

# The Postman Drops a Package

by CLAYTON C. BAUER

**M**ARIO J. BEVERE has reason to hate slums.

This mailman was delivering mail on January 15, 1966, to the ramshackle apartment house at 163-165 Oak Street, Rochester, New York. He fell through a trapdoor left open by a furnace repairman. Shaken by a fall of 13 feet, he could not work for seven weeks.

At his lawyer's urging, Bevere sued the building's declared owner, Troy Modernization Corporation, of 8 Exchange Street. The mailman did not know it, but the Rochester Democrat & Chronicle had exposed Troy for one of the many dummy outfits operated on a remote-control basis by Angelo Gangemi, a former Rochester teacher, and attorney Arthur D. Ladds. Ladds has moved to New York City and Gangemi operates from Toronto, Canada.

Many Rochester properties involving Gangemi had been cited for months by the local bureau in violation of the housing code. Invariably investigators came to a dead end in a baffling maze of switched ownerships. These dummy corporations existed obviously for no other purpose than to throw the municipal inspectors off the track.

Bevere won his negligence suit and gained an award of \$4200 damages. For seven months he tried in vain to collect his due. So he obtained a sheriff's department levy against the Oak Street building and at the compulsory sale he won it for just one dollar.

In this moment Bevere may have exulted. But not for long. He found his dollar had bought building-connected debts of \$7800.

The jury's sympathetic verdict also forced him to repay the workmen's compensation benefits he had enjoyed because of his injuries.

As the new owner of slum property

the mailman was shocked to be cited for 22 violations of the Property Code. Estimators said it would cost \$4000 to right these wrongs. And you know estimates are always on the low side.

This was just the beginning to a long tale of woe. His dollar had also bought a \$7700 mortgage debt on the apartment house. The Troy outfit had not made a payment for two years. Mr. Bevere was further depressed to note back taxes came to \$1800. The water bill was trifling, only \$600. And the county was certain \$600 in taxes was due them.

Bad, bad, bad. But oh the nerve of those slumlords! Just one day after Bevere won legal control of the apartment house, Ladds and Gangemi moved tenants into the building, collecting rents in advance.

Bevere was ready to blow his top. He ordered the tenants out and one family complied. The others had no place to go. It was almost September before the welfare could move them out.

At last! The house was his to use. The mailman drew a slight breath of relief. He went around to look the place over. Oh, what is this! Vandals had broken out every window. Before Bevere can quite gather his wits thieves tear the place apart. The plumbing vanishes to the last tiniest bit.

We will not repeat the things the mailman allegedly had to say about that good and enterprising man, Mr. Gangemi.

Suffice it to note that Mr. Bevere pocketed a grand total of \$145 in rent. He spent \$400 on the house. And then the original owners, Sam and Mary Giunta, entered foreclosure proceedings and won a judgment. The last straw? Rochester has some fine bridges for jumping off. Mr. Bevere refrained

from such an easy way out.

In fact, he had some last words. "I shouldn't have sued... I should have paid the corporation... I wouldn't have ended up with a nervous stomach, money lost, and time lost from work,

and the rottenest disposition anyone could have."

Say, there's an idea. Let's give the slumlords *carte blanche*, eh? Give 'em enough rope and maybe we'll all hang together.

## Untax Buildings and Rebuild

An impressive film by the U.S. Gypsum Company shows the contrast, before and after, on an entire block in a Harlem slum which was rehabilitated. It was found that the cost of demolition and building anew cost as much as \$20,000 to \$25,000 a room, and there are 50,000 five and six story walk-ups, many of which are in deplorable condition with numerous code violations. This demonstration showed that structurally sound buildings can be rebuilt attractively at \$9,000 a room.

With encouragement from the Rent and Rehabilitation Administration of New York and the Department of Housing and Urban Development, they acquired, in addition to this Harlem block, six more apartment buildings nearby, and six buildings in Cleveland. They are seeking slum clearance properties for further "model" rehabilitation in Philadelphia, Chicago, Los Angeles, San Francisco and Oakland.

This 12-minute film is being used to show the advantages of gypsum as

a structural floor material. It may be obtained from the senior vice president of the company, Mr. A. J. Watts, in Chicago, and it could be utilized by any student wishing to dramatize for an audience how owners of old buildings might refurbish their holdings if the improvements were exempt from taxes and there was a tax on location value instead.

"The Death of Cities" by Perry Prentice, reprinted from the magazine Architectural Forum, by the Robert Schalkenbach Foundation, has had a wide circulation. It shows how our taxes on improvements discourage rebuilding and encourage holding the locations for speculation, as we "harness the profit motive" in reverse. Harnessed in a positive direction by location value taxation and exemption of improvements, a dynamic change could occur in only one year if present owners of slum buildings would accept this challenge.

—Lancaster M. Greene

Floyd L. Morrow, an attorney of San Diego, who won an overwhelming victory in November when he was elected a City Councilman, said he would press hard against the inequity of present assessment practices. He stands for a system that will help not only those who want to improve their properties, but also the workmen who will receive more employment. The new Councilman opposes schemes which reward those who let their property deteriorate into slums, while they hold up their tenants with high rentals. (He admits he has read everything by Henry George that he could get his hands on and is convinced of the importance of collecting the ground rent.)

The average rate of assessment ratio for business inventories in San Diego is 34 percent. For well kept homes and apartments it is anywhere from 20 to 30 percent, depending on the individual assessor's guess at market value. The rate for unimproved land varies from 5 to 10 percent.

A school site for instance, assessed at only \$3,200 was bought with \$65,228 of taxpayers' money. Another school district paid \$46,889 for a site where taxes had been only \$2,700.