during the amortization period would be charged against the project and not against the municipal treasury.

The foregoing statements are not intended to convince anyone that municipal housing is desirable or that this state should join the 33 others which have passed enabling acts to authorize community cooperation with USHA. They are intended only to emphasize that public

housing today offers the only realistic though financially restricted approach to better housing for low-income families, and that the USHA is designed especially to work with municipal housing authorities.

If we are to have municipal housing in Iowa in the reasonably near future, we shall probably have to take the one legal step to qualify our communities for USHA assistance. Consideration of this step will be up to the members of the 48th General Assembly, who will appreciate your opinion as to whether the step should be taken.

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AMERICA TACKLES
HOUSING NEEDS

(Cont'd from Page 3)

offset the loss to communities of income from taxes, a service charge may be paid by the housing project.

A requirement of USHA is that for each new unit of housing provided, a sub-standard unit must be eliminated as such, either by demolition or by compulsory improvement. This may be deferred during new construction where an acute housing shortage would be caused by its rigid enforcement.

Logan-Fontanelle Homes, Omaha, Neb., is an example of the USHA type of housing. This $2,000,000 project provides apartment homes for 284 families. Rentals range from $23.95 to $31.70 per month. All utilities are furnished except telephone. There are playgrounds, park areas and community laundries.

The income of families living in the Homes apartments ranges from $500 to $1,800.

The cost of the project less the government subsidies provided will be entirely self liquidated.

The essence of the USHA type of housing is the subsidizing of families having incomes too low to provide an economic rent for shelter and who are thus forced to live in sub-standard or slum areas.

The practical limitations of $1,000 per room or $4,000 per unit in cities under 500,000 population appear reasonable in view of these facts:

Land, clearance and non-dwelling facilities are not included.

The program is supposed to produce low-rent housing as its first objective.

Thirteen projects of this type constructed by the Housing Division of PWA were erected at an average cost of $979 per room and $3,549 per dwelling unit (as reported by the U.S.Bureau of Labor Statistics, January 17, 1938).

With the experience gained and by still further reducing costs through eliminating some of the frills provided, there is no reason why this country cannot solve its housing problems and progress to better standards of living for everyone.

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HOUSING AND FAMILY INCOME

In 1929 the Brookings Institution made a study of what non-farm families did with their incomes. They found that the living expenses of families receiving less than $1,000 annually were, on the average, about 20 per cent more than their incomes. Stated in other terms, they "saved" a negative 20 per cent of this income, and they were subsidized by public or private relief (including a certain amount unwillingly contributed by creditors).

Housing for this (under $1,000) non-farm group took 37 per cent of their income, whereas 20 to 25 per cent is supposed to be about right for families with annual incomes considerably greater than $1,000.

Two-thirds of the non-farm families in Iowa have less than $1,000 to budget each year. (Including farm families, three-fourths of all households in Iowa are in that classification, but the farmer's cash income is supplemented by consumable goods raised on the farm.)

Maybe the deficit for this income group isn't so great in Iowa in 1938 as it was in the country at large in 1929. Anyway, it's still a tough problem.

SLUM CLEARANCE

(An editorial in the Avoca Journal-Herald, April 14, 1938.)

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We had the privilege last week of visiting the federal housing project at Granger, Iowa, where fifty low-cost modern houses have been built for sale to coal miners of that section.

Nearly, if not all, of the houses have been purchased on long time terms at low interest rates. Each house is built on an acreage large enough to afford a garden, a cow yard and space for fruit trees, with door yard for flowers or lawn. Each owner develops his own plan of land use, and they all gave evidence of careful planning and plenty of work.

It is notable that the houses are not rows of structures exactly alike, but are built on winding streets with a variation of outward appearance. They run from four to six rooms and have modern, though inexpensive, fixtures.

Heretofore, the miners have occupied shacks of varying degrees of dilapidation near the river banks where their existence was patterned after that of any slum section. Their surroundings and the fact that they are property owners have given them an outlook that is making them into better citizens, and their children will grow up with self respect and confidence.

Father Ligutti of Granger has been the director of this project, and it is to him the purchasers go for advice.

As federal housing projects go, we believe this plan is far superior to that of the huge apartment house type. Unquestionably city slums should be wiped out, but we can't quite see why they should be replaced by huge new tenement buildings that rise up only to plague future generations just as the old ones are doing to us. To be sure, these huge apartment buildings economize on ground space, but in the United States there is still a lot of God's green earth that cannot be put to better use than providing a place where our children can squeeze the soil of a free country between their toes.

