

Tax base sought

by John Kline
staff reporter

Voters in the Sandy High School District will be going to the polls next Tuesday to decide, among other issues, the outcome of a new tax base proposed for local funding of the high school for the next three years.

Under legislation passed by the Oregon Legislature last year, which increased state basic support for education, local school districts are required to seek a new tax base.

The Sandy High School Board is seeking approval of a \$1,987,853 base to replace the old figure of \$248,600 (including 6 percent annual increases) set over 50 years ago.

The establishment of a tax base more in line with what is required locally to operate the school would allow for greater "stability" in making long-range plans, according to an information packet prepared by school administrators.

By having the higher base, the school board will not be required to seek voter approval of the budget on a year to year

basis. (Unless, in the next two years, conditions are such that the budget exceeds the base. Administrators see this as unlikely, however.)

The new base will allow for an increase in funds during the next two years to allow for inflation and expected enrollment increase.

School administrators and the school board are unanimous in their desire to see the new tax base passed. They see it as a needed improvement over the old funding arrangement in that it allows for greater flexibility in planning.

"It is almost impossible to make long-range plans on the various programs of the district while district leaders must spend much of their time developing a budget and getting the funds to make it operative," an administrator was quoted in the 10-page packet describing the tax base proposal.

"Plans (for succeeding years) are always tentative and uncertain until the funds are approved by the voters," it stated.

The packet also points out that the district would save \$350-\$700 in the cost

of special levy elections with the passage of the new tax base.

The need for the greater tax base has come out primarily because of inflation and enrollment growth.

In the past six years, inflation has increased the consumer price index by 9 1/2 percent a year, the pamphlet explains.

In the same period, enrollment has grown by 212 students.

The new tax base is also receiving the support of the Sandy Education Association which represents teachers in the district.

"Teachers support the new base because it is realistic and will not raise taxes in itself," SEA President Don Tucker stated in a news release last week.

"Taxes can be determined only by the budget (and) the budget is extremely fair," he stated.

The school board has approved a \$2.7 million operating budget for 1978-79 which calls for \$1.667 million in tax dollars from the district, an increase of 23.7 percent over last year's total levy.



Sandy Swinger

IT'S SATURDAY NIGHT in Sandy, and a regular pastime for a group of square dancing enthusiasts in town is to swing their partner at the Sandy Odd Fellow Hall. For related story and pictures, see page 4, section two.

Meier seeks relocation

by Sue Lafky
Post editor

Sharon's Food King owner Gale Meier yearns to expand his Sandy business.

The Sandy City Council Monday night felt the pangs of that urge to grow in a sometimes heated discussion of an annexation request for 3.64 acres Meier wants to earmark for relocation of the store. The property is located west of Sandy off Highway 26 opposite Industrial Way.

The council postponed a decision on Meier's request until Councilman Vern Richards could join the discussion at the June 5 council session. Richards was absent from Monday's meeting and Councilman Bruce Cook disqualified himself from the vote due to a conflict of interest.

If the Sandy council recommends approval of the annexation request, it would go before the Metropolitan Boundary Commission. If approved there, it would go back to the city for approval and zoning.

Councilmen Olin Bignall and Warren Decker, both owners of business in downtown Sandy, voiced fears that moving the store from its present location on Pioneer Boulevard to an area outside the main business area would hurt recent efforts to upgrade the downtown area.

Meier and a representative from the American Stravell warehouse disagreed, saying that the move would free up 34 parking spaces in the now overcrowded downtown area.

"There's no room for expansion,"

Meier said of the present location of Sharon's Food King near Heritage Square. "I don't have room to carry a great variety of goods."

He added that he believed the future of Sandy lies in accommodating more commercial business area.

The council asked why Meier didn't try to relocate on property already in the city limits and closer to the downtown core area.

"Obviously, I'd like to be (closer to the downtown core area)," Meier replied. "There just isn't room to expand."

"There aren't areas closer?" asked Decker.

"I wish there were," Meier said. He told the council that he looked at property at both ends of town and came to the conclusion that the 3.64 acres would provide easy access to Highway 26, adequate parking space and room for trucks to unload merchandise.

