# U. S. AID BLOCKED

SACRAMENTO, Aug. 5 (A.P.)-Inability of Del Norte county to raise money to meet the federal government's requirements for old age, child, welfare assistance and aid to the blind is jeopardizing the \$13,000,000 federal security program for the entire state, a conference of interested officials here today was told.

The conferees discussed various suggestions for solving the county's money problems but adjourned without taking action to meet again early next week.

The northern county would be in a good shape financially except for the tax moratorium law, its supervisors and other officials advised the conferees. Thousands of dollars due in taxes from large lumber companies cannot be collected due to the moratorium. As a consequence not only the social welfare program is crippled but schools, hospitals and functions of county government are in a criti-

Federal security official, representatives of the state controller, finance director, attorney general and other state departments attended the meeting, with the Del Norte officials, in the office of Mrs. Florence Turner, director of social welfare.

Del Norte supervisors R. L. Scott and W. A. Howe, District Attorney John L. Childs and Charles Thunen, principal of schools, explained the county's plight

They said expenditures had been cut to the bone but that with only 40 percent of the taxes collectable, It was impossible to meet the demands of welfare aid, schools, hospitals, to say nothing of aid for the indigent, transients and unem-

ployed.

Mrs. Turner said that federal regulations provide every political subdivision of a state must conform to the schedule in order for any old age, child or blind funds to be allotted to the state.

ERIDAY, APRIL 30, 1937

### CRESCENT CITY AMERICAN

Howard F. Griffin, Editor-Owner-Publisher

Published Friday at 388 H St., Crescent City, Calif.

### EDITORIALS

### SHALL WE ACCEPT THE WARD ESTATE OFFER?

The Ward Estate, holding vast timber lands in Del Norte County, is asking a material reduction on its taxes, delinquent for the past five years. Through its attorney, Ed Fletcher, it has offered to settle with the county for 85c on the dollar,

After making a trip to Sacramento, where he conferred with Ward Estate representatives and state officials, District Attorney John L. Childs returned here and recommenaded to the hoard of supervisors that the county accept 65c on the dollar, and the matter rests there.

Some of the supervisors are in favor of making the concession, while others think that the Ward Estate should be compelled to pay up in full. Many of our taxpaying citizens are as equally divided in opinion so what to do !

Let's analyze this thing from all sidest

If two men owed you say \$100.00 each; one came in and paid you up in full while the other let his bill run and run until it was five or six years old. You had tried many times to get the money from him but failed. Then one day he came in and laid down \$65.00 with the assertion that the \$65.00 was all he could scrape together and that you could either take the money and call the bill square or else go without altogether. It is quite probable that you would take the money and give him a receipted bill for the \$100.00 and think you were lucky-and, you wouldn't feel that you were under any obligation to make a refund to the man who had paid up in full at the start.

But now with the county it is a different problem. We are all stockholders in the county and we must meet our assessments when they are levied. If we are to pay the other fellow's assessments we want the benefit of what we pay. In a company where stock has really been issued they just take the stock away from those who do not meet the assessments.

Let's analyze it from another angle!

We who pay taxes are continually paying into the county and city treasuries for roads, schools, police protection and other services all of which we enjoy. But, we are paying also for the fellow who owns nothing and pays nothing in the form of taxes yet reaps and enjoys the benefits from the tax monies we pay. So the wheel turns round and round and each time comes back to the same place.

Now, if we accept Ward's offer (assuming that it is the last resort) figuring that they can pay no more and it is either that or nothing, what are we going to do with the others who have not paid their taxes? Are we going to make the same concession to them as we do to the Ward Estate, or are we going to demand othat they pay up in full? The others are going to say that they are in exactly the same position that the Ward Estate is in!

If all who are delinquent in their tax payments at the present time are allowed a 85% reduction in their taxes there will not be sufficient monies come into the county treasury to take up the outstanding indebtedness, let alone paying up the interest on the warrants that have been issued-if there will be, the supervisors must admit that assessments have been entirely too high over the past five years.

Those who have worked for the county and hold warrants surely cannot be asked to take a scalping on their pay and then cut off the interest the warrants have acquired over a period of years. Some have even borrowed money to live on in order to hold their warrants. It's been a real hardship all the way round.