If we want to assimilate the rising generation, off-spring of emigrants living in our slums, there is no better way to do it than to bring them into contact with the soil. That is why we say our efforts should be directed toward giving a bit more of the great outdoors to these under-dogs rather than handing them a block of brick and mortar with a landscaped window-box.

Yes, we know that most of the families who live in these uninhabitable sections of a city would not know what to do in a decent place and many of them would refuse to move if it meant getting outside the crowd, yet if we saved a mere 25 per cent of them from the results of their present existence, we would have added a billion dollars annually to the wealth of the country, and we would have developed a million good citizens from that many potential criminals.

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BASIS OF PROSPERITY

Fundamentally, the basis of national prosperity and the happiness of present and future generations are dependent upon the conservation of the nation's natural resources. Ultimately, we obtain our food and clothing from the soil. Our forests not only conserve the soil but help to prevent floods and severe droughts. They provide us with various products and homes for wildlife. They have recreational and aesthetic opportunities, and for promoting navigation. Our subsoil resources, such as minerals, coal, peat, limestone, potash, saline deposits, chemical waters, oil and gas, serve a variety of industrial and commercial purposes. They are a necessity to civilization. Our wildlife resources have great aesthetic and recreational as well as economic values. The beauty and health-giving influences of unspoiled nature are of serious concern to the public. --- Harry B. Vavra, National President, Educational Conservation Society.

EDITOR BECOMES PLANNING CONSCIOUS

(An Editorial in Sutherland Courier, April 28, 1938.)

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About every so often, and this is one of those times, I get to thinking that something in the way of a planning board would be a good thing for a town like this.

I know that I don't know much about doing what a planning board could do, but I know there are people hereabouts who do have sense enough and experience enough to do a worthwhile service from time to time, providing they would do it.

The town itself has a number of properties which, with the exception of the park, never have received much attention and are sadly in need of it.

There are a lot of possibilities for development, perhaps for use and beauty both at the same time.

That requires principally someone with ideas, someone with a knowledge of trees and shrubs, not to mention other means which might come into the picture to make Sutherland more attractive.

No one would expect to get it all done in a minute, at least I would not, but planning a program to extend over a period of years is worth considering, according to my lights.

'Tis a privilege to live in Sutherland, and it is also a privilege to take part in making it a better place in which to live, hereafter and ever after.

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Speakers on Planning

The Iowa State College Extension Service is prepared to provide speakers on the subject of county and community planning, including discussions of recreation and park programs, to groups desiring such informational programs. Inquiries should be addressed to Prof. J. R. Fitzsimmons, Department of Landscape Architecture, Iowa State College, Ames.

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HOUSING INFLUENCES HEALTH

(Cont'd from Page 8)

proved housing. Ill health in families exerts a tremendous strain on the budget and often becomes an economic barrier to the acquirement of better homes and conveniences.

The fact still remains that until adequate housing has become an accomplished fact in the slum districts of our major cities, a certain amount of preventive health measures will prove ineffective. It is furthermore true that in many cases family incomes are too low to offer any prospect of solution to the housing problem by the individual primarily concerned.

Society, then, must elect either to continue in an attempt to stamp out these common effects of bad housing after they appear on the surface, or by bringing reason and intelligence to bear on the problem to strike at the roots of the evils. By encouraging and making possible better homes, proper sanitation, safe water supply, healthful and happy surroundings, it may then start collecting dividends in improved health for the whole community.

* * * * *

Poor Alibi for Wastefulness

The often expressed opinion that we shall be able to obtain mysterious power in large amounts from new and undeveloped sources, from "the sun," from "breaking up atoms," from "harnessing the tides," from water power, etc., is eagerly seized on by thoughtless people who are too ready to believe that which is pleasant, and to assume that we can waste the coal, the oil, etc., on which we are now dependent. It is likely to prove a fallacy fatal to our civilization. --- "Outlines of School Courses in Conservation," Vavra.

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The Missouri Valley Field Office of the National Resources Committee is distributing reports of the First Regional Planning Conference, held Feb. 11-12.

URBAN LAND USE AND HOUSING

Developments for Low Income Groups Must Conform to Planning and Zoning Principles If They Are to Succeed

By Walter H. Blucher
Executive Director
American Society of Planning Officials

(Excerpt from an address delivered at the First Missouri Valley Planning Conference, Omaha, February 12, 1938.)

