from the editor's notebook

The present system of property taxation, in tandem with restrictive zoning policies, makes the construction of low-income housing unprofitable. Rather than modify their preference for high consumption of land, most communities continue to exclude apartments until it is too late. Too late is when the state steps in on behalf of low and medium income groups who cannot afford single family housing on large tracts of land. The state's intervention takes the form of overriding local zoning codes; last spring a New Jersey State Superior Court judge struck down the entire zoning code of Laurel and ordered the town to identify and provide for the housing needs of all segments of the population.

Now the state of New York, through the State Urban Development Corporation, is prepared to override local zoning ordinances in 9 Westchester County towns in order to construct 100 low and moderate income housing units in each. The president of the state agency terms the program a "fair share" plan for Westchester, one of the main suburban areas of New York City. With one exception, all the sites are now zoned for single family housing with lot sizes of up to four acres.

The agency uses its power to ignore zoning codes "reluctantly," and is willing to modify housing plans but not sites. United Townships for Home Rule, comprised of officials and residents of some of the towns named, has threatened to take the issue as high as possible in the courts. The State Supreme Court has already ruled, however, that the agency is exempt from local zoning regulations.

Local opposition to the agency arises primarily in the rural areas of the county. Since 1970, when the County Executive invited the agency into the county, more than 1,500 units have been constructed or planned for several cities without controversy.

The agency chose as many as 9 towns for as few as 100 units each in order to make acceptance of the program politically more feasible. In effect, this is a demonstration project designed to show that this kind of housing is an attractive solution to the housing problem and not as unpalatable as many are predisposed to think. In fact, the 900 units will hardly dent the estimate of 92,000 units needed in the county within the decade; and local residents will be given priority in populating the project.

Each development will have 70 units for moderate-income families, 20 for low-income families, and 10 for the elderly. An average of 20% minority group occupation is the goal.

Working in the suburbs is a demonstration for the agency, too; prior to this proposal, most of its 20,000 units were constructed in New York and the 6 other cities of the state.

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Land Speculation -Again

Suffolk County on Long Island appears to have paid $7.5 million for 11,000 feet of ocean beach – to the wrong owner. The Tiana Beach purchase, authorized by the county in 1967 at a price of $3 million, has stirred up a hornet's nest of government collusion in land speculation, and thoroughly confused the grand jury established to investigate the price rise.

It turns out that a former member of the board of trustees of the county's Department of Parks, Recreation, and Conservation has a brother in the real estate business. A year before the beach purchase plan was announced to the public, the brother is alleged to have leaked the information to the private owners and earned large fees by promising to obtain higher prices from the county.

The Town of Southampton, however, has a claim to the beach under a colonial patent. Now the question arises of whether the county owns the beach and whether the private owners had the right to sell in the first place.

To date very few things are certain in this case. One is that the former trustee, now a county legislator, will not be renominated next year. Another is that the Suffolk County Legislature voted to acquire more than 1,000 acres of land for two new parks – on the second day of the Tiana Beach grand jury investigation.

According to one county legislator, the price for these tracts will more than double before they can be assessed and bought.

The Most Hated Tax

The property tax is the most hated of all taxes. This is the outcome of a poll sponsored by the Advisory Commission on Intergovernmental Relations. The nationwide survey found that 44 to 46% of Americans are willing to pay additional federal income taxes as the price for reducing the local property tax.

When asked the best way to raise substantial new tax revenues, 40% proposed reducing special tax treatment for capital gains and deductions allowed for charitable contribution, medical expenses, state and local taxes, etc. 34% opted for a value added tax, and 10% wanted to raise the federal income tax.

46% thought state sales taxes the best way to increase state revenues; only 25% preferred a state income tax and 14% a state property tax. The strongest opposition to the property tax was recorded for farmers, those over 60, and people in the North Central and West areas. The least oppositon was found in the South and Northeast and among nonwhites and renters.

The federal income tax emerged as the "fairest" tax, with 36% of the vote, then the state sales tax (33%), the state income tax (11%), and the property tax (7%).

Men rated the federal income tax fairer than the state sales tax by 40 to 32, while women held the reverse to be true, by 34 to 32.

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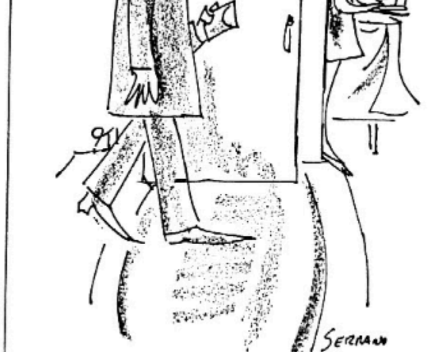

"It's happened, Alice – all I got in my pay envelope is a tax receipt."

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