provide for renewals, obsolescence, etc., and 42,000 family units to house new
population, making a total of 86,000 units, assuming all new families and owners
of obsolete structures, etc., were willing and able to pay for new homes. To
maintain the same ratio shown by the 1930 Census, 90% of the 42,000 should be
single-family structures.

A study of the record of "reconditioning permits" of the city indicates
that the foregoing estimate to cover renewals, etc., is probably much too conserva-
tive, and a review of observations made when the Security Area Map was under con-
struction also leaves a definite impression that this is the case. Obsolescence,
dilapidation, and lack of thorough maintenance was observed in almost all of the
"C" and "D" areas, this being particularly applicable to the following areas:
"D-18", and "D-19". Obsolescence was also notable to a degree in "B-3", "B-4",
"B-5", "B-9", and "B-24". Maintenance, however, in these "B" areas was generally
of an excellent quality.

II. New Construction

Residential building permits issued during 1938 amounted to $6,479,400
and were equal to 53% of 1929 or 27% of the 1927 peak. Improvement continued
in 1934 when the first quarter showed an increase of 42% from the first quarter
1936. For detail see Appendix Page 31-A.

With the pressing need for new residential construction shown above,
it is astonishing that new construction has not proceeded at a more rapid rate
when improved conditions and ease of financing are taken into consideration. This
very apparent lag in new construction can be partially accounted for in a number
of different ways:

First. The depression has so depleted savings that many who would
normally build are lacking even the 20 or 25% of the purchase
price necessary to avail themselves of the liberal terms offered.

Second. Young couples who would normally have been saving for a home
have been unable to do so owing to the low salaries and wages
which prevailed during the depression years. Lack of and ir-
regular employment has also augmented this number.

Third. Salary and wages have not kept pace with construction costs
and the cost of living, and many having the initial payment
lack sufficient income to maintain even twenty-year amortiza-
tion payments and home upkeep.

Fourth. The very rapid increase in construction costs and prices of new
homes has caused a wide-spread impression that these costs are
too high and that purchases under present conditions are in-
advisable.