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Some years ago, when I was serving as a housing consultant, I was asked to go to the southwest to assist in the development of housing programs in two communities. In Tulsa and Oklahoma City I found that housing conditions were not bad. There were no slums within the communities, but outside of both were very bad squatter developments.

One was on top of a dump which had been a swamp. The people were living in piano boxes, automobile bodies and all manner of homemade shelter, if one had the nerve to call such things shelter.

There were no sanitary facilities. Water was obtained by walking over a hill to a pump a mile and a half away. Conditions were among the most squalid I have ever seen, and I have seen some very squalid conditions in this land of ours, which is flowing with milk and honey, in which the streets are paved with gold, and where every man is rich!

I have seen squalor in many countries in Europe, but very little that approached this condition. I discovered very quickly that there were two kinds of people living in the squatter areas, the squatter who desired nothing better and who probably would appreciate nothing better, and the good citizen who was forced to this mode of life through unemployment or illness.

I saw one ex-school teacher just waiting for a chance to get back to a suitable economic status. The situation wasn't helped any by the fact that Oklahoma City itself was contributing nothing to relief. The relief was being furnished by the federal government and was so small at the time as to be really shameful.

After this examination I went to a meeting of officials and others and although I had been in the community just a short time and had no right to offer a curbstone opinion, I did say that the principal problem was to provide some decent shelter for those people. I suggested that if the community had some money and materials, the necessary labor could be obtained through the CWA-FERA program and that shelter without any frills could be provided for those squatters. The manager of that community said to me:

"We have the money and I will provide the materials. We have a piece of vacant property; we can build our houses there."

I said: "Wait a minute. It isn't that simple. Your piece of vacant property is located adjacent to a good residential district. What will those people say if you put all the squatters next to them?

"There are a number of things you have to do. First, you have to find out something about these squatters, their background, the condition of their health, their desires. This involves a social survey. But it means that the first thing you must do is separate the sheep from the goats."

Then I said: "What about school facilities? These squatters have many children. Assuming that you select the better ones for your piece of vacant property, do you have school facilities in the area to take care of the children, even assuming that they can be mixed with the children of the other

residential areas?

"What about sewers and water mains? Are they available, and if so, will they overtax the capacity of your system in that area?

"What about transportation? If you select the better squatters, they will want to work just as soon as they can. What is the relationship of this vacant site to the industrial areas and do you have transportation facilities between the two?"

I said to the manager: "These are just some of the features that have to be considered. They aren't all. What you need is a physical and an economic and a social inventory. The location of a housing project for squatters, for people on relief, for the low income group, is not just the simple matter of taking any vacant site which may be available."

The manager replied: "I guess you are right, but how are we going to do all of this?"

My answer was: "You have a planning commission in this community which if it hasn't already made these studies should be directed to do so. It is my opinion that the planning body of its onw initiative should have undertaken these studies which would provide you with all the necessary information from which you could develop this kind of a housing project. But if they haven't done so, ask them to do so immediately."

Housing projects built in this country have not been related to community development. There have been two determining factors in their location. One was the desire to clear out slums or blighted areas, and the second was to acquire cheap land.

It is my opinion that every public housing project should make a contribution to city development. Every such project must be integrated with the community plan. It is something of an anomaly to find that many of the projects heretofore built are located in areas zoned for industrial purposes.

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NATION IS AWAKENING

By P. H. Elwood, Counselor
National Resources Committee

The need for housing is well established. The results of bad housing are well known. These facts were definitely established in Iowa several years ago when the Iowa State Planning Board, during its first program, conducted housing surveys in several Iowa cities and published illuminating reports. The most convincing and dramatic of these reports was the well illustrated booklet "The Forgotten House."

Although there is as yet no major housing project in Iowa, in part due to lack of any legal housing authority, the people of Iowa and throughout the nation are definitely beginning to see the light and there is much encouraging evidence that the people are really becoming housing minded.

Nothing would more soundly revive business, employment and general welfare than a well planned, long time housing program.

We now have the necessary federal machinery in the insuring and lending FHA and USHA. The latter actually aids slum clearance.

What we need in Iowa and in several other mid-continent states are:

1. Proper state housing enabling legislation.

2. A widespread recognition of the human and economic advantages of a thorough re-housing program.

3. A housing minded people.

Unlimited possibilities await the time when every man, woman and child will demand as the first, most important and most enduring need for their happiness, contentment and welfare, a home, fit and attractive.

