

Oregon Senate Passes Income Tax Measure

Hearings Called For Rezoning Properties

The Medford planning commission will hold public hearings on rezoning property proposed as building sites for two churches at a special meeting Monday, May 27.

Another hearing will be held at the special meeting on rezoning 28.3 acres of property owned by Dr. I. D. Phipps from single family zone to limited commercial. The property is located north of Jackson st. and east of Biddle rd. A 12.6-acre portion of the property is outside of the city limits.

The commission at its Monday night meeting recommended to the city council that this 12.6-acre portion of property be annexed. It would be brought into the city as a single family zone, the same as the remainder of the Phipps property. The May 27 hearing would be on a proposed change of zone for the entire 28.3 acres.

Representatives of the Adventist church of Medford and the Bethel Assembly of God church appeared before the commission on behalf of rezoning requests they submitted for pro-

posed church building sites. City ordinance now specifies that churches may be built only in multiple family zones.

The Adventist church has selected a seven-acre site south of Siskiyou Memorial park, near Crestbrook rd. Part of the property would be used for a church building and parking area, and the remainder would be divided into residential lots.

The commission gave tentative approval to a preliminary plat for the proposed residential lots. Hearing on rezoning the church building area from single family to multiple family will be held at the special meeting.

The Bethel Assembly of God church has a building site near McAndrews rd. between Biddle rd. and Crater Lake ave. The property is now in a single family zone. A hearing on rezoning it as multiple family will be held at the special meeting.

City Attorney E. R. Bashaw reported to the commission on a study he has made concerning rezoning of church buildings. He said no Oregon supreme court decision has been made on legality of prohibiting construction of churches in certain areas. He said, however, that such restrictions have been ruled invalid in other states where the question rose.

Bashaw indicated the city would be within its rights to require parking facilities to be included in any new church construction.

The planning commission recommended to the council that 16.3 acres south of Crater Lake ave. and west of Delta Waters rd. be rezoned from single family to industrial. Change of zone was requested by property owners in the area.

The commission deferred action on a proposed extension of South Holly st. to Garfield rd. The extension was requested by the Medford school board. At last night's meeting a letter from Supt. Leonard Mayfield was read, pointing out that the extension as proposed would call for two 90-degree angle curves. He requested that action on the matter be deferred until plans can be made for straightening of the extension.

Commissioners Paul Selby and Mark Goldy were named to study a request by A. W. Adams for change of setback on property at the northwest corner of 13th st. and Hamilton st. Adams said he wants to add to a building there and is requesting the setback be changed from 20 feet to 9 feet.

Tentative Approval
Tentative approval was given to a plat for a subdivision on the Earhart property bounded by 11th st. on the north, the IOOF cemetery on the east, Bear creek on the south and Willamette ave. on the west. Subdivider is B. Bauer. The plat includes provision for a 60,000 square foot park.

The commission recommended to the council that permission be granted to Dr. R. P. Mortensen to erect a building at Siskiyou Memorial park to house construction of concrete grave liners.

Date for a hearing will be set at the next regular meeting of the commission for a proposed city ordinance governing subdivisions. The proposed ordinance was drawn up by Hahn, Wise and Associates, Redwood City, Calif., planning consultants.

In its final item of business last night, the commission recommended payment of a \$38 bill submitted by Chester E. Corry for professional services in connection with the city street tree committee.

Baseball

AMERICAN LEAGUE
Detroit..... 2 3 0
Boston..... 0 3 1
Maas and House; Sullivan, Delock (9) and White, Daley (9).

Phoenix District Residents to Vote On Budget May 15

Phoenix—Residents of Phoenix school district Wednesday, May 15, will vote on a proposed 1957-58 budget totaling \$365,815. Polling place will be at the grade school gymnasium between 2 and 8 p.m.

The proposed budget shows an increase of \$26,063 from the present budget of \$339,752. Receipts and available cash balance is estimated at \$119,952, leaving \$245,863 to be raised by levy, according to school officials. An estimated \$19,818 in taxes will not be collected, officials noted.

The increase is necessary to take care of bond payments and interest and for costs resulting from anticipated enrollment increases. Excess O and C funds allotted to the district were used to make bond and interest payments in the present budget, but these funds are no longer available, officials said.

