

U.L.I. study: Ideas, misc.
seminal info.

Re street demand & l.v.

Str. might become just a huge traffic distrib, but that is not sterilizing it, bcs. that is the best place for a distrib.

Public taking shd. proceed until balance at mgn - i.e., resid. prt. l.v. so hi as to stop it. Value = prt. value + capt. taxes lost.

Streets etc. shd. expend until at mgn, street demand (less capt. taxes) = prt. demand.

Tax base shd. reflect strt. demand. In or near m this shdn't exprop. anyone, bcs. street shd. already be wide enough, and

there shd. be enough strth. so that
city wain't bid much above pot. mkt.

Thus, city demand can set l.v.
But not on holdout basis. Let city
bid no more for one parcel than
another, the land part. - condemn
the rest. Thus keep values in
reason.

Needed datum -

Street mileage per cap., different
jurisdiction.

Good index to all mileages.

Δq labor's factor price in hq. by
lowering rental pd. also enhances
qual. quality. But that wd. also
move in another dimension, more
land-space per house. Sub. land
space for land time.

Maybe solves overintensity
problem?

It is to be expected that a large share of present assessors will object find fault w. any new proposal simply bec. it is new, & demands some readjustment on their part.

That is ^{just} the natural every laziness of man and is not to be taken seriously.

Those assessors who object that the challenge or responsibility are too great for them are pretty clearly not the men ~~to rise~~ for the top jobs, but ~~that is~~ ^{there are} ~~not to deny~~ that other men may aspire to meet the challenge, to accept the responsibility.

(over)

Today, what society expects of an
assessor is to placate the ^{loud and} litigious,
~~and minimize~~ load and the job
attracts men temperamentally suited
to the role. If society asks
assessors to assume more constructive
leadership, the men will come forth,
as such men come forth in every
crisis. The men are there - the
role is lacking.

U L I *Exportation.* "Because we don't continue complexities
2 difficulties
just to make
our work seem more demanding. The genuine problems are challenge
by URQUHART ADAMS *respectable enough."*

disaster warning

by URQUHART ADAMS

THE Town of Peace River lies in a wide, beautiful valley. A main highway, well paved, descends into the town down a two-mile hill, and sometimes heavy trucks go out of control. There were six such misadventures this year, all at times when only a few people were on the streets, so nobody was hurt. The last one tore down the hill at five o'clock in the morning, plowed into the wing of a commercial garage and reduced it to flinders. The residents became alarmed and suggested that a run-off be bulldozed near the bottom of the hill so that a driver could turn off the road onto an incline and bring his truck under control if the brakes failed. Three government engineers said nothing could be done—the idea was not feasible. So nothing *was* done.

Then at about 6:30 one Sunday afternoon, a truck carrying 4,000 gallons of gasoline raced into town, turned down the main street, hit a parked car, jackknifed and burst into flames from the smoking brakes. The gasoline ran down the street and blazed into a fire that consumed a whole block of buildings. The truck exploded in front of the motion picture theater which was reduced to a mere shell in five minutes' time. Fortunately it was empty—had it been full of people all would have lost their lives.

Within a month after this disaster a run-off was constructed near the foot of the hill, with large signs designating it as an escape route. All the driver has to do is to turn off the main road onto the incline which checks the speed of his truck.

Simple, isn't it? Too simple for the engineers. Of course it's understandable that "experts" trained to over-

come difficulties should be baffled by a situation that presents no difficulty.

This story illustrates the well known fact that it takes a major disaster to rouse people to action. We can reflect, perhaps with profit, that a very dangerous world situation calls for simple but immediate solutions, and that the engineers of the economic system are doing nothing to avert a disaster that may destroy us all.

The solution? Why not the adoption of free trade, the single tax policy—or is this too simple?

Yes, here too, the economic experts say it can't be done. If a solution appears simple they seem to invent difficulties, if only to make it appear that their work takes a lot of brains.

Actually, economic science, or political economy, is the simplest of the sciences. All that is required to understand it is a normal intelligence and a certain willingness to accept its conclusions—in other words, ethical standards sufficiently high to persuade us to accept the golden rule of economics: equal opportunity for all, special privilege for none, and recognition of the fact that honesty *is* the best policy.

For it is really later than we think. It is time to build a run-off if we don't want to be caught up in an explosion of frustrated human energy that will leave few of us alive; and those few living under worse than stone age conditions.

Psychologists, to induce psychosis in rats, tempt them with cheese. As the rat nears the cheese through a maze, it is snatched away from him. He goes crazy after a while, and eats his own feet. Men are different from rats in some ways. They may not eat their

own feet, but they will do other irrational things when frustrated beyond endurance. It is said that half the people of the world never get enough to eat—the cheese is snatched away.

