

FRIENDS SELF-HELP HOUSING PROGRAM IN PHILADELPHIA

A Quaker Project in Rehabilitation

What Is Self-Help Housing?

Self-help housing, as used here, is not "do-it-yourself" alone, but a swap labor technique whereby a group of people collaborate in a project, each learning a particular trade or skill so that proficiency replaces the muddling through process. It is done under the supervision of a technically trained project manager who knows all the skills and is a good teacher. The technical problems of financing, legal work, and house design are beyond the experience or ability of the average individual who would be interested in giving his own time and labor to help create better housing for himself and his family. Skilled leadership is therefore necessary.

What Was The First Experience In Self-Help Housing?

It was in 1937 that the American Friends Service Committee carried out its first project of this kind, a project called Penn-Craft. It took place in Fayette County, Pennsylvania, 50 miles south of Pittsburgh, in a poor coal-mining district. In ten years a group of miners there moved from shacks to solid stone houses complete with modern baths and kitchens, full basement, and central heat. Within that time a defeated group of people became a self-respecting community of homesteaders. That is the story of the first venture in self-help housing. Since Penn-Craft's beginning, the Service Committee has acted in a consultative capacity for others who have used this self-help technique, a group in Lorain, Ohio, another in Indianapolis, Indiana, to mention two. The work of the American Friends Service Committee in this field is administered by an affiliate of the Service Committee, namely, Friends Service, Incorporated.

Who Sponsored The Philadelphia Project?

Simultaneously, while this body of experience was being built up in various communities, the Friends Neighborhood Guild, a settlement house under the care of the Religious Society of Friends in and around Philadelphia, became concerned over the housing conditions of the people in the area it had been serving since 1879. How could they accomplish their true purpose as a settlement house unless they could successfully attack the wretched condition of the houses in which people were forced to live? In 1947 these two Friends groups, the Friends Neighborhood Guild and Friends Service, Incorporated, began to explore together the possibility of applying the self-help technique to the problems of urban slums which are presented to us so urgently in terms of the ugliness of large sections in our big cities, in overcrowding, in disease and crime rates, in loss of property values, and in loss of human values and human resources. By 1948 the Guild and the Service Committee had decided upon joint action, in the rehabilitation of a solid city block in a slum area.

What Part Did Public Agencies Play?

A project of this kind cannot be done without the assistance of public bodies. The first is a public planning body -- in Philadelphia called the City Planning Commission. It is important that any redevelopment work be a part of a general over-all plan for that portion of the city where it is to be located. Such a plan is necessary to reverse the trend toward deterioration of the surrounding area.

The second public body must be one that (1) has the power of eminent domain and (2) has the funds available to purchase the property and then deliver it to the redeveloper at a fair value. In Philadelphia this was the Redevelopment Authority.

When the plan for this project was presented to the City Planning Commission and the Redevelopment Authority, it was received with real enthusiasm. Contracts were executed between Friends Service, Incorporated and the Redevelopment Authority of the City of Philadelphia. An entire city block was purchased by the Redevelopment Authority using the right of eminent domain under the Pennsylvania Redevelopment Law of 1945. The property was then deeded on June 4, 1952, half to the Eighth and Brown Mutual Housing Corporation, the cooperative acting as the nominee of Friends Service, Incorporated, the other half to Friends Service, Inc. to be handled as a second project.

The Redevelopment Authority delivered the entire property at a price of \$78,400, which was almost \$150,000 less than the cost of original acquisition. Some \$95,000 of this was for commercial properties which had no value for future residence. The city will recover this investment over the years through increased real estate taxes.

#### How Was It Financed?

The project was financed through a construction loan from a Philadelphia trust company which, at completion, was paid off by a long-range mortgage loan made by another banking institution. Both loans were insured by the Federal Housing Administration under the Cooperative Section 213, which allowed a mortgage of 90% of cost with a 40-year term at 4% interest. The other 10% of the cost was the down payment furnished in this project, not in cash, but by the Self-Help Labor program of the Co-operators, or future owner-occupants. A maximum mortgage of \$8,100 per unit was set by law. The first project covered half of the block, consisting of 52 apartments. Hence the final mortgage was for \$421,200. Actual costs were above the legal maximum plus the down payment by about 9%.

In addition to the costs financed by the banks and assumed by the Cooperative, the American Friends Service Committee bore the above 9% overrun, and paid as well for certain "pioneering" expenses in developing the concept of this new approach to the treatment of urban slums.

#### Where Is This Block Located?

The block involved in this project is one mile northeast of City Hall. It is bounded by North Eighth, Brown, and Franklin Streets, and Fairmount Avenue, in the area known as East Poplar.

The block was not yet a slum in the worst sense, but was fast on its way to becoming one. To the casual observer the houses might not appear to be those of a slum or even sub-standard. But inside the conditions were appalling. Seven and more families were living in a single house, the walls were ugly from fallen plaster, old paint was peeling, and carved mahogany banisters and doors were scarred by neglect and misuse. Whole families occupied a single room, sharing a common toilet with as many as five or ten other families. Most rooms had cold running water and perhaps a two-burner gas plate for cooking and a pot-bellied stove for heat. There was nothing there to provide the physical facilities considered basic for stable family life.