Max Anderson, a representative from American Stravell warehouse, said an expanded Sharon's Food King would "capture that escaped dollar."

He told the council that studies show that over \$70,000 a week is lost to out of town grocery business and more than \$35,000 lost to other types of business out of town.

Anderson said the expanded Sharon's would provide "one stop shopping" for groceries, and that no other business would be located on the property. He said that the expansion from the present 12,000 square foot store to an approximately 40,000 square foot store would include an "expansion of the

departments within the present store." Bignall wondered aloud if that meant if Sharon's carried one pair of jeans it would mean a clothing store.

Anderson said that an expanded Sharon's Food King might include a bakery or delicatessen.

He said a Seattle firm has been taking a survey of the needs of Sandy area residents.

Fears were also expressed that the relocation of the grocery store outside the current business district might "siphon all the business from the core area."

Decker said he favors an expanded business area, but wanted it to develop in "an orderly fashion," and not to jump to an area outside the city.

Bignall also noted that many businesses had spent a substantial amount of money to remodel or build in the downtown core area in the last two years, and that the people who have put their "heart and soul" into the downtown area could be the ones who are turned on.

"This may need to happen in five years," Bignall said of the annexation proposal. "In the interim, we need a chance to get their heads above water."

Meier and Anderson told the council that the expansion was needed for the survival of the business and if they didn't get approval to build a new store, "someone else will come in and do it."

Among those voicing support for the proposal was councilman Jim Duff, who said he had been forced to shop outside of Sandy on occasion because the items he wanted weren't in stock.

Scott, business manager.

Tax base funds can be used only for operations and not for construction.

The college board recently voted to retire about \$2.5 million in bonds by using state funds returned to the college for past construction.

District resident Tom Dennehy objects to the wording of the tax base proposal, which states the college will retire the bonds if the tax base measure is approved.

He charges the board intends to redeem the bonds regardless, since that decision was made independently of the decision to go for a tax base. "It's a threat-like blackmail," said Dennehy. "If they don't intend to redeem the bonds, what will they do with the money?" The state funds can be used only for capital construction.

Northwest Natural Gas Co. this week announced the formation of a new subsidiary to facilitate the company's investigations of geothermal energy resources in Oregon.

The wholly owned subsidiary, named Northwest Geothermal Corp., will continue the work that already has been done by the gas company in investigating geothermal hot water potential in the Old Maid Flat area on the western slopes of Mt. Hood.

If these efforts prove successful, geothermal hot water might be piped to residential, commercial and industrial consumers in the Portland metropolitan area, according to Ronald T. Miller, president of Northwest Natural Gas Co.

An initial test well drilled last November reached a depth of 1850 feet, at which time operations were suspended due to heavy snowfall.

Preliminary results, however, were encouraging and a favorable tem-

perature gradient was recorded by the company's geologists, Miller said. This drilling will be continued to a depth of at least 3500 feet this summer.

The new corporation will also continue the preliminary studies of geothermal resources in the city of Lakeview.

"This central Oregon community is blessed with an excellent and readily available geothermal hot water resource which it is anxious to utilize," Miller said.

Ballot Measure 6 moves Sandy out of CRAG

by Sue Lafky
Post editor

One of the least publicized ballot measures could have the most effect on the Sandy-Mt. Hood area.

Ballot Measure No. 6, which lists no opposition in the voters' pamphlet, would reorganize the Portland Metropolitan Service District's boundaries and governing body and assign it new duties and powers, including those now held by the Columbia Region Association of Governments.

The district's shrunken boundaries would exclude the Sandy-Mt. Hood area, and would limit district jurisdiction to the urban portions of Clackamas, Multnomah and Washington counties. Damascus, Boring and Wilsonville would be included within the boundaries of a new Metropolitan Service District.

Supporters say Measure No. 6 will redraw the boundaries of the MSD "to eliminate many rural areas now inappropriately included within the urban boundaries." CRAG's duties would be absorbed by the county.

But opponents of the measure, like Sandy Mayor Melvin Haneberg, say that elimination won't be a blessing.

