by governmental bodies.[36] Section 221 of the National Housing Act authorizes the Federal Housing Administration (FHA) to provide liberal mortgage insurance on new or rehabilitated housing for sale or rent to families displaced from urban renewal areas or by other governmental action. Section 221(d)(3) provides a below-market or low-interest-rate rental housing program for displaced families and other low- and moderate-income families. Such mortgages are available in communities having an approved workable program and may be obtained by nonprofit corporations, limited dividend corporations, public bodies (except local housing authorities which provide only federally assisted low-rent public housing), and cooperatives.[37] The low-income housing demonstration program authorizes exploration of new and improved means for providing housing for low-income families[38]; and the urban renewal demonstration program makes grants for demonstration projects to improve urban renewal, including the relocation process.[39] Finally, the 1965 Housing Act authorizes rent subsidies to enable displaced low-income families to live in moderate-rent housing developments built by nonprofit sponsors with Federal financing.[40]

Results of Relocation

The performance of public agencies responsible for relocation is difficult to gage and is a subject of considerable controversy. Once again, more is known about experience with urban renewal than with the other progams that displace people, but even here the results are disputed. It is clear, however, that many forms of assistance authorized by law are often not given in practice. Between 1961 and 1964, for example, the Small Business Administration made only 278 loans to businesses displaced by Federal and federally aided programs.[41] And of the 177,000 families, 66,000 individuals, and 39,000 businesses displaced by urban renewal between 1949 and September 30, 1963, only about half received relocation payments to which they were entitled by law. According to information presented by URA Commissioner William L. Slayton, relocation payments were made to 88,000 families, 32,000 individuals, and over 21,000 businesses from 1949 through June 30, 1963. These payments averaged \$69 per family, \$45 per individual, and \$1,405 per business firm.[42]

The widespread incidence of business failure after displacement and the prevalence of substantial rent increases for commercial space after relocation have already been mentioned. The social and psychological

[36] 42 U.S.C.A. 1410(g).
[37] 12 U.S.C.A. 1715(1).
[38] 42 U.S.C.A. 1436.
[39] 42 U.S.C.A. 1452(a).
[40] Public Law 89–117, sec. 101. As of January 1966, funds had not yet been appropriated to implement the rent subsidy program.
[41] Information received from Small Business Administration, Washington, D.C., Oct. 20, 1964. For further analysis of SBA loan operations, see *Study of Compensation and Assistance, op. cit.*, pp. 455–471.
[42] William L. Slayton, Commissioner, URA, *Report on Urban Renewal*. Statement before the Subcommittee on Housing, Committee on Banking and Currency, U.S. House of Representatives, Nov. 21, 1963 (Washington: Government Printing Office, 1964), p. 414.