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The editorial "Relax Chicago's Building Code" ignores Chicago's 1968-69 experience with factory built homes. It would have been prudent for the editorialist to have read the stories of that debacle first.

Would factory built homes really cost 40% less than conventional built? The 1968-69 experience demonstrated otherwise.

My recollection is that the administration during those days had come to an agreement with the unions on factory built homes. Not only that; but, great plans were made to erect a factory in Chicago which would provide jobs to construct the homes and also solve Chicago's housing problem.

Revising Chicago's building code should not be considered on the basis of providing housing for the less-than-affluent. It needs to be considered on its own merits. The reduction of housing costs cannot be accomplished by jumping to the latest drumbeat.

A better way to bring about affordable housing is to change the real property tax from its present form. As presently administered and levied, the real property tax is actually two taxes - a tax on the lot and a tax on the building. The simple expedient of removing the tax on buildings and increasing the tax on the site would do more to reduce housing costs than would any technological innovation.

Two immediate effects would be apparent if the real property tax were shifted from buildings to sites. First would be a reduction in the purchase price of land. This alone would help to reduce the cost of home ownership. Second would be the saving of the annual tax on the building, which one economist likened to a one time sales tax of 52% financed and amortized over the life of the building.

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# Relax Chicago's rigid building code

In one of his first postelection interviews, Mayor Washington promised to revive two long-dormant proposals for cutting housing costs in Chicago. Both were shelved by his aldermanic opponents. Now that he is clearly in control of the city council, there is no reason for further delay.

One proposal would revise the city's building code to permit plastic plumbing pipe and plastic-covered electric cable in residential buildings. Both have been used safely for years in just about every major city and in most Chicago suburbs.

The other would permit construction of factory-built housing on vacant, city-owned land in three low-income neighborhoods. Nearly half of all new homes built in the United States in recent years were put together largely from sections manufactured in plants and shipped to the sites for assembly. The growing popularity of these prefabricated homes is easy to un-

derstand. They cost about 40 percent less than traditionally built units. But they are outlawed in Chicago, primarily because they use plastic conduit and other labor-saving, relatively inexpensive materials banned by the city's obsolete building code.

For years, Chicago's building trades unions and their friends in the city council have fought successfully to keep the ban on these materials. Edward Vrdolyak suggested a compromise during his mayoral campaign: To calm fears about their safety in big residential complexes, limit the new materials to single-family homes and buildings with no more than four units.

If that's what it takes to get the two proposed ordinances moving through the city council, the mayor should leap at it. Chicago is producing an impressive number of housing units for the affluent. It needs many more for the less-than-affluent, and these two modest changes can help to get them.