Anticipated Increase
While no increase was made in the teacher's salary schedule adopted two years ago, the addition of two new grade school teachers to handle anticipated increased enrollment, and regular increments allowed in the present salary schedule account for some increase, school officials said.

An increase in capital outlay is included in the proposed budget to provide necessary classroom facilities for additional students. The classroom facilities will enable the district to maintain state standards of a maximum of 25 pupils per classroom in primary grades, officials noted.

By including capital outlay in the budget, no bond issue for building will be necessary in the near future, they said.

The proposed budget will increase the millage rate between 3 and 4 mills more than the present 54.8 mills, officials anticipated.

Talent Irrigation Not To Use Storage

Talent—The Talent Irrigation district will not begin using storage water tomorrow as previously planned, Walter Hoffhuhr, manager of the district, said today.

Precipitation recently and cool weather has increased stream flow to provide sufficient water for present irrigation.

London—The Mayflower II reported today she was sailing in a "very light trade wind" about 1,300 miles west of the African coast on her voyage to New England.

Substantial Cuts in Defense Budget Said Approved by House Subcommittee

Washington—A House Appropriations subcommittee has approved tentatively what members today termed substantial cuts in President Eisenhower's defense budget.

But subcommittee sources said there were no grounds for Eisenhower's fears that funds for missiles and aircraft had been trimmed dangerously.

Eisenhower asked for \$38,200,000,000 in new appropriations for defense, not including a \$2,300,000,000 item for military construction, which is handled separately.

Tentative Action Taken
Subcommittee members de-

clined to say just how much was eliminated in the subcommittee's tentative action.

Eisenhower will try to enlist

Radio-TV Highlights

President Eisenhower's budget speech will be heard locally over radio station KMED (1440 kc) at 5 p.m. today, over radio station KYJC (1230 kc) at 7:30 p.m. and station KBES-TV at 10 p.m.

public support for his whole \$71,800,000,000 budget in a nationwide TV-radio speech tonight. The President expressed

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MEDFORD, OREGON, TUESDAY, MAY 14, 1957

FIRE, WATER DAMAGE HOTEL



CONTROL FIRE—When fire broke out in the Crater hotel building, 30 South Central ave., yesterday afternoon, firemen were able to get water to the flames by chopping holes in the roof. The holes also served to control the fire by ventilation. The fire was similar in nature to the Medford Furniture store fire two years ago, in that it was burning between

the ceiling and the roof of the two story building, but by catching it in time, yesterday's fire was never out of control, according to Fire Chief Gordon Barker. The fire originated from a cigarette. Water damage to the hotel and retail stores below was extensive, Barker said.

Cigarette Reported Cause of Blaze in Hogan Building

Traffic Blocked for Several Hours

Estimates were being made today of damage resulting from a fire yesterday afternoon in the Crater hotel, 30 South Central ave. Damage probably will run into the thousands of dollars.

The fire started about 3 p.m. in a cardboard trash container in a storeroom in the northwest corner of the building, which is owned by M. N. (Mel) Hogan. Firemen said a cigarette caused the fire.

The blaze extended from the storeroom through broken plaster to wood in the ceiling and through the attic, firemen said. Firemen removed the paper covered wood roofing in four places to reach the flames.

Traffic Blocked
Central ave. traffic was blocked for several hours during the rush hour, and Medford police rerouted vehicles around the scene of the fire.

Fire damage was confined to the point of origin, firemen said, in an area about 24 by 30 feet in the rear of the northwest corner of the building. Water damage throughout the building was extensive, they said.

Firemen said they attempted to limit the use of water to prevent too much water damage, but when they learned the fire could not be properly contained, more water was used.

Ceilings in at least three businesses on the street floor fell in as a result of water. They were in Ginn's Flowers, Dr. Robert J. Urie's office, and Sams Sporting Goods, in addition to rooms in Crater hotel.

General Alarm
A total of 27 firemen, including those who reported from off-duty, and six volunteers responded to the general alarm. Firemen returned to the station about 6 p.m. Two 1,000-gallon pumps, and the aerial ladder responded.