Yet something MUST be done. Our schools are facing a critical problem. Our county government faces another and the whole of Del Norte county is suffering immensely because the county cannot pay its bills. What are we going to do? Will you give us your slant on the situation?

Below is a blank. Will you fill it out and send it to the American? We would rather you signed it, but if you do not want to, send it along anyway. We won't publish or reveal your name to the public. Your ideas may help solve the problem-

Editor of the Crescent City American.

I favor the County Board of Supervisors accepting a settlement with the Ward Patale for 65e on the dollar in payment

### SUPERVISORS PROCEEDINGS

September 27, 1938. The honorable board of supervisors met at their chambers in the court house in answer to a call the purpose of considering a reso-lution which was presented by the Tax Committee, and to listen to representatives from the Klamath acction regarding conditions of Hunters Creek, Roll call found Supervisors J. J. McNamara, Robert D. Adler, W. A. Howe, George H. Tryon and Chairman Ira L. Scott present, with the clark of the

Proposed resolution was read by the clerk, and a discussion followed in which every person was called upon to express himself.

Motion by Supervisor J. J. Mo-Namara, seconded by Supervisor Tryon and carried, that each speaker be given but five minutes

Members of the Tax Committee with Mr. V. K. Meedom acting as spokesman, Mr. Bourn, representing the Del Norte Company Ltd., and the Delcur Corporation, and Mr. Durham, tax expert, and many others were present, beside County Auditor N. G. McVay, L. A. Dressler. C. J. Byrne and H. M. Malpas, District Attorney John L. Childs. John G. Smith, Recorder, and Jos. P. Crawford, justice of the peace. After much discussion, and against the advice of the district attorney, the following resolution was adopted:

### resolution

WHERMAS, on or about the 16th day of Pebruary, 1938, a public meeting was held in the Superior Court room at the county court house in Del Norte county, Cali-(Continued on Page Four)

### The Wel Norte Triplicate

JOHN A JUZA, Settor Published Fridays; \$2.00 per year—Produced by Union Labor smuered as second class matters Orescent City, Calif., Postoffice

## Supervisors

(Continued from Page One)

fornia, which meeting was attended by the board of supervisors, the county grand jury and numerous citizens and taxpayers of Del Norte county, together with the reprecompanies: The Del Norte Company IAd., Del Cur Corporation; Citiesns Mill & Timber Company, Requa . Timber . Company, Ward Redwood Company, Blue Creek Redwood Company and the Rational Bank of Bay City, Michigan, for use all the power at its command the purpose of trying to reach an adjustment of the delinquent and current taxes owing to Del Norte county by the said timber com-

tax committee was appointed by the board of supervisors, for the purpose of investigating and report- is hereby instructed and directed to ing to the said supervisors a plan of adjustment of the delinquent and current taxes owing by the said timber companies that would be equitable, legal and fair to the citizens of Del Norte county, and to the said timber companies;

And Whereas, said tax committee after making such investigation, reported to the board of supervisors settlement should be made of taxes now owing and delinquent by said 1930-31 to and including 1938-39 time to date from the Norte county for said years; that tion, the rates to be charged against said valuations shall be the same as charged on all other properties for each of the years in question, and that the timber companies be invited to consider this basis of settlement, and if agreeable to them, setlement be made as outlined

And Whereas, the timber companies, having considered the matter di adjustment as outlined to abem, by the tax committee, have such payment could be made under regarding the damage that has

enticipated against Del Norte Way Commission asking that they of all tax levies levied by Del Norte is authorized to approve and sign

Norte county that the best inter- mission as soon as possible of the board of supervisors of Del Mr. Howard Cawthrop, attorney the tax committee and the timber bovec committee.

