

Extension of U. S. Housing Program

Of the \$800 million provided by the United States Housing Act in 1937 to be available for loans for slum clearance and low-rent housing \$435 million has already been loaned and \$225 million has been earmarked, making a total of \$660 million. At the present time the U.S.H.A. is authorized to make grants-in-aid of \$28 million a year to assist local housing projects. Substantially all U.S.H.A. funds have already been committed. Over 22,000 units have already been gotten under way and \$55 million has actually been spent. The peak of the program will be reached in February 1940. At the present time 5,000 units are being started each month.

The small amount of funds actually expended under the U.S.H.A. program up to the present is chiefly attributable to the difficulties in land acquisition. The loan is made before the actual acquisition of land. The buying up of numerous small plots involves protracted delay.

Judging from the past experience of the U.S.H.A., the amount of this additional appropriation that may be expected to be spent in 1940 is probably only a small fraction of the appropriation. It apparently takes a long time before new contracts are negotiated and actually put into operation.