

FOREWORD

The following editorial by Dr. E. T. Devine on the bills gradually to reduce the tax-rate on buildings and personal property in New York, until it is one-half the tax-rate on land and to restrict the heights of tenements in the city, was printed under EDITORIAL Grist in the SURVEY for the week of June 10th, 1911. It is reproduced with Dr. Devine's permission, but does not commit him to endorsement of the thesis of this book.

THE CONGESTION BILLS

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Senator Sullivan has introduced into the New York Legislature the bills recommended by the New York City Congestion Commission, the effect of which would be to reduce relatively the rate of taxation on improvements as compared with land.

The change is one which would have far reaching beneficent results. It would force unoccupied land into use, increase the supply of new tenements, and so reduce rents. Yet it would do this by favoring builders and owners of tenements rather than by putting new and additional burdens upon them. Of course so far as it encouraged new buildings it would diminish the monopoly advantage of present owners and builders, and from the point of view of the public interest this is exceedingly desirable. With the pressure of population in New York there is no difficulty about filling any tenements or apartments of any class if the rents are reasonable, and by reducing the relative taxation on buildings both old and new we increase the chances of reasonable rents.

Another good effect of the change would be to encourage the building of factories on land now unoccupied. While I am not in favor of allowing more factories to be built in the congested quarters of Manhattan Island, there are abundant suitable factory sites within the limits of Greater New York which it would be advantageous to have used in this way. If our population and factories were properly distributed there would be no ground for complaint as to congestion. Increasing the relative taxation on unoccupied land, and diminishing the tax upon buildings and improvements tend to bring about this distribution.

If so great a change as halving the rate of taxation on buildings were made suddenly it would involve an element of injustice,

but to distribute this change over a period of five years reduces that element to the minimum consistent with making any desirable change whatever. If, again, there were no restrictions on heights of buildings, fireproofing, etc., the proposed change might increase congestion on Manhattan Island by encouraging owners of low buildings to build higher, and the owners of unoccupied lots to invest all the money they can raise in building skyscrapers and six-story tenements; but there are already many restrictions, and it is proposed by another pending bill to introduce still others limiting future tenements north of 181st street to four stories. It is better that any unoccupied lots on Manhattan Island should be built upon than that the large unoccupied tracts in other boroughs should remain unoccupied while the pressure of population is as great as it now is. If we are not satisfied with the conditions under which office-buildings and tenements are now being erected in the built-up portions of the city, let us by all means make them more stringent.

These two policies—encouraging the use of unoccupied land, and determining in the most drastic way the conditions under which buildings, especially tenement buildings, shall be erected—are consistent and complementary. These are the particular measures recommended by the congestion commission which bear directly upon the subject of congestion, and they represent a policy which sooner or later we shall have to adopt. It will be better for the present generation and that of the immediate future if it is adopted now.