SOLVED, that an invitation be a m

and the same is hereby extended to said timber companies to re-instate their former offer as made through the tax committee, to the board of supervisors, and a request is hereby made of the timber companies that they allow the litigation already commenced by them and the litigation about to be commenced to remain status quo until such can reasonably effect such adjust-

And Be It Purther Resolved, that if the timber companies see fit to re-instate their former offer of settlement of their delinquent and current taxes on he basis as outlined to the supervisors by their tex committee, it is hereby agreed that the board of supervisors will, and hereby does accept, both the manner and method of settlement as; aforesaid mentioned, and will to bring about such a settlement accordingly,

And Be It Further Resolved, that the district attorney of Del Norte county be advised, that by virtue And Whereas, at said meeting a of the powers granted the board of supervisors under Section 4041.22 of the Political Code of California, he use his best efforts to stop-all litigation now in process and to cooperate to the fullest extent with mentioned timber companies and the board of supervisors in bringing about an adjustment of these delinquent and current taxes in the manner and method hereinbefore

And Be It Further Resolved, that as their unanimous decision that a the timber companies be given thirty days in which to accept or reject this invitation and in which timber companies, as well as our- to place the money in secrew for rent taxes, on a basis approved by the payment of all delinquent and them as follows: That the value- current taxes which may be due tion of all lands owned by said accoring to the terms and conditimber companies for the years tions of this agreement, and such should be reduced to a valuation this resolution, and the clerk of equal to fifty per cent (50%) of the the board is hereby instructed to valuations heretofore existing and present to the above named timber as shown by the tax rolls of Del companies a copy of this resolu-

IRA L SCOTT, Charman of the Board of Supervisors, Del Norte County, Calif. Attest: EMMA COOPER,

Clerk of the Board. Vote taken: Voting in favor of the adoption of said resolution: Supervisors J. J. McNamara, Robert D. Adler, George E. Tryon and Chairman Ira L. Scott.

Voting against the same: Superherstofore agreed to pay their de-linquent and current taxes on the Mrs. Beatrice Poine and Barran Mers Beatrice Paine and Barrey

and by reason of Section 2681a of been done to their lands on account of the waters from Hunters And Whiress, the terms and method of settlement as outlined by the tax committee and accepted by the tax committee and accepted by the timber companies having not the timber companies having not company, a suit has been filed the district attorney and have the matter of the district attorney and have the district attorney draw up a resolution to be presented to the High-Del Norte Company Ltd., which tions before the winter rains set mults do and will contest the legality in, and the chairman of the board county for the years mentioned such resolution. The clerk is instructed to forward a copy of such And Whereas, it is the opinion resolution to the Highway Com-

of Del Nore county can be best garding use of book cases belongaccepting the terms and methods ervisor Howe, seconded by Super-of adjustment and settlement as visor McNamara, that the matter heretofore proposed to them by be left to the clerk and the court

By motion, the board adjourned NOW THEREPORE BE IT RE- to October 10, 1938, at 10. o'clock

Supervisors Proceedings

The honorable board of supervisors met at their chambers in the court house in regular adjourned session at 10 o'clock a. m., October 5, 1938. All members of the board

The purpose of the meeting was to appoint election officers and polling places for the November election, and to discuss tax matters before the Tax Committee and representatives of the timber interests.

Letter from M. E. Durham, tax consultant, under date of October 3, 1938, read:

The Honorable Board of Supervisors, Del Norte County, Crescent City, California, Gentlemen:

In response to your resolution of recent date, we are agreeable to a settlement of our tax controversy. As you know we have always felt that our taxes were twice what they should be, regardless of any question of legality, and our recently concluded investigation has convinced us and our attorneys that by far the greater portion of the taxes now levied against our properties are illegal and uncollectible. However, we also realize that, as large property owners in Del Norte county, the welfare of the county is to our interests as well as your own.

We will agree to waive a considerable part of what we believe are enforceable, legal rights, and though over half of our taxes are, in our opinion, illegal, we will settle the whole matter through a stipulated judgment on the basis of fifty per cent of the taxes as shown to be charged against our property on the tax rolls of Del

Norte county for the respective years in question, but it is definitely understood we are not to pay any penalty and interest upon this amount of of money, and it is our opinion and belief from statements already prepared by our auditors that the sum of money we will be required to pay is approxi-

mately \$263,000.00. In making the above proposition reservation is made on behalf of the Delcur Corporation and the Del Norte Company, Ltd., in that when we arrived at fifty per cent of the amount the amount they have already paid under protest, together with the sum of \$915.78 on the part of the Delcur Corporation, and \$3,295.69 on the part of the Del Norte Company, Ltd., which deductions are made by reason of the fact that an error was made by the Assessor in the computation of their assessed valuation, which has

has not been corrected as yet by either the Board of Supervisors or the Assessor and wils understood. that these corrections are to be made in connection with this set-