About 4:43 p.m. yesterday, one pumper was released from the Crater hotel fire to report back to the main station to stand-by because the west side truck, which was standing by, was called to a reported house fire at the Lee Sherman residence, 840 Stewart ave.

Firemen found no fire at the Stewart ave. address, and said the alarm apparently was turned in when someone saw smoke from a fireplace.

About 10 p.m. yesterday, firemen were called to the Crater hotel again when contractors repairing the damaged roof reported smelling smoke. Firemen found nothing, they said.

Israel To Run Test Ship Through Suez Canal Soon

By UNITED PRESS

Israel announced today it will send a ship into the Suez Canal "in the near future" to test the Egyptian blockade of Israeli shipping through the vital waterway.

The "test ship" plan was announced by Foreign Ministry spokesman Moshe Leshem in Jerusalem. But Leshem denied reports that the vessel was already on its way or would sail within one week.

Informed sources said earlier that the test could come "at any moment."

Project Being Readied
They said the blockade running project was being readied in the wake of the decision of Britain and other maritime nations to resume use of the waterway nationalized by Egypt last summer.

The sources said the only thing holding up the Israeli test was France's reluctance to join the other nations who have given the go-ahead for use of the canal by their ships.

Such an Israeli blockade "test" raised the threat of a new Middle East crisis. Israel has warned previously it would consider an Egyptian attempt to prevent an Israeli ship from transiting the canal as an act of war. Egypt has been in a "state of war" with Israel since May, 1948.

Slot Machines Seized In Central Oregon Clubs

Bend—The largest slot machine roundup in the history of central Oregon took place Monday night as officers simultaneously hit four clubs in Bend and one in Redmond.

Raided were the Bend Elks, Eagles and Moose clubs, the Bend Golf club and the Moose club in Redmond. Eighty slot machines were confiscated with an estimated value of \$32,000.

Signing of Budget Delayed for Opinion

Signing of the Jackson county budget for 1957-58 has been delayed pending receipt of a legal opinion from Attorney General Robert Y. Thornton, it was reported today.

The legal question concerns a fund of \$12,500 set aside for operation and maintenance of the juvenile detention home. Members of the budget committee explained the fund will not be used until after the home is completed, sometime after September. The budget becomes effective on July 1.

The attorney general's opinion is being sought on whether the fund may remain as labeled in the budget until the building is completed, or whether it must go into the general county fund.

Similar Questions
It was indicated that similar questions are arising over the \$104,000 agronomic research sinking fund, established in the new budget. The county will be paying for a new agronomy station near Jacksonville over a period of several years rather than in a lump sum.

Total proposed budget for 1957-58 is \$2,990,446.72. The committee expects to receive the attorney general's opinion and sign the budget in a few days. Date for a public hearing on the budget will be set at the time it is signed.

Meanwhile, County Treasurer Karl Janouch estimates there will be a surplus of about \$1,078,737 in the 1956-57 county budget. The surpluses over estimated receipts for the year included \$756,513.25 from O & C receipts; \$45,369.99 from forest rentals;

\$38,353.95 from motor vehicle licenses; \$38,500 from interest on deposits; and approximately \$200,000 on other miscellaneous receipts.

Additional Balances
Janouch said the surplus could prove to be as high as \$1,250,000, depending on any additional unexpended balances to be carried over to next year. Most of these surpluses would remain in their individual categories, he said. State and government receipts are pre-designated for use in the counties.

Janouch noted that the estimated 1956-57 surplus would be 20 per cent higher than the surplus last year. The 1955-56 surplus was 12.4 per cent higher than that for 1954-55. The 1954-55 surplus of receipts was 2 per cent higher than that for the previous year.

Total budget and levy for 1956-57 was \$2,645,269.07.

Weather

FORECAST: Showers or thunder showers this evening. Partly cloudy tonight and Wednesday. A few widely scattered showers in the mountains Wednesday. Low tonight 42, high Wednesday 62-72.

Our Skies Tonight
Sunrise..... 4:51 a.m.
Sunset..... 7:25 p.m.
The Moon rises at 8:32 p.m., appearing between the star, Antares, and the planet, Saturn. During the night it moves slowly and steadily nearer Saturn, which is now in the constellation, Ophiuchus.
Last Quarter..... May 21

"Did I Hear Somebody Knock A Few Months Ago?"



