

# Columbia Housing Projects Yield \$24,004 to the City

The Housing Authority of the City of Columbia yesterday sent the City of Columbia a check for \$24,004.03 in lieu of taxes on local housing projects.

A survey of the taxes paid before acquisition by the authority showed the city is getting 419 per cent more revenue from the property now. The letter to the mayor and City Council follows:

Please find attached check in the sum of \$24,004.03 representing payment in lieu of taxes for the calendar year 1954 by the Housing Authority of the City of Columbia.

This payment, as customarily, is based on 10% of the Total Rental Income (less utilities) earned by the five (5) low-income housing projects owned and operated by this Authority.

In recent weeks, for our own information, we have been conducting some comparative studies on this general subject. The findings have been enlightening to us and, we believe, will be of interest to you. Accordingly, please find submitted below the results of this study.

1. A comparison of property taxes paid by owners prior to acquisition of sites for housing projects with the 1954 payments in lieu of taxes made by the Housing Authority.

Project	Property Taxes Paid by Owners Prior to Acquisition by H. A.	Payments in Lieu of Taxes Paid by H. A. in 1954
Allen-Benedict Court	\$ 796.00	\$ 4,673.15
Gonzales Gardens	730.00	5,163.60
Hendley Homes	978.00	5,825.57
Saxon Homes	2,924.00	7,248.09
University Terrace	301.00	1,093.62
	<u>\$5,729.00</u>	<u>\$24,004.03</u>

It will be noted that this represents an increase of 419%.

2. We also call to your attention the fact that certain expenses ordinarily borne in full or in part by the City of Columbia have been taken care of entirely by the Housing Authority at all of its projects. For example:

- (a) Street lights (including power and service).
- (b) Project streets, sidewalks, curbing and gutters.
- (c) Project storm drainage and sewer systems.
- (d) Project water distribution systems.

Not only were these facilities installed by the Housing Authority, but they are maintained by the Housing Authority without expense to the municipality.

3. (a) According to reliable estimates, the average property tax paid by or for the typical Columbia family residing in facilities comparable to the accommodations of the apartments owned by the Housing Authority is \$20.00-\$25.00 per year. The average property tax for each family living in Housing Authority apartments is \$19.53 per year, based on an aver-

age annual income of \$1660.00 per family.

(b) In the absence of detailed studies but drawing from the experience and surveys of other American cities, there unquestionably has been a reduction in the costs to the City of Columbia in providing health, fire and police protection in the areas where our housing projects have been constructed.

We hope the information contained in this letter will dissipate any idea any citizen of Columbia may have that the Housing Authority is making only "token" payments in lieu of taxes.

William Weston, Jr., Chairman

THE STATE

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