

FINANCING OF HOUSING NEEDS

by

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The National Housing Administration is pleased to have a group of individuals and groups on the subject of housing problems. The policy also properly puts forward the need for housing leadership, example and technical assistance.

Through its various programs of assistance to housing development and redevelopment, the Housing Agency has taken important steps to support the National Housing Policy. Various programs designed to stimulate and assist the production of housing are planned.

All of these actions have been developed with the full and helpful collaboration of Governor Fogel and his staff. In the future, we are giving real encouragement to the construction industry by giving our leadership with the building industry and with the housing public to see that the National Housing Policy is a reality.

Before I describe the specific steps we have taken to assist and perhaps identify certain characteristics of the Federal housing programs.

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First. In all of HHPA's programs, Federal support takes the form of financial assistance through partial subsidies, loans, or loan insurance.

Second. HHPA builds on existing construction (whether residential or non-residential) assisted by FHA in individual cases or initiated either by private individuals and groups or by state and local agencies.

Third. When the financial assistance goes to a state agency, HHPA generally deals directly with those local agencies of government.

Here is a brief summary of the steps we are taking in HHPA to stimulate and assist in the construction of fallout shelters:

1. Shelters in progress - HHPA is putting its leverage behind the shelter program and is working closely with building contractors and private individuals to assist in the construction of shelters in new houses (including mobile homes) and in existing homes.

This program is based on the belief that popular demand for shelters will make it appropriate to reflect their value in the value for mortgage insurance purposes. This will make FHA Title I generally available for shelter construction. It is estimated that about 10% of the country have been reached by the program.

In addition, HHPA is taking a number of other steps to mobilize its resources in support of shelter construction. These steps include special policy statements, a study of the shelter program, the

encouragement of home shelter construction, conference design to solicit the support and participation of the building industry, and dissemination of technical information to the building industry and to the building industry.

2. Shelters in existing buildings - The Federal Urban Renewal Program in existing housing is being expanded to include the construction of shelters. The program which involves the construction of shelters in existing buildings and repair. The FUA will continue to provide a national network of home improvement leaders calling, directly attention to the fact that shelters are eligible for financing under the Federal Urban Renewal Program. Requests for financing should be made to the local Civil Defense Office, and the local Urban Renewal Office, which will provide construction details as well as information on equipment, materials, and labor.

3. Shelters in Multi-Family Buildings Financed with FUA assistance - The criteria and specifications for shelters in multifamily buildings are being developed by the Office of Urban and Military Planning. These technical guides are available. FUA will continue to provide financial assistance in the construction of fallout shelters in multifamily buildings financed under its program of mortgage insurance.

4. Public Shelters in Redevelopment assisted under the Federal Urban Renewal Program - The Federal Urban Renewal Program has been adapted to provide and assist the construction of public shelters or plan for the construction and redevelopment under that program. The Urban Renewal Administration

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issued instructions to his regional representatives to cooperate fully in the Shelter Program by giving technical and support to local public agencies to include public shelter development. A ruling has been made that public shelter projects proposed by local public agencies may be accepted as part of the local share of project costs. The structures meet standards acceptable to the Office of Civil Defense Mobilization.

5. Shelters in College Dormitories assisted under the College Housing Program. HEPA's Community Facilities Administration makes loans to colleges and universities for the construction of dormitories and student and faculty housing. The Community Facilities Administration has ruled that the additional cost of providing shelter in these structures can be covered under the Federal loan. In addition, the Community Facilities Administration provides encouragement and technical assistance to institutions of higher learning to provide shelters in their dormitories and other construction assisted under the College Housing Program.

6. Shelters in Local Public Works financed under the Public Facilities Loan Program. HEPA's Community Facilities Administration makes loans to local public bodies for the construction of public works. Public works are limited to small cities and projects can be placed in areas requiring water and sewer facilities. Where the proposed project requires the construction of a building such as a pump house or treatment plant, the local body can shelter for the operating personnel. The system may be designed to take

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loan. As in the College Savings Program, prospective loan applicants are told of the eligibility of shelters and are provided with technical assistance.

7. Inclusion of the program in the HUD's public housing program.

Community Facilities Administration is authorized under the Act to encourage public bodies to plan and construct public facilities. For this purpose, the Facilities Commission has authorized the public works and facilities include fallout shelters are eligible for Federal assistance. The Commission has further ruled that a public body may apply for assistance for a shelter project provided the applicant has authority for this type of construction. Thus, through this program, a community may obtain assistance for the purpose of planning fallout shelters.

8. Shelters in Public Housing program. The HUD's Housing Administration

assists local housing authorities in the construction of public housing. Federal assistance consists of: (a) the temporary financing of development costs; (b) the payment of a dual mortgage to the local housing authority over a period of years; (c) the amount to exceed the interest and amortization payments required for the construction. The Public Housing Administration also agrees to assist local housing authorities to include fallout shelters in their public housing to the extent that the construction cost and the amount of the Federal subsidy. The program will begin in 1964 as the OCEM has completed 1963-1964. The program will include all public shelters in multi-family construction.