It may not be a castle. Neat, well built cottages and homes on any street or highway make a far more satisfying picture than auto dumps or long lines of parked cars or congested traffic.

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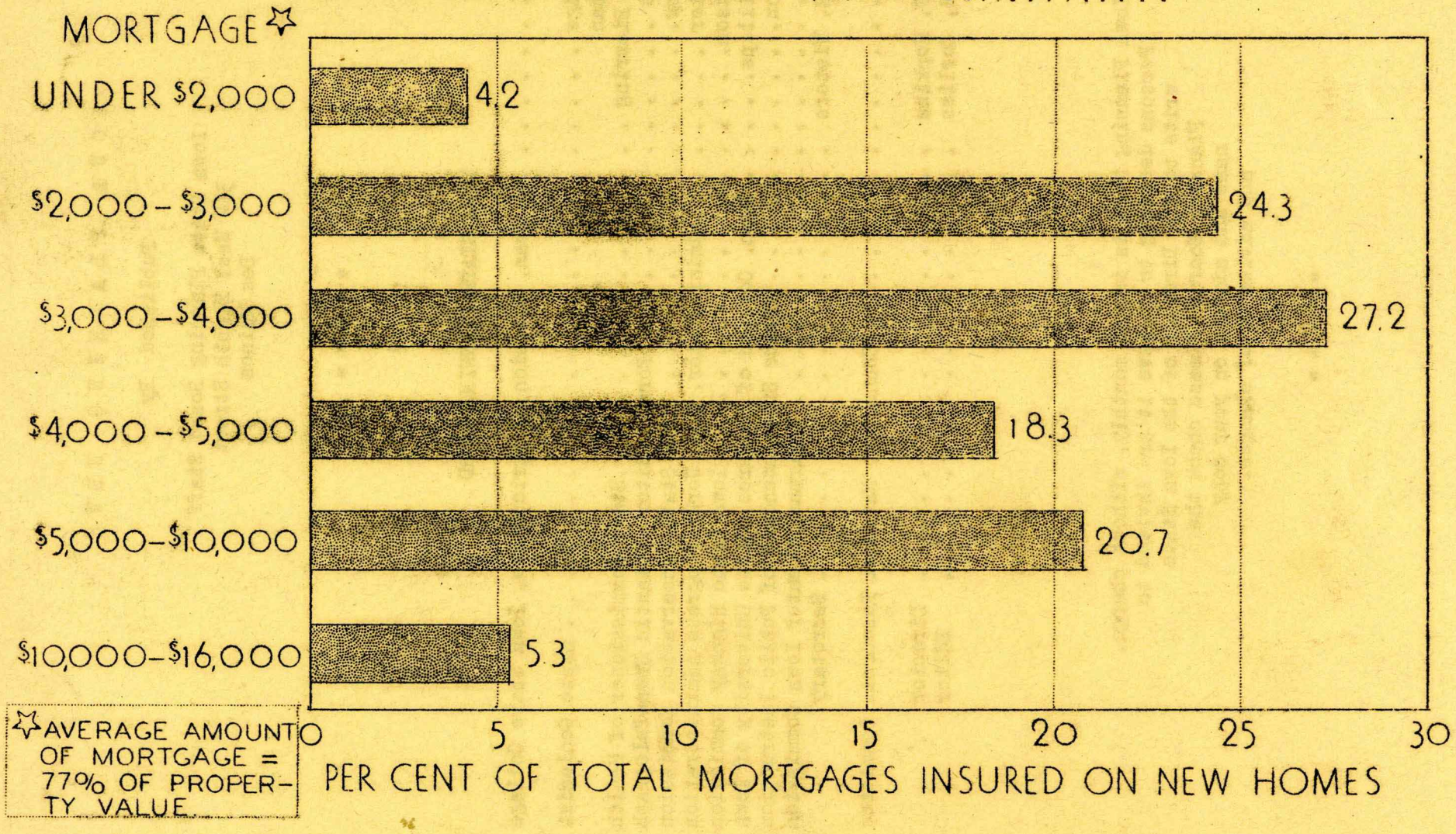
F.H.A. MORTGAGE INSURANCE ON NEW HOMES IN IOWA

UP TO JANUARY 1, 1938. THE F.H.A. HAD ACCEPTED FOR INSURANCE THE MORTGAGES ON 469 NEW IOWA HOMES WITH A TOTAL VALUATION OF $2,008,435.....



☆ AVERAGE AMOUNT OF MORTGAGE = 77% OF PROPERTY VALUE.