

# *Your Contribution—70c Worth of Land*

by ANTHONY N. D'ELIA

**Y**OU may not know it but if you are one of the 60-odd million taxpayers in this country you have just contributed 70c worth of land to Fordham University, private housing, private business and the Red Cross.

These may or may not be your favorite charities but, in any event, here's how it happened!

A couple of years back the city planners and the powers that be decided that the area twelve blocks north and west of Columbus Circle, in midtown New York City, was a slum and badly in need of redevelopment. Considerable planning on the part of the city fathers led to the decision that this area should be redeveloped into the Lincoln Square Project. (A cultural center, Fordham University campus, private "middle income" housing, stores and Red Cross headquarters.)

Under our system of "free enterprise" it was also decided that the private groups listed above would take on this redevelopment.

The city, state, and Federal governments approved the Lincoln Square Project planning, and "full speed ahead" was the byword.

It didn't take the "planners" long to realize that they had hit a detour—the landowners in this slum area.

The redevelopers decided that they could afford to pay \$10 per square foot for this land—the landowners decided that they wanted \$25 or more per square foot. This meant that the redevelopers would pay \$50,000 for a 50 x 100 plot of land (the average in this area) but that the site owner of the typical 50 x 100 plot wanted

\$125,000 (in 1946 a 50 x 100 plot of land in this area had a market value of less than \$10,000.)

When two irresistible forces meet, one must give or there will be a violent noise. But in this case, neither gave—the government gave instead, and all are happy but the taxpayers.

Under Title I of the Federal housing law, cities are permitted to acquire blighted areas and resell the properties at a markdown to private developers. This is neatly accomplished by the Federal government making good two-thirds the land price difference, and the city one-third.

In other words, because private developers couldn't afford to develop at current land value prices, the government would absorb enough of the land cost to make redevelopment profitable.

Under the terms of Title I the Federal government will contribute \$28 million and the city government \$14 million towards the acquisition of the site in this slum area. This will allow the private redevelopers to buy the land at about \$10 per square foot and will give current landowners something in the neighborhood of \$25 to \$30 per square foot, subject to court decisions that are now pending.

In simple terms, this means that the taxpayers of this country are contributing between \$40 and \$50 million to "private groups" for the land on which the Lincoln Square Project will be developed. In simpler, mathematical terms, this means that you—and you—and you—have "volunteered" a 70c contribution to landowners . . . and you probably didn't even know it!