

HOUSING PROPOSALS FROM THE
PRESIDENT'S LABOR-MANAGEMENT COMMITTEE

1. Proposal: Use \$3 billion of the \$5 billion in GNMA's Tandem Plan authorization for purchase of multi-family rather than single-family mortgages.
2. Proposal: Assure effectiveness of the newly implemented Section 202 housing program for the elderly and handicapped and of the reactivated Section 235 Home Ownership Assistance Program by efficient application processing and adjustment of Section 235 mortgage limits to accommodate construction costs in high-cost areas of the country.
3. Proposal: Accelerate processing of Public Housing and Section 236 Subsidized Rental Housing projects now in the pipeline and make allowances for construction cost increases since initial application was made, so as to speed construction and maximize countercyclical impact.
4. Proposal: Facilitate implementation of the Section 8 housing program by activating the Section 802 program of federal guarantees for state housing finance agency bonds and apportioning the appropriated \$15 million for interest subsidies on such state agency obligations.

Status: Each of these proposals is ready for presentation to you during your discussion of the HUD Budget which is scheduled for the week of November 10th.

5. Proposal: Finally, because existing policies and programs have been incrementally developed with various objectives in mind, governmental housing programs have become exceedingly complicated and may not be sufficiently integrated with the general economy and with policies and programs to provide needed housing. Thus, the Committee recommends the Administration conduct a thorough reappraisal of the country's housing delivery system as soon as possible.

Status: Reappraisal of the housing delivery system is an ongoing process. At the present time, Secretary Hills is conducting a thorough review of the FHA. In 1974, HUD completed a major policy review of all Federal housing programs and issued a report called Housing in the Seventies.