

# ANNUAL REPORT OF FAIRHOPE SINGLE TAX CORPORATION

The following is a report of the activities of the Fairhope Single Tax Corporation as presented to the annual membership meeting. In addition to its publication in the Courier the report will be printed in pamphlet form for distribution to members and lessees. Additional copies of the pamphlet will be available for free distribution at the Corporation office, 340 Fairhope Avenue.

## SECRETARY'S REPORT 1956

Mr. President and Fellow Members: A review of the 1956 activities of your corporation presents much evidence of both the social and economic value of our plan. Though our limited area of land has, for some years, been the most intensively used in the county, the 1956 increase in the building and improvement of homes and business structures continues at a rate that presents attractive comparisons with other county communities including the non-Colony owned portion of Fairhope.

Every year that we prepare this report we become further convinced that no other plan offers man a great opportunity to achieve social and economic aims and desires without sacrificing his highly prized individual liberties. We hope you may find in the following reports that which will likewise strengthen your convictions.

## RENTS

Rent charges in 1956 totaled \$79,260.25, a two per cent gain over the \$77,659.05 reported last year. They were distributed as follows: on City land, \$68,176.52; on non-City urban land in the Magnolia Beach section, \$2,594.83 and on country land, \$8,578.85. A comparison with a like distribution in 1955 shows a City land increase of \$1,719.52, largely accounted for by new leaseholds in the Golf Course Subdivision. There was a rent charge decrease of \$174.15 in the Magnolia Beach section due to several forfeitures. The forfeited lands could have been leased again but are being withheld pending plans for their resubdivision. On country lands there was only a \$10.27 increase as a result of some recalculations.

Only thirty-four of the 533 lessees of record had failed to pay their rent accounts in full during the year as compared with fifty last year. However the total rent and penalty indebtedness as of December 31, \$5,018.37 was \$257.55 more than the like figure in 1955. While this slight increase is not welcome, an examination of the individual accounts shows only seven repeat offenders.

Rent charges for 1957 will be the same as for 1956 with the exception of some leaseholds on

Orange Street, Pinecrest Lane and Church St., where streets were paved during the year.

## LAND TRANSACTIONS

**APPLICATIONS** — Happily we were able to accept and approve twenty-six land applications. This was made possible by our opening to lease lands in the Golf Course Subdivision. Six new houses were built on these new leaseholds during the year. However the supply of lots suitable for development has again been exhausted and many had to be refused.

**TRANSFERS** — There were one hundred five transfers approved. Sixty-one involved the sale of building improvements at stated considerations amounting to \$423,565.71. Twenty-two were to accomplish settlement of deceased lessees' estates, family or partnership adjustments. The remaining twenty-three were vacant lot leaseholds. Four of these were on the East side of Berglin St. where the rent increase resulting from the opening of that street made it too expensive to hold the land that also had frontage on Ingleside Ave., for other than building sites. Three fine new homes were built on these transferred lots and sold by one of our enterprising contractors.

## ASSESSED VALUATIONS

Figures secured from the County Assessor's records show 1956 assessment values of the Colony and those who occupy its lands increased from a 1955 total of \$1,664,020 to a 1956 total of \$1,795,820, an increase of 7.92 per cent as compared with the 1955 increase of 7.73 per cent. Assessment values for the entire county, excluding public utility values, increased from

\$27,126,100 to \$28,471,660 in 1956, an increase of 4.96 per cent.

In the City of Fairhope Colony assessments increased from \$1,481,360 in 1955 to \$1,591,420 in 1956, an increase of 7.43 per cent. Assessed values for the entire City, excluding public utility value, show an increase from \$2,479,770 in 1955 to \$2,679,995 in 1956, an increase of 8.07 per cent. Other interesting comparative figures are that on Colony land occupying about one-quarter of the City area assessments in the Colony area account for 59.38 per cent of the total and in the county where the Colony has about one-two hundred sixtieth Colony assessments amount to 6.31 per cent of the total, almost one-sixteenth.

## LANDS AND HIGHWAYS

The major activity in the lands and highways department was paving. Completed was the paving through Colony owned land of Orange St., and Pinecrest Lane East of Liberty St. Also completed was the extension of the paving on Church St. both to the North and the South, on the North to Oak St. and on the South to Pinecrest Lane. This project was made possible by the cooperation of the Colony and private owners. An additional paving improvement was the paving of the alley in Block 8, Division 1 running West from Church St.

Started but not completed in 1956 was a sewer extension to provide sanitary sewer service to lots on Johnson St. between Mershon and Brown Sts. that could not be served by the sewer service on those streets. Some studies and preliminary survey were made on subdivision expansions and additional street improvements. However these had to be held over until funds are made available from 1957 receipts.

## MEMBERSHIP

The secretary is pleased to report a membership gain of five in 1956. He is most happy to report that death made no claim on any of our members during the past year. In order of their application and acceptance the new members are George H. J. Krog, George C. Dyson Sr., Cecil Pitman, Joe Schneider and Robert M. Schneider.

Three, Mr. Krog and the Messrs. Schneider, are graduates of the Henry George classes conducted by R. Lucier Rockwell and Bruce Evans Jr. Mr. Evans directed two classes during the year, one in the spring and the other in the fall. Five of the first class and six of the second completed the course of ten lessons. Two who attended the first class, the Schneiders, are new members and there appears to be good prospect of two or more new members from the second class.

We are much indebted to Mr. Evans for his voluntary service in this very vital field. The Colony has no greater need than a continuing supply of new members. However it is essential that all new members be well grounded in the fundamental principles of our plan and sincerely devoted to the achievement of our Colony aims and purposes.