The details of cloding this matter will be left with our auditor and attorneys. Naturally, it must be done properly, legally and

Very truly yours, THE DEL NORTE COMPANY, Ltd. DELOUR CORPORATION NATIONAL BANK OF BAY CITY WARD REDWOOD COMPANY BLUE CREEK REDWOOD COM-

PANY CITIZENS MILL AND LUMBER COMPANY

REQUA TIMBER COMPANY ED FLETCHER COMPANY WILLIB Q WARD GRANDCHIL

MARGARET WEWARD By M. E. DURHAM.

committee made a talk in behalf of the proposed settlement.

Stipulation in the action of Ed. Fletcher vs. County of Del Norte et al., signed by Gordon Stater, atturney for plaintiff, read and was later to be handed to the District

.Following is a resolution presented by the Tax Committee and read by the clerk, and upon motion of Supervisor M(cNamara, seconded by Supervisor Tryon, the resolution was adopted. "RESOLUTION

WHEREAS, on the 27th day of September, 1936, this Board of Supervisors passed a resolution ex-tending to pertain timber companies an offer of settlement on all past due and delinquent taxes on their properties located in Del Norte county, as well as as current taxes, and

WHEREAS, said timber companies have tendered their accept-

been filed against Del Norte county a consolidated suit to be filed by by the Ed Fietcher Company on various other timber companies on 13, 1938, which suit seeks to de- or before October 17, 1938. In event termine the legality of taxes levied that Judge Tryon can not perand assessed against the properties sonally hold court on the dates of said timber companies as well mentioned that he will have the as the Ed Fletcher Company, for Judicial Council provide a judge at all the years beginning June 30, that time, preferably a judge 1930, and ending June 30, 1938, as familiar with tax laws and tax well as the taxes for the current litigation. year, 1938-39, and

tioned in said complaint of the Ed Chairman Scott voting in favor. Pletcher Company against Del None voting against, Motion car-Norte county have been considered ried by this Board of Supervisors and are believed by them to be true and correct as stated in said com- Week-End Visitors-

WHEREAS, it is the belief of Berkeley were visitors at the home this Board that the suit mentioned of Elizabeth Duffy over the week-aforesaid can be best expedited and end.

settlement accomplished quicker, by stipulating as to certain facts, which stipulation is now before this Board for consideration,

NOW, THEREFOR, BE IT RE-SOLVED, that this Board, after due consideration of the facts mentioned in said stipulation, believe the statements contained therein to be true, and believe that the stipulation should be entered into in the Superior Court on behalf of Del Norte county and of all parties concerned,

AND BE IT FURTHER RE SOLVED, that by virtue of the power granted this Board under Section 4041.22 of the Political Code of California, the District Attorney is hereby directed to sign the stipulation mentioned herein on behalf of, and acting as, attorney for Del Norte county, and file the same in the Superior Court of a county and permit the

SOLVED, that the District Attorney be, and he is hereby directed to enter the same stipulation in another suit to be filed on or before October 20, 1938, which suit will be filed on behalf of Del Norte Company, Ltd., Delcur Corporation. Requa Timber Company, Ward Redwood Company, Blue Creek Redwood Company, National Bank of Bay City, Michigan, Citizens Mill & Lumber Company, and certain other individuals who will be parties to said suit; in which suit the legality of taxes as levied in Del Norte county for the years 1930-31 to 1938-39 will be adjudicated; and the District Attorney is further directed to stipulate with said companies that a consolidated suit may be filed and thereby eliminate the filing of numerous other suits; and the District Attorney is further directed to carry out these instructions at the time the cases mentioned herein on for trial and it is evident that the timber companies are ready to make payment as hereinbefore agreed, and the District Attorney is further directed to use his best efforts in getting a quick adjudication of all matters pertaining to the validity of tax levies in Del Norte county and in accomplishing the settlement mentioned in the resolution passed by this Board on September 27, 1938,

IRA L SOOTT, Chairman, Attest: EMMA COOPER, Clerk. (SEAL)

Vote: Voting in favor of the adoption: Supervisors J. J. Mc-Namara, Robert D. Adler, George E. Tryon and Chairman Ira L. Scott. Voting against the adoption: Supervisor W. A. Howe. Motion carried.