"Take what you like, says God, and pay for it," states an old Spanish prov-

erb. Sometimes, as the Peace River residents discovered, the price for protection is very high, and it increases steadily the longer it is delayed. A disastrous fire could have been avoided by disregarding the professional advice and using common sense.

Land—A Basic Problem

Wylie Young, Executive Director of the Erie Land Tax Association, Erie, Pennsylvania, in a special report to religious leaders, emphasized the importance of the law of rent, with the hope that those who did not understand it would avail themselves of the classes conducted by ELTA, and the printed matter available on request.

Erie now offers promise for Georgists who have been steadily working toward the goal of finding one city to take the plunge and institute land value taxation, thereby affording a test case for others to follow. The Junior Chamber of Commerce is enthusiastically campaigning for this reform, but since it depends on a thorough educational effort, much more money is needed to supply materials. Donations sent to ELTA at 2217 Peninsula Drive, Erie, Pennsylvania will be most welcome.

Mr. Young, formerly a Presbyterian Minister, said "lack of a specific understanding of the nature of land in our economy is at the bottom of the poverty and unemployment which still plagues us as a people." He referred to land value taxation as "a force that would restore human dignity, enhance freedom and re-establish the vanishing power and prestige of democracy and the free enterprise system. The freedom of some to take unfair advantage of others becomes a threat to freedom itself," he said. "In an effort to correct the abuses of ill distributed power we have all but destroyed the roots of freedom itself."

Moral:

It is
cheaper
to beat
her

From
The ELTA
News,
Erie, Pa.



This man is a cad. You can tell by the way he is holding his mouth. He beat his wife. Tsh! Tsh! So he was fined \$100—once.



This man is a good citizen and loves his wife. You can tell by the bow and arrow bit. He built her a beautiful home, so they fined him \$300, not just once, but every year of his life!

Frankel - Gordon debate.

Frankel's concept of "interrelatedness" may be useful. Cite.

Frankel finds disadvantage of early start in industrial interrelatedness. Dubious application, but slum interrelatedness is clear.

QER, '55 & '56

UHL

If you require landholdings
to be larger, that will Δ time-
cost of land & acc. renewal.

So?

Chl

Critics say we cannot value
land in future use, to separate from bldg.

How, then, do we decide when it is
time to demolish? Ratcliffe,
Weimer & Hoyt, subscribe to
method. Is suitable for demonstrating
perfection of inlet. mechanism, but
becomes untenable when its use
suggested for tax purposes?

Ratchliff. Appx Jul, 4-50:168

Net invnt can't be split
betw. land & bldg.

Petiteke, p. 5 of his "Direct Action Project,"
cites data he has on r.o. values downtown,
block by block, for 25 yrs.

Also the Groves MS

1. Fms. & plottage. Is possible to make strong case for plottage, or partial plottage, from
cf. #11) farm analogy. Mgrl. l.v. > ave. l.v. Assess each plot at worth if added to
neighbor's. Assess neighbor likewise. After transition, lower ass't to ave. value - but shd be
Break the deadlock, emphasis problem, in above initial level.
2. Antipodes methods. Get handbooks. Try O'Regan. interdependencies.
Also try I.D.s -- esp. those like Carmichael & La Canada which are urban.
Jamaica methods

3. Don't assume worst re assessors, & clients

Tendency to think we must continue w. antiquated methods & attitudes.

World moves.

Tradition of minimizing complaints. B.I.R. doesn't administer inc. tax on that
basis. There is a law, & one follows it. If local govt. can't administer a
tax that way, then let it be taken from local govt.
Assessors who complain about taking responsibility need to be replaced.

4. Play up inc. tax point.

over half all prop'ty is deprec. Owned by those in hi brackets, say ave.
35%. So every \$ you deprec. saves you 35¢. The % impact may be
greater than

5. Leverage. Is there more leverage on land than land & bldgs. hence harder to assess?

6. Better dispel some of the primitive fallacies, e.g. Myers' concern for reducing tax base.

7. Use of 'yardstick' plots, hv. bn. med in central Eur, Wald & Froomkin p. 21. vague ref.

8. Chide small thinking, quibbling. Cf. to realistic alternatives: Fed. subsidy, stagnation. Keep in mind, repeat. Break deadlock. Chide double standards.

421
straining at quarts & swallowing camels.

9. ~~He~~ Preach no communism, but ^{life's} turning base metals into gold treasure.

Slum lands becoming valueless, needlessly, in a trap.

Irreversible damage done, as peripheral lands cleared & serviced. & attract carriage trade.

In their own interest, slum landowners need plottage taxes.

10. Same Fed. Taxes. No longer a bottomless cornucopia.

11. assess ~~old~~ small lots as value if added to neighbors!