## COMMENTS

**LAND FUND** — At its first meeting in January, 1956 the Executive Council took action to re-establish the land fund that played so great a part in the land growth of our Colony. With the prospect of an increase in receipts from the sale of trees to applicants for lease of Golf Course Subdivision lots the council decided that all such receipts be placed in a land fund and held in a special account. Also resumed was the earlier practice of allotting all receipts from the contributions of new members to such fund. As will be noted in the financial statement, \$2,073.50 was transferred to this special account during the year.

**FEE CHARGES** — Recognition was given by the council to an increased cost in giving consideration to and the execution of the various transactions involved in the leasing of its lands. Heretofore the only charge made was a lease issuance fee of one dollar. This fee was paid only upon the delivery of an executed lease. The council is called upon to approve many conditional transfers. Some times several such conditional transfers involve the same leasehold before the transaction is completed and a new lease issued. In such cases no fee was paid. The all record entries had to be made. Also while assents to lessees' requests were asked and granted assents that had to be written and recorded no fee was charged.

Considering that all such transactions involved expense to the corporation it was voted to institute a schedule of fees as follows: 1. Lease issuance fee, \$5.00; 2. Lease transfer fee \$5.00, to include charge for issuance of transfer lease, an additional charge of \$12 to be paid for transfers requiring a special council meeting; 3. Rent to mortgage fees were set \$2.00 per such assent.

In addition to the foregoing the council established a rule requiring every prospective lessee appear in person at the office of the corporation where he could be informed of the purpose of the Colony and the conditions under which its lands are leased. Lessees' misinformation and lack of knowledge as to the real purpose of the Colony and the conditions under which its lands are leased have long been a matter of concern to the administration. This measure should be far in protecting lessees from appointments and the Colony criticism resulting from misunderstandings. Where such intervention must be conducted through correspondence a fee of \$10 is charged.

# HENRY GEORGE CLASSES

Our cashier and bookkeeper, Bruce Evans Jr., has ably filled the breach left by the departure of R. Lucier Rockwell and his father R. L. Rockwell who conducted so many classes devoted to the study of Henry George's proposed solution of many of man's social, political and economic problems. Mr. Evans had considerable teaching experience while a graduate student at the University of Alabama where he achieved an M. A. degree in commerce and business administration. Since becoming associated with us he has been called upon by the University Extension in Mobile to teach evening classes in economic geography.

Mr. Evans has not only made a careful personal study of Henry George's writings but has completed the correspondence course of the Henry George School of Social Science, New York City and attended the classes directed by R. Lucier Rockwell. He hopes to conduct one or two classes this year and any who may be interested in attending should watch for announcements in the Fairhope Courier.

**FAIRHOPE 1894-1954** — A long felt need of the Colony was fulfilled most admirably in 1956 with the publication by the Alabama University Press of a 351 page volume, "Fairhope 1894-1954, The Story of a Single Tax Colony". The authors, Paul E. and Blanche R. Alyea, conducted their study of the Colony over a period of several years. In addition to many personal interviews with local members and residents they read and studied all available records and publications, including the Fairhope Courier files from its very beginning in Des Moines, Iowa in the spring of 1894.

Dr. Alyea is a professor of finance at the University and has made exhaustive studies of public revenue policies and problems. Our Colony is greatly indebted to him and Mrs. Alyea and to the University whose interest and financial assistance made this work possible at this time.

Your secretary had the opportunity to read the manuscript before publication and has devoted considerable time to a study of the published book. He shares with some other Colony members, who have made a careful study, the opinion that its careful reading and study can refute the oft repeated statement that an appraisal of what man learns from a study of history is that he learns nothing.

Fortunately for us the authors did not stop with a recitation of the Colony history. Probably of greatest value to us who are now concerned with conducting the affairs of the Colony are the sections in which an objective analysis is made of some of the problems of policy, both past and present. Another section is devoted to the "survival value" of our Colony. We anticipate that in these sec-

tions we may find valuable suggestions for the more effective charting of our future course.

For the year 1956 the Colony was officered as follows: President M. Dyson, Vice-President, J. E. Gaston, Secretary, C. A. Gaston, Treasurer, M. O. Berglin, Supt. Lands & Highways, Marvin Nichols, Supt. Public Service, R. H. Brown, Supt. Public Health, Sam Dyson, Supt. Industries, O. M. Rockwell, and Trustees A. H. Mer-shon, J. O. Stimpson and Lillian Totten.

## FINANCIAL STATEMENT

1956

### RECEIPTS

Rent	\$79,812.73
Penalty	465.33
Lease Fees	797.00
Assent Fees	172.00
Oil Lease	3,710.00
Interest, Corp.	
Investments	240.00
Interest, Library	
Investments	93.00
Membership Fees	510.00
Lease Bonuses	110.00
Sales	1,698.50
Sewer Charges	540.00
Miscellaneous	273.42
	\$88,421.98
Cash on Hand	
Jan. 1, 1956	2,779.02
	\$91,201.00

### DISBURSEMENTS

Taxes Paid For Lessees:	
General Property	\$35,490.81
Car and Truck	3,263.24
Poll Taxes	103.72
Corporation Land and	
Property Tax	6,093.12

City Business License	150.00
Income Taxes	2,105.32
Social Security Taxes	159.50
Salaries	9,811.91
Office Expenses	1,540.72
Lands and Highways	19,870.79
Library Maintenance	2,690.00
Library Interest	139.50
Cemetery Maintenance	400.00
Civic Contributions	330.00
Miscellaneous Refunds	443.62
Land Purchase Fund	2,073.50
Organic School	3,000.00
Office Equipment	210.17
Miscellaneous	332.12
	\$88,308.04

Cash on Hand,	
Dec. 31, 1956	2,892.96
	\$91,201.00