

"These Cities Glorious"

A LOS Angeles Times staff writer, Helen Johnson, reported a one-day conference held at the University of California Extension at Irvine in July to consider remedies for downtown problems in Orange County. It was based on a report by a study team emphasizing the need for cooperation by business and local government in finding solutions for decaying cities. The team did not recommend urban renewal, though help in varying degrees from federal funds was discussed by visiting officials.

Professor Mason Gaffney of the University of Wisconsin was a speaker, and more than 250 county business and civic leaders attended. At the close of the conference an evaluation sheet was given to participants requesting their reaction to various recommendations. The response to "Modification of policies on real estate property taxation to reflect taxing of land rather than improvements" was tabulated as follows: approve 74; disapprove 19; no opinion 16. This gave majority agreement to Dr. Gaffney's views.

He had explained that a vicious circle threatened older cities, since older buildings consume more public services and yield less taxes. The city then raises its tax rate and becomes less attractive to new investors. New buildings have to carry on their backs older buildings which he called deficit generators. As the city fails to attract new industry or hold what it has, it loses jobs and welfare costs go up. A cut in services also loses industries.

The exemption of new buildings from taxes would raise the tax base, Professor Gaffney said, because it would encourage the replacement of old buildings and lead to neighborhood improvement. Old buildings tend to sterilize a community—new buildings create land value. Marginal improve-

ments usually are not carried out because of fear that taxes will be raised beyond the profit from improvements.

The New York Times and other newspapers generously publicized other remarks favorable to our views which were made in Portland, Oregon by a prominent industrialist, Gene C. Brewer, president of U.S. Plywood-Champion Papers, Inc. He spoke on "The City—Key to Man's Survival," before a convention gathering of the American Institute of Architects, and listed ten conditions which faced them in the rebuilding of cities. No. 5 drew instant attention in the press. It dealt boldly and tersely with "the antiquated property tax structure which penalizes improvements and subsidizes deterioration."

While progress has always found most expression in the centers of population, it is also historically true that the decay of cities has always presaged the decline of a civilization. Soon after Rome decayed morally and physically, the empire itself declined and fell. "Where are we on the time scale," he queried, "ascending or descending?"

In the complexity of meeting this displacement of people (from farms to city slums and from overcrowded cities to suburbs) there must be cooperation involving private enterprise, labor, government and education. But there is also opportunity which the industrialist sees as being open chiefly to business, the dynamic force that has made this the richest and strongest nation in the history of the world.

The war on poverty, he pointed out, was started, not by government but by private enterprise—by men like Thomas Edison, Henry Ford and George Washington Carver. The system of free enterprise achieves greatness because it brings out the best of abilities through voluntary competition offering indi-

vidual opportunity and incentive, in sharp contrast to the opposing political and economic systems.

It is not enough to reclaim the blighted areas, important as that is—what is involved is a rebuilding of the entire city, and that is envisioned as a potential three trillion, five hundred billion dollar challenge.

Mr. Brewer's particular business centers around forestry—and he noted that in 30 years from now the industry must expect to build for twice as many families as now exist. In meeting the required increase for wood he says the key "is not the amount of land available—it is how we use the land." He referred here to Perry Prentice of Time, Inc. as "one of the sages of the housing industry," and stated that perhaps "some misguided practices or policies of government have positioned the profit motive backward and made what is socially undesirable more profitable than what is socially desirable." Translation: taxing land lightly is profitable to owners of poorly used land but socially undesirable because it perpetuates the poor use.

Further spelling out what we have so often stressed in these pages the speaker said, "heavy taxes on the community-created value of the location do not deter improvements. The bigger the location tax, the greater the leverage on the owners of under-used land to do something to increase its earning power, or sell it to someone who will."

If someone had been invited to invent a property tax system that would do most harm to cities, he thinks it likely that they would have come up with the present arrangement.

It is comforting to know that members of the highly respected profession of architects have been initiated into some of the rudiments of land acquisition and the importance of revamping the tax structure. Within the framework given he urged his hearers to offer

their dreams, their plans, their designs and their services. And he closed with pleasing lines by Edgar Lee Masters which he says come home to all of us:

"Why build these cities glorious
If man unbuilded goes?
Nothing is worth the building
Unless the builder also grows."

At about the same time in June that Mr. Brewer was speaking in Portland, Marcel Breuer, an architect in New York, was giving his consent to design a \$100 million tower above Grand Central Station only 221 feet from the present colossus, the Pan Am Building, and 150 feet higher.

"Who needs it?" asked Ida Louise Huxtable, in a New York Times feature. Apparently the Penn Central needs it. And if her apprehension is as well founded as her satire and logic, "New York may very likely get it."

In this caustic exposure we read, "If the air over Grand Central Terminal were not worth several hundred million dollars in building rights and income over the next 50 years there would be no Grand Central tower project. That solid gold air is there to stay, and if its superheated values continue to rise as anticipated in the coming half century Manhattan could some day replace Fort Knox."

The fact that the grand old terminal is a landmark building will probably not prevent its being smothered under the railroad's persistence in tapping its air rights. The architect is evidently going to great lengths in his attempt to design a support through the structure in order to preserve it, but he would of course prefer to demolish it. Back of the forbidding "grotesquerie" lie practical as well as aesthetic questions. In one of New York's most congested areas several thousand people will be added to inadequate subway platforms and service. "At what point and by what means," asks Mrs. Huxtable, "can the city control its destiny?"