

4-10-59

Weather Report

Temperature for the 24 hour period ending at 8 a. m. today — Maximum 68, minimum 42.

Monterey Bay Area — High fog night and morning but fair in afternoon tomorrow and probably Sunday; little temperature change.

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103rd Year—No. 85

Entered as second class matter at the Post Office at Santa Cruz, California ★

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New Bond Issue Proposal

County Building Program Upped To \$3.25 Million

By Norman Indahl

A gigantic general obligation bond issue to meet the immediate building needs of the county was unfolded by a courthouse bond committee yesterday afternoon.

The plan scored a success before a number of county officers and representatives of chambers of commerce throughout the county.

The plan includes: land acquisition, construction, furniture for new courthouse; additional hospital facilities; agricultural building and law library for the Freedom courthouse annex.

Presenting the plan were Board Chairman Francis Silliman, Supervisor Lewis Nelson; Auditor-Controller George Kriz, Administrator Richard O'Reilly and County Counsel Ray Scott.

The proposition will be presented to the board of supervisors Monday for consideration and possible further screening by the J. B. Hanauer Bond company, county financial consultants, before being cleared for an election.

An earlier proposal by the board for a \$2.9 million bond issue for courthouse facilities and hospital improvements is also scheduled to be heard by the supervisors Monday.

Contained in the new proposal are the following needs:

Four more acres to complete courthouse site (\$510,000), to be acquired from the Santa Cruz urban redevelopment agency, County Bank of Santa Cruz parking lot and possibly the Greyhound bus depot.

Courthouse building (\$1,880,000).

Furniture for the building (\$200,000).

Additions to county hospital—dining room, kitchen, boiler room (\$475,000).

Agricultural building (\$175,000) providing housing for the farm adviser, agricultural commissioner, sealer of weights and measures.

Law library (\$10,000) for the Freedom courthouse annex.

Nelson said the committee decided to "lay all the cards on the table" for the public regarding the necessary buildings that demand immediate construction, instead of sounding out the public and civic leaders on the smaller bond issue.

The fact that there will be only five cents more in the tax rate for the expanded bond issue than the first measure was one of the deciding factors in the committee going for the larger amount, Nelson stated.

Kriz said that if the bonds have a life of 40 years (maximum amount of years to pay off the indebtedness) there will be an average of 13-14 cents boost in the tax rate for the first two years. Figuring on a swelling population in the future, the rate would not be expected to go above this amount, he reported.

Sanctioning the package plan were: Ruth Gabrielsen, Capitola Chamber of Commerce; Ted Harbert, Santa Cruz county grand jury; Aulden Schlatter, manager, Watsonville Chamber of Commerce; C. E. "Doc" Fehlman, secretary, Santa Cruz County Safety council, and Walter DuBois, president, Scotts Valley Chamber of Commerce.

Dave Owen, secretary-manager of the Greater Santa Cruz Chamber of Commerce, would not comment, but planned to present it to the chamber board of directors.

The \$15,000 annual rental bill for administrative offices sprawled over the city of Santa Cruz prompted the bond committee to incorporate an agricultural building in the proposal. With the building contained in the package, it will give agriculturists an incentive to vote in favor of the measure, Nelson claimed.

He said the ideal location for the agriculture building would be in Soquel, but Silliman pointed out it would be up to the county planning consultant to determine a feasible location for the structure.

The building committee decided to attempt a bond issue rather than present taxpayers with a possible 40-cent increase in the tax rate which would occur if ad valorem tax revenues were used to purchase the additional acreage for a courthouse site.

Silliman declared he favors using money obtained from the sale of the old courthouse at the intersection of Pacific avenue and Cooper street to pay off the bonded indebtedness the county would incur in the large bond measure.

Scott said county acquisition of the Greyhound Bus company property, containing some 10,000 square feet, hinges on the URA condemnation suit. If the company is forced out and URA is still willing to relinquish the land, then the county will pay the agreed upon \$65,000 purchase price.

"It makes no difference to the county if Greyhound stays there," Scott claimed.