

Date _____

To Mr. ThurstonFrom Woodlief Thomas

MESSAGE:

Attached correspondence
related to proposed
Housing testimony.

See especially
outline of subjects
to be considered.

Message delivered by _____

EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON, D. C. 25


JAN 5 1945

My dear Mr. Eccles:

The National Housing Administrator, in his letter of December 29, copy of which is attached, has requested advice as to the relationship to the program of the President of certain testimony which he proposes to present in connection with his appearance, beginning January 9, before the Subcommittee on Housing and Urban Redevelopment of the Special (Senate) Committee on Post-war Economic Policy and Planning.

For your information I am transmitting herewith my reply of January 1, stating, in effect, that testimony recommending that NHA, consisting of the agencies and functions consolidated by Executive Order No. 9070, be made a permanent establishment of the Government, and that it be authorized to conduct housing research, would be in accord with the program of the President.

Very truly yours,


Director

Honorable Marriner S. Eccles,
Chairman, Federal Reserve Board

Enclosures (2)

EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON, D. C. 20503

January 11, 1945.

Honorable Harold D. Smith,
Director,
Bureau of the Budget,
Washington 25, D. C.

Dear Mr. Smith:

This is to acknowledge your letter of January 5 transmitting a copy of the letter of December 29 from the National Housing Administrator as well as a copy of your letter of January 1 in which you advise that the recommendations embodied in Mr. Blanford's letter are in accord with the program of the President.

As I have been requested to testify before the Senate Subcommittee on Housing, I appreciate your transmitting this material for my information.

Sincerely yours,

M. S. Eccles,
Chairman.

ET:b

RECEIVED IN
CHAIRMAN'S OFFICE
JAN 6 1945
BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

NATIONAL HOUSING AGENCY
Washington, D. C.

Office of the Administrator

December 29, 1944

Mr. Harold D. Smith
Director, Bureau of the Budget
State Department Building
Washington 25, D. C.

Dear Mr. Smith:

Beginning on January 9th, the National Housing Agency will be participating at the request of the Subcommittee on Housing and Urban Redevelopment of the Special Committee on Postwar Economic Policy and Planning in extensive hearings on the subject of postwar housing.

Broadly speaking, we intend quickly to summarize the war housing job; to set forth the role of housing in our national, local and individual economy, both from the economic and social viewpoint; to describe the condition of the housing supply of the American people before the war; to outline an estimate of housing needs for the decade 1946-55, again in terms both of economic and social needs; to appraise the country's present tools and resources, both private and public at all levels of Government, for meeting these needs; and finally to delineate what improvements in existing tools or development of new tools may become necessary more adequately to meet the need.

In this last connection, we shall naturally be entering discussions in areas relating to possible Federal legislation. Particularly, we have been requested by the Subcommittee to give our views relating to the organization of the housing activities of the Federal Government, the Committee presumably having in mind that the first step is to get the shop in the best possible order for the resumption of postwar production.

On this subject, our recommendation will be that the consolidation of 16 or more housing agencies and activities into one National Housing Agency, by Executive Order 9070 on February 24, 1942, has justified the reasoning which prompted the consolidation, - namely, that the housing activities of the Government represent one compact body of inseparably related methods, problems and goals which can be more effectively administered under one general supervision and

Mr. Smith,

direction than through a number of separate agencies. Consequently, we believe it would be unfortunate if the housing activities which are now tied together should be separated or redistributed after the war; we believe that the prospect of this separation is a divisive and uncertain force which operates against that unity necessary for commencing cooperation at all levels toward the right kind of postwar housing program; and therefore we believe that it would be a healthy influence at all levels if the Congress should decide in its judgment to ratify and confirm the consolidation of 1942 at the earliest feasible time.

Naturally, I am interested in obtaining the views of the Bureau of the Budget on this subject, in advance of the hearings if that be possible.

In addition, we contemplate recommending that the National Housing Agency receive statutory authority to engage in research relating to certain technical and economic aspects of the housing problem, and also to assist the communities in certain techniques of housing market analysis and distribute to them certain housing information founded in nation-wide trends. We believe that these activities will meet a need that cannot be supplied elsewhere and will powerfully expand the capacity of private enterprise to serve more of the housing market, thus reducing the relative need for various types of Federal fiscal assistance.

On this matter also, I shall much appreciate your views.

The pending hearings will undoubtedly lead, in one way or another, to a consideration of the various statutory tools lodged within the National Housing Agency, such as FHA mortgage insurance and the FPHA formula for slum clearance and low rent housing, and may lead also to a consideration of various new statutory tools that we or others will be proposing. Of course, when our thinking on this subject shapes up in sufficiently concrete form, we shall be discussing it appropriately with the Bureau of the Budget.

With kindest regards,

Sincerely yours,

(Signed) John B. Blandford, Jr.
Administrator

RECEIVED HOUSING DEPARTMENT

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UNITED STATES DEPARTMENT OF HOUSING

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COMMUNICATIONS SECTION

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EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
Washington 25, D. C.

January 1, 1945

My dear Mr. Blandford:

I have your letter of December 29 relative to your forthcoming appearance, beginning January 9, before the Subcommittee on Housing and Urban Redevelopment on the Special Committee on Post-War Economic Policy and Planning.

In your letter you have indicated a desire to recommend, in connection with your testimony, that the National Housing Agency be made a permanent establishment in the Government and, further, that NHA be authorized to engage in research relating to certain technical aspects of the housing problem.

Please be advised, in response to your inquiry, that those recommendations, as further outlined in your letter, are in accord with the program of the President.

Very truly yours,

(Signed) HAROLD D. SMITH

Director

RECEIVED
of the
Honorable John B. Blandford, Jr.
Administrator
National Housing Agency

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of the