Ohmart's Switch In Vote Brings Victory To Bill

Return To House For Concurrence Next

Salem—The Oregon Senate today passed controversial House Bill 1, representing the heart of the Democratic tax program, but it took a last minute switch in the vote of Republican Sen. Lee Ohmart of Salem to bring the bill to victory.

At the regular roll call, the vote was 15-15, with Democrat Sen. Ben Musa voting against it and Republican Senator Francis Ziegler voting for it.

Goos Back to House
The measure now goes back to the House for concurrence in what advocates said were amendments that make no substantive change in the measure.

The vote was taken shortly after noon following a bitter debate that consumed an hour and a half. The measure was a special order of business at 10:30 a.m.

Due to the lateness of the hour, the Senate adjourned, postponing until afternoon its long procession of measures up for final consideration.

'Surtax' Erased
House bill 1 erases the name of "surtax" as passed by the 1955 session, but embodies rates slightly higher than the surtax rates.

Here are the rates under HB 1:
On the first \$500 of taxable income or any part thereof, 4 per cent. On the second \$500, 5 per cent. On the third \$500, 6 per cent. On the fourth \$500, 7 per cent.

On the third \$1,000 of taxable income, 8 per cent. On the fourth \$1,000 9 per cent. On all taxable income in excess of \$4,000 and not in excess of \$8,000, 10.2 per cent. And on all taxable income in excess of \$8,000, 11.6 per cent.

The Senate late Monday night passed the controversial corporation excise and income tax bill, 20-10. This was the other half of the Democratic tax program.

Man Escapes Injury In Accident on 99

Samuel Donald Anderson, 22, of 492 Fordyce st., Ashland, escaped without injury early last night when an unidentified car "pushed" Anderson's off Highway 99 about two miles north of Ashland, according to state police.

Anderson was traveling south, police said, when another car, in which Anderson told police were four young men, approached from behind, and started pushing the Anderson vehicle.

Anderson lost control of his car when the unidentified car pushed it at an excessive speed, police said. The Anderson car went off on the left side of the highway and turned over, they said. The unidentified car continued south, police reported.

In another accident yesterday, a car operated by Elmer Stewart, 59, of route 2, box 205, Medford, went out of control on wet pavement on Highway 99 on the north side of Blackwell hill, and went into a ditch, police said. A passenger, Mabel Stewart, was taken to Rogue Valley hospital by Medford Ambulance service.

Orchardists Disagree on Bill To Tax Fruit Trees

Salem—Fruit growers of Jackson and Hood River counties disagreed Monday on taxing orchards.

The Jackson County Fruit Growers called for passage of SB311 which would make only the land subject to taxes and not the trees on it.

The Apple Growers association of Hood River want trees to be taxed as has been the case for many years in this county. At the last session of the legislature a law was passed requiring such taxation.

Edward Kelly, representing the Jackson growers, said pear production would decline if additional taxes were slapped on the trees. He said 40 per cent of the older trees need replanting, and added taxes would discourage this.

Loss of tax base in Hood River would be around \$750,000, Rep. George Annala (D-Hood River) said. He pointed out he was a fruit farmer and admitted it was unusual to ask for continuation of taxes.

Non-fruit farmers, businesses and city property of Hood River would have to pay the additional amounts if the trees were removed from taxation, Annala

said. An interim study of the problem was suggested in place of action on the bill.

Hail Scratches Pears in Valley

Two hail storms Monday afternoon resulted in scratching pears in small patches in the Medford area, according to C. B. Cordy, county horticulture agent.

The storms occurred about 2:30 and 3 p.m. Damage in small areas was reported between Talent and Coker Butte rd., and in an area west of Medford.

Cordy said little loss of fruit resulted from the storms. Quality of the fruit was not affected, but appearance will be poorer than usual.

Some marks will be evident on mature clear skinned fruit, he said. However on Bosc and other natural russet skinned varieties, the marks will be less prominent, Cordy indicated.

Possible thunderstorms are forecast this evening, with partly cloudy skies tomorrow. Yesterday's storms left .33 inch of rain at the Medford weather bureau station.