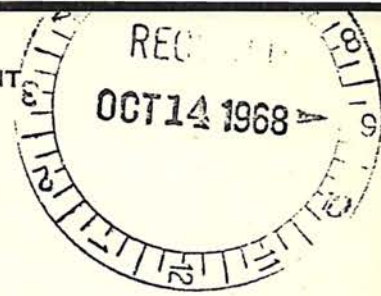




DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D. C. 20410



OFFICE OF THE ASSISTANT SECRETARY
FOR RENEWAL AND HOUSING ASSISTANCE

CIRCULAR
9-18-68

TO: Local Authorities
Regional Administrators
Assistant Regional Administrators for Housing Assistance

FROM: Don Hummel

SUBJECT: Families With Children to be Located in Low-Rise Buildings

The Housing and Urban Development Act of 1968 (Section 15(11)) specifies that "except in the case of housing predominantly for the elderly, . . . , the Secretary shall not approve high-rise elevator projects for families with children unless he makes a determination that there is no practical alternative."

This prohibition applies to projects placed under Annual Contributions Contract on or after August 1, 1968. It does not apply to a project in this category if the Regional Administrator makes a finding that, prior to August 1, 1968, development of the project had reached a stage which would make it impractical to require the Local Authority to change its housing program.

Pending experience with the above-cited provision of the statute, the following policies are established to assure compliance with the legislation:

1. Dwellings for families with children shall be provided in structures which do not exceed three stories in height.
2. Projects proposed for families with children shall be designed not to exceed a net dwelling density of 45 per acre nor a net building coverage in excess of 35 percent.

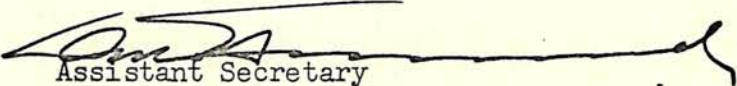
The Regional Administrator shall make the required finding as to whether there is "no practical alternative" under Section 15(11) at the earliest stage. Such a finding may be made under the following circumstances:

(Cont'd)

- a. Compliance with the limitation at the selected site would result in room costs exceeding the statutory limits, and there are no other acceptable sites available, or
- b. Current land value of the site proposed and the going construction cost produce an average development cost per family dwelling which is unacceptably high in comparison with current costs of sale or rental housing for family dwellings of the same size and character in other residential neighborhoods within the local area, and other sites cannot be obtained, or
- c. The housing is being leased by the Local Authority for family occupancy on a short-term basis, and there is no housing available which satisfies the policies established above for family dwellings.

A finding of "no practical alternative" on the basis of any other circumstances requires the approval of the Assistant Secretary for Renewal and Housing Assistance.

In those instances where the Regional Administrator makes a finding pursuant to the provisions of this Circular, a statement setting forth the basis for such finding shall accompany the Annual Contributions Contract list submitted to the Assistant Secretary for Renewal and Housing Assistance.


Assistant Secretary