"We need planning," he told The Post. "We need certain controls whether we like them at the time or not."

CRAG, he said, has been doing a fair job.

"And if they haven't they've at least been conscientious in trying to do a good job," said the mayor, who has served on some CRAG committees.

"There's a lot of battles, but it's done a lot of good."

Haneberg said Sandy will survive if Ballot Measure No. 6 is approved. "But there will be a lot of problems; a lot of confusion."

He said he believed the area would be better off with CRAG than without it.

Also in opposition to Ballot Measure No. 6 are all three Clackamas County commissioners, along with Democratic candidates to the seat now held by Commissioner Stan Skoko.

Commissioners, in a resolution opposing the measure, say that the proposed metropolitan district agency doesn't improve the established government and diminishes the role of elected city and county officials in determining appropriate solutions to the problems relating to land use, solid waste, sewers and air and water quality in the tri-county area.

"The proposed governing body of 12, part-time councilors would not provide as strong a voice for Clackamas County as the decision making process as the present system affords," the resolution also notes.

Under the proposal, the county would be divided into two segments.

"But (the measures would) offer no benefits to either area," according to the commissioners.

Commissioners are also critical of not allowing the county to "opt out" if a majority of the voters in the tri-county area approve it.

"All the proposed territory will be included in the district, and we believe this process gives unfair advantage to the most populous county and discriminates against those of lesser population."

The Clackamas County commissioners are also critical that the district, if established, would "provide nothing in the way of increased or

improved services, since it would have no tax base.

"We are convinced that the intention is clearly to impose either an income tax or establish a tax base for levying property taxes," the commissioners continued. "Unless such actions were approved by the voters, the district would be an entity without funds and we believe an ineffective body."

MSD currently can provide sewage, solid waste disposal, flood control, transportation and zoo funding, though only the zoo and waste disposal programs are funded. MSD would be able to take over Tri-Met's functions and taxing powers for transportation by a vote of its board.

If voters approve a tax base or income tax funding for the new MSD, it could provide regional water, human services, parks and recreation, cultural facilities, including libraries and correctional facilities and programs.

MSD could establish local service districts or contract with local governmental units to provide services. Property owners could be required to maintain flood control systems on streams bordering their lands.

Governmental units would have to consent to MSD acquiring any property.

If the measure passes, the MSD would be divided into 12 subdistricts on the basis of population and a councilor would be elected from each district. The 12 councilors with one vote, and a non-voting executive officer would serve part-time four-year terms and could not hold any other office.

At present, the seven members of the MSD board must hold positions on county commissions or councils. On the CRAG board, members cast weighted votes based on the number of people they represent.

The new district could charge cities and counties within the district up to 51 cents per capita for interim funding until other funding is approved. If voters approve, the MSD could levy an income tax of up to one percent from businesses and workers within the district.

Those in favor of the measure say an elected board would provide local control and would be a fair representation of urban and suburban areas.

MHCC takes tax base to voters

The Mt. Hood Community College District board has promised not to take an operating levy to voters for four years if they approve a \$5.9 million tax base at the polls Tuesday.

The measure would increase the operating budget for 1978-79 by \$1.8 million over the current year's budget.

President Steve Nicholson said the proposed base should not increase the college's current tax rate of \$2.20 per \$1,000 assessed valuation over the four-year period. "In fact, the average tax rate is expected to be less than the current rate," Nicholson said.

"That's unheard of in any other district in the state," he added.

The tax rate will be higher the first year but should be less than the current rate when averaged over four years, according to Nicholson.

The current tax base of \$2.5 million was established in 1970. Voters approved special operating levies in 1975 and 1977. They went to the polls five times before approving the current operating levy.

Districts are allowed an automatic six percent increase for inflation in their tax bases each year. The 1977 Legislature required any districts that went for operating levies last year to seek a new tax base this year.

Nicholson said the proposed base will allow the college to operate within the six percent limitation at least until 1982.

He said inflation and student enrollment which has doubled since 1970 have required the additional money. Enrollment is beginning to drop, which will mean a decrease in tuition revenues, according to Bob