Neighbor ^B isn't ready? Even so, he will be after a few yrs., & that has a present value, to A. And A is ready right now, raising B's assessment now.

Here, the mkt. bidding method of auct. might have a place, but the bldg. will be demolished, needn't pass. That point is reached whenever L.V., including plottage, > present r.e. value.

12. Distinguish what is edly. optimal from what is admin. & pol.-ly feasible. Better a good economist than a 3d rate ward heeler

13. Spatial effect of L.V. might & intensity, but temporal effect will reduce it when old density is obsolete, there is plottage for longer lots.

14. Don't make it either-or.

Can have a little l.c.t., doing a little good; or a lot. Depending on enterprise of community

15. Conservatism bias in large group going over a project. I won't be cowed, won't try to avoid trouble. Not a typical assessor.

Renewal need not intensify landuse.
Esply if older plots too small,
new improvements probly are less of
lot.

More input, they will use it
better. Less sterile space

Ad Val. in rem Tax never
does this

el also
urance with

Cleaners Closed for Taxes Owed

Checker Cleaners, 1012 S. 1st st., was closed Wednesday by the internal revenue service.

Emil J. Nelson, district director of IRS, said the door was ordered padlocked because the firm owed \$809 in withholding taxes on employes wages. He said the shop could reopen as soon as the back taxes were paid.

Checker, formerly Acino Cleaners, is operated by Joseph Gurera, 37, of 2608 E. Newport av., and Steve J. De Salvo, 44, of 2605 E. Holmes av., Cudahy. They could not be reached for comment.

Also closed Wednesday by IRS was the Towne Fryer, a restaurant at 715 N. 3rd st., operated by Otto Schuler, 1940 N. Prospect av. Nelson said the restaurant owed \$854 in withholding taxes. Schuler could not be reached for comment.

Leverage in l.v. is based on the
resid. idea, partly.

ULI

Gather def. of land value from
authority

Avoid topical points, as on p. 9
of 2-14 outline re unemployed.

Avoid overstatements, e.g. as to
income tax requiring separation.

Residences don't get depreciated
I believe.

- 1) Concept of critic-optimal density, nuclei of optimality. When bldgs. are too close not to congest same streets; but too distant to permit systematic anti-congestants like frequent public xptn, pedestrian malls, 3-D utilization & interconnection, etc. This is what most cities have. Mke. has it... scattered downtown
 (We might even have elevators on the streets, & public, then simul. linking bldgs at all levels, & supplying free public vertical xptn)
- 2) Is lots of vacant land in dt. Mke. ... no problem of lacking yardsticks. after LCT, get evidence from frequent ~~rep~~ demolition & replacement in transition. ... vacant & renewable land, all over.
- 3) Think in terms of big changes. Must have an idea of extent of disintegration of our cities, how drastically they wd change if each site put to highest use.

Tendency, w. location theory &
regional analysis, for Transportation
to become no longer an instl. subject,
or bus. ad., but subject for ec.
analysis. (Location-ec. is Xptr. Ec.)

Ag. shifting toward market-
orientation. New emphasis on Xptr.

Livestock feeding now ready to
bounce around as alum. did.

Feed output ratio changing. so
feeding now mkt.-oriented.

Fact. props. 2 dry elst.,
gross i.q., & location.

421 file

Banfield & Godzins

Govt. & Hsg. in Metrop. Areas.

Nyckman & Isaacs

Cap. Requirements for Urban Dev.

& Renewal

M-H

Fire Ins. Data?

Fred Olson suggests call

Rich Emie, State Archivist,
3726
Madison

also in a State Fire Board (?)

+ that might have data.

State Dept. of Ins. Chas. Manson.

(Archives have rpts. of all ins. cos. licensed
to do bus. in Wis.)

~~Chas. Manson~~ Get copy Wis. Blue Bk.

Rating division annual, on state agencies.
See under insurance division.

Hogan BR 6-3320
X644

Call Emery re fire insurance.

Downing will go.

Fire Insurance.

NW National, Casualty Ins.

Don Pottinger, ref. John Hogan

BR 1-8570

Chris V. James, v.p.

Am. Appraisal Co. can help.

1. Find major sources of data.
- 2. Find total in force for Mke. City, County, and subdivisions.
If fire ins. figures unavailable, try other casualty.
3. Find what % of real estate value is insured.
4. Find what classes of property are uninsured, lightly insured, etc.
e.g. slums - are they habitually uninsured? Some cos. specialize in that, others shy away.
In lieu of data, opinions from knowledgeable men would help.
5. What parts of Town are lightly insured, etc.

John Hogan has data on land-bldg. ratios in S.W. Mke. Will share.
See him.

Fire Ins. Rating Bur., Mich. Am.

Am. Appraisal Co. recommended by C.V. James.