The back yards were littered with debris, board fences and ash piles, and there were no facilities for play. There were about 90 children on this one block, and the nearest playground was a mile and a half away.

#### Why Was This Location Chosen?

- (1) The block met the criteria for redevelopment established by the City Planning Commission:

- (a) The structures were bad enough to warrant rehabilitation.
  - (b) The structures were good enough to be rehabilitated instead of being demolished.
  - (c) The block was located in an area in which redevelopment could continue into the surrounding blocks. As a result of this larger program the neighborhood now has parks, a public playground, some public and semi-public housing.
  - (d) The block of houses and the central court offered possibilities to the architect which would make the finished product distinctive.
- (2) There is the potentiality for a sound social structure in the block, already realized in truly remarkable degree. Important to the success of the project is a continuing social agency to work with the people. The task of teaching the art of living, the business of being a home owner to people who have been forced for years to live in a near-slum pattern of life is a task equal in importance and in difficulty to the job of helping them rebuild their homes. This is the job the Friends Neighborhood Guild is endeavoring to do. This block was chosen because it is in the area serviced by the Guild as a settlement house.
- (3) It is sound business to rehabilitate this block. Depressed central city areas such as this are not now providing their share of purchasing power for downtown retail merchants, banks, utilities, and other business concerns. People who resent the squalid, ill-kept houses in which they live will not take pride and expend effort and money to improve them. They are unwilling to improve the capital investment of a landlord who has no regard for his own property nor for the people who live in it. In addition, it is sound business from the point of view of the city itself and its taxpayers. Quoting from Time Magazine of February 7, 1955, "Now mayors and city councils are learning that slums are not only festering eyesores and schools for crimes, but heavy burdens on city budgets. For example, Baltimore's slums produce only 6% of the city's revenues but take 45% of all the city's total budget. They account for 45% of Baltimore's major crimes and 55% of juvenile delinquency."

#### How Is The Block Being Rehabilitated?

The Friends, with the services of a well-known architect, replanned the block both inside and out. A contractor carried out the plans for the first half of the block (Project I) which fully comply with city codes and FHA regulations. Union labor was used by the contractor. On the other hand, the future owner-occupants earned their 10% down payment by doing the work involved in demolition, cleaning, concrete work and painting. They sanded and refinished the floors of fine old wide pine boards. They made all their kitchen cupboards and cabinets in a well-equipped woodworking shop which was made available together with the shop's supervisor, by another Quaker agency known as Bedford Center.

All wooden sheds and other structures which had been added to the original buildings were cleared away. The board fences and rubbish piles which cluttered up the central court gave way to flower beds, lawns, shrubbery, a tot lot, and other recreational facilities.

The three-story buildings were converted into modern apartments, ranging from one to four bedroom units, each with its own bath and modern kitchen. The apartments are heated from a central source. The room sizes and standards are generally superior to the standards of the American Health Association and the Philadelphia Housing Authority. It is interesting to note that the monthly payments for the new apartments,

including heat, gas for cooking, and refrigeration are approximately the same as the families used to pay for their inadequate quarters and utilities.

### Who Owns The Project?

Title to the first project property is held by a cooperative corporation, the Eighth and Brown Mutual Housing Corporation. The occupants who have contributed their labor, or money in a few cases, receive stock in the corporation. The project is operated and managed by the corporation except that the by-laws require that one-third of the board of directors be appointed by the sponsors of the project, and in addition, by request of the bank, Friends Service, Incorporated, has entered into a Supervisory Management Agreement which will continue during the life of the mortgage or until the bank is satisfied as to the ability of the corporation to run its affairs without outside assistance.

### What Have We Learned?

#### How Is It Being Applied To The Second Project?

The Eighth & Fairmount Mutual Housing Corporation has now been incorporated and holds title to the second half of the block (Project II) which will consist of 36 additional units. Financing and construction methods are basically the same as with the first 52 apartments with variations in details only. For example, the interest rate on the 40-year mortgage is 4½% instead of 4%. Inflation hit the first project between the period of making estimates of cost and the period when the money was spent. Prices and wages have continued to increase but it is expected that this will be offset by savings due to experience gained in the first project. Work actually began on September 4, 1956 and should be completed within twelve months.

While we hope this project will be an inspiration to others -- in fact it already has been -- it is important that we and others should learn not only from our successes but from our mistakes as well. These we do not wish to hide and hope at completion to make a careful analysis of the entire self-help program.

Regardless of the financial outcome, the worth of this approach in human values has already begun to be evident.

1. Self-respect and human dignity are enhanced by decent physical living conditions.
2. The recognition of the individual's worth regardless of race, creed or national origin (60% of the families are white, 40% Negro -- although no quotas were set) has released the cooperators, both white and Negro, from the barrier of racial discrimination and provided an opportunity to live out democratic beliefs.
3. Ownership develops responsibility and eliminates fear of eviction by irresponsible landlords.
4. "Sweat Equity" (self-help labor) creates a surer sense of ownership besides making ownership open to lower income families.
5. Joint ownership encourages community solidarity and community activities.
6. The common court replacing individual back yards, promotes neighborliness as well as a common concern for maintenance of beauty.
7. All of these factors tend to build leadership, corporate as well as individual, for wider community concern and neighborhood improvement and welfare.