Motion by Supervisor Tryon, seconded by Supervisor McNamara, that the clerk send letter to the ance of said offer, and agree to pay | Honorable Warren V. Tryon, at said amount as stated in said reso- 1106 Miller Avenue, Berkeley, Calif., lution, provided the same can be asking for a day in court on any legally accomplished, and the said date between October 17, 1938, and timber companies have offered to November 1, 1938, for the purpose provide, if possible, a legal means of adjudicating matters in a suit of accomplishing said settlement, against Del Norte county by the Ed Fletcher Company relating to WHEREAS, suit has formerly claimed illegal taxes together with

Vote taken. Supervisors Mc-WHEREAS, certain items men- Namars, Adler, Howe, Tryon and

(Continued next week)

Mr. and Mrs. Walter Bryan of

Mutate

### OBSERVATIONS

(By Operator 13)

News that over one million dollars' worth of taxable property in the form of delinquent timber lands has been dropped from the tax rolls of Del

Condition Expased

Norte county is really startl-An Alarming ing. Not only that but it is news of vital concern to every small taxpayer of the

county because it means his property must assume the burden formerly carried by the timber barons. In another year three millions more of this delinquent timber land will also be taken from the tax rolls, which means that in 1939 the small taxpayers who formerly contributed about forty per cent of Del Norte's total tax bill, will instead be loaded down with practically the entire burden of county government expense.

Surely the people of Del Norte county do not realize the seriousness of this tax delinquency situation, else they would be doing something about it.

In July, 1986; County Assessor Frank J. Burtschell, acting in accordance with law, deeded to the State of California the vast timber holdings of the Ward estate, comprising about 20,000 acres of land in the southern part of the county. No taxes had been paid on this land since the year 1930, automatically placing ownership in the hands of the state.

But here the nigger in the woodpile comes to light. The State, while it has title to the land, cannot sell the property at tax sale because the legislature has seen fit to enact a tax moratorium, grant-

Moratorium Prevents Sale

ing delinquent -taxpayers more time to pay up, under certain conditions. The plea was made that this

moratorium was for the benefit of the little fellow, but actually big interests were behind the move.

Del Norte county having no direct representation in the capital halls at Sacramento the same big interests, the timber men among them, have kept this moratorium alive at each session of the legislature until-now-the-day of reckoning is set for 1940. Without question, another extension will be forthcoming at that time.

In the meantime the situation will reach a crisis in this commendation

### Tax Matter Up Today

CONSIDER PLAN TO SETTLE TAX BILL DOMEDIATELY.

Bettlement of Del. Norte county's serious and long-standing tax delinquency problem is expected to reach a step nearer the goal today when representatives of the timber people, members of the Del Norte tax committee, interested taxpayers and others will meet with the board of supervisors.

The settlement being worked out would mean that the county would receive approximately 50 per cent of the total tax bill owed by the timber companies.

The proposal to be discussed at this morning's session, if adopted. will clear the way for immediate payment of the tax money to the county. Representatives of the timber people have assured county officials that the money has been secured from the Ward interests as well as the Del Norte group, and that at least \$275,000 will be paid into the county treasury if negotiations are successful.

The way would be opened up for institution of a friendly suit in the Del Norte superior court, with stipulations being made by both sides which would make possible the rendering of an immediate de-

Sentiment among local taxpayers seems to favor the immediate settlement on the 50 per cent basis, although there is opposition from certain quarters and today's session of the board will undoubtedly create some verbal fireworks.

### **Various Matters Before Council**

Action of the Del Norte county board of supervisors in negotiating with the timber people for a settlement of the county's delinquent timber tax bill on a 50 per cent basis received the endorsements of the city council last Monday night. The council unanimously passed a resolution to that effect.

Another important resolution favorably acted upon by the coun-cil would prohibit the city's fire apparatus from being taken beyond the city limits. This matter has been given consideration before and while it is generally understood to be the rule, nevertheless the local volunteer firemen have stretched a point to save property outside the city from fire damage. With the new resolution on the books, however, Fire Chief Nobl has issued orders that the regulation will be strictly observed.

The council also took action Monday night to give Crescent City a new building code, and appointed C. W. Nohl as building inspector. The ordinance providing for the new regulations was given it first reading Monday night and will go into effect 30 days after its

final adoption.

Under the new code the restricted area calling for first class construction of all new buildings is extended from Third street to Sixth street between G and L streets and takes in all of Obean Drive from A to M streets.

ALIFORNIA FRIDAY, OCT. 21, 1988

Case to be Heard Here Wednesday, Oct. 26th With Judge Curler Presiding:

The much discussed county tav problem took a setback this week when District Attorney John L. Childs received a letter from Attorney General U. 8. Webb advising him not to enter into or sign any resolution in regard to the delinquent timber tax problem.

He also received written notices from several of the bounty officials that they would not in any manner act in the proceedings toward the tax matters without their written.

The two letters are as follows: San Francisco, Calif.
October 15, 188.

Hon. John L. Childs,

District Attorney,
Creacent City, Oulff,
In Ret D. N. Gounty Tax Problem
I have before me year gemmun,
ention of October, in regard to
the above entitled matter. Please parently alleget and process of the control of the state that she assessment or levy of the taxes in the above entitled matter was illegally or irregularly made. It is my opinion that it is not your duty to perform an illegal act merely because the Board of Supervisoran of your county, or rather four members thereof, request you to do so. On the contrary, it is your duty to refrain from illegal action on your own part and to oppose and if possible prevent such, action on the part

of the others.
Section 4041.22 of the Political Code in no wise confers the power upon the board of supervisors to validate an illegal act performed by you or any other county officer including themselves.

I feel that it is only fair in riew of our previous conferences, and advice rendered after such conferences, that I now advise you not to proceed along such a course of action which you and your hours of supervisors have been informed is without justification under all pertinent statutory and case law of this state.

Trusting that you will advise this office in the premises, I, re-

Mein, Very truly yours, Very truly WEBB, Attorney Gengral, By James J. Ardinley

Dejuty Attorney Consult

the same of the second second

Hon. John L. Childs,

District Attorney, Creacent City, Calif.

The undersigned officials for Del.
Norte county have notified the

Board of Supervisors that they deny the Board's right under Sec-

section of the codes, whereby the board may upon advices seek to control, stipulate for or bind in any

menner the said officials in suits

or compromises of Delinquent Tim-

ber taxes and as the legal ad-

visor to the said Board of Super-

visors, we claim you have no right

to aid, assist or represent the

Supervisors in proceedings that

seek means to control, or bind said officials to act. in any manner of

proposals for settlement of delin-

quent timber taxes without our written consent.
(Signed)

W. A. HOWE, Supervisor Dis. 2.

F. J. BURTSCHELL, Assessor.

N. G. McVAY, Auditor, LEO A. DRESSLER, Treasurer.

On Thursday morning the board

board met in an adjourned meet.

ing and passed a resolution in-

structing the district attorney de

notify Judge Ben G. Curie, of Lassen county, to preside when the

Ed Fletcher, vs. Del Norte County

case is presented on Wednesday.

October 26, as well as the attern

neys for the plaintiff, Blater and

C. J. BYRNE, Tax Collector.

### Board Takes Steps To Settle Delinquent Tax

Supervisors Accept Offer of Delinquent Timber Owners To Pay on 50 Per Cent Basis—Expect Settlement Within Next Thirty Days.

In a move to bring an early settlement of Del Norte county's financial troubles which have greatly handicapped operation of county government for the past several years the board of supervisors on Tuesday adopted a resolution requesting the delinquent timber companies, represented by M. E. Durham, Los Angeles tax counselor, to renew their offer made some weeks ago for a settlement of their delinquent taxes on a basis of 50 per cent of the delinquent amount. The board agreed to accept the settlement provided the