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UNITED STATES HOUSING AUTHORITY

Bulletin No. 16 on Policy and Procedure

Planning for Low Rents

Addendum No. 1 - Achieving Even Lower Management,
Operation and Maintenance Costs.

Scope and Content of Addendum. This Addendum indicates the need for achieving even lower management, operation and maintenance costs in order to carry out more effectively the policies of the United States Housing Act of 1937 and suggests methods of effecting still further reductions in the cost of certain major items of management expense, operating services, and repairs, maintenance and replacements. In general, the method of treatment followed in this Addendum is to indicate some of the difficulties which have been encountered in reducing such costs and to point out methods of overcoming or minimizing these difficulties.

I. The Need for Achieving Lower Costs

Definite progress has and is being made by local authorities in achieving low management operation and maintenance costs. In fact it is being found possible to set rents well within the financial reach of families in the lowest income group. However, this result has only been achieved through the use of the maximum federal subsidy permitted by the Act and through total or substantially total local tax exemptions. The USHA is firmly convinced that if the public housing program is to proceed to its logical end, that is if all rather than a small proportion of the lowest income group is to be rehoused, ways and means must be found of achieving low rents and at the same time reducing the federal and local subsidies now required.

Only the major items of expense are included in the following discussions and no attempt has been made to cover these completely. However, it is hoped that these discussions may prove of value in pointing the way toward lower costs.

II. Management Expense

The largest item in management expense is salaries. To achieve efficiency and low costs qualified and trained personnel is required. Because public housing management is such a new field there are few persons who are qualified without further training and experience to hold responsible management positions. The solution lies first in carefully analyzing the duties to be required of each staff member to determine what field of experience and training requires skills best approximating those which will be utilized in the position; second, in selecting the best qualified person;

and third, in training the persons selected in the aspect of management which is to be their particular responsibility. The National Association of Housing Officials, the USHA, and other agencies, such as schools and universities, have already taken active steps toward assisting local authorities in this important question of personnel selection and training.

The growth of the program has created a major problem in public administration especially where there are several projects being administered by one authority. In fact, in several instances there has been a tendency for management costs per dwelling unit to be greater in the larger projects. Thorough study must be given to the administrative organization to prevent duplication of functions, unnecessary forms and procedures and other types of red tape which create unproductive work. The USHA is taking active steps to assist local authorities to do away with unnecessary administrative work by simplifying and eliminating to the maximum extent possible the various reports and records required to be submitted by local authorities.

III. Operating Services

The major item in operating services is janitorial expense. This is especially true in the case of apartment buildings which include common service areas such as stairhalls, laundries and storage, and perambulator rooms, the care and cleaning of which are by tradition customarily the responsibility of the landlord. The most natural solution to this problem lies in building the row house type of dwelling where common areas (both interior and exterior) are largely confined to playgrounds, club rooms and other facilities for community activities. Unfortunately, due to high land costs and other reasons it is often necessary to construct apartments. In this case ways must be found to overcome tradition so that it will not be necessary for management to provide services which it is reasonable and practicable for tenants to provide for themselves.

For example, it seems reasonable that families living in apartment buildings will be able to clean the public stairhalls leading to their dwellings. The cleaning of each stairhall will be done by several families working cooperatively. To secure this cooperative relationship requires skilled guidance on the part of management but it also requires a feeling of responsibility and participation on the part of the families. If tenants through their resident association or through other democratic means determine the details of any arrangement such as this, cooperation is much more apt to result. In other words, tenant participation in the maintenance of common service areas must be considered in terms of the community relations program.

In determining what services are to be performed by tenants, careful consideration must be given to what is reasonable and practicable. For example, in the case of public stairhalls, there are frequently windows which are located so that they are difficult to reach and it would not be

reasonable to ask the tenants to clean them. Another example can be found in the problem of keeping the grounds free of loose papers and other debris. By providing trash receptacles at convenient locations, it is made handy for the tenants not only to avoid dropping loose papers but also to pick up papers which others may have dropped.

Waste receptacles also provide an example of the relationship of tenant participation in maintenance to a community relations program. In one project after trash receptacles had been installed, a contest was held among the children for naming each receptacle. Names were submitted such as "fill me up" and "let me have it". The winning children were rewarded by having their names printed under the slogan which was attached to the receptacle they named.

Because tenant participation in project upkeep presents such challenging possibilities the USHA is particularly anxious to be advised of the experiences of local authorities in order that these may be passed on as suggestions to other authorities.

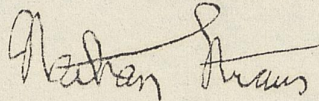
IV. Repair, Maintenance and Replacement

The care of grounds, as far as tenant participation in maintenance is concerned, is in some ways similar to janitorial expense. In other words the row house type of dwellings presents the most conducive setting. In addition, however, the care of grounds presents creative and esthetic possibilities to the families in the project. A neat and attractive appearance, especially when achieved through family and community effort, will have a wholesome and beneficial effect on the attitudes and character of the project residents.

The item of redecorating is one of the largest single items in most budgets. To find ways and means of achieving lower redecorating costs deserves particular attention on the part of local authorities. One way toward this end is by providing wall surfaces which do not mar and soil readily and which are easy for the tenants to keep clean. The possibility of painting by tenants is being considered by some authorities. This will obviously require the careful working out of all the details such as the type of paint, the provision of brushes and equipment and instructions to tenants in its use. Where tenants perform such major and unusual items of maintenance, it may be desirable to consider a system of rebates or other form of direct compensation. Any inducements offered should always be in the form of rewards rather than penalties.

There has been a tendency in some projects to redecorate when no real need existed. In determining when interiors are to be repainted, the local authority should carefully establish the minimum standard necessary to provide a decent and attractive appearance.

The expense for the repair, maintenance and replacement of heating, plumbing and electrical systems and equipment depends to a large degree on the type of equipment. Simple equipment should be used unless there is a definite saving in costs when expense for dwelling utilities is considered. For example, in row house developments the individual gas or coal fired furnace is being found preferable to a central heating system in more and more instances.



NATHAN STRAUS,
Administrator.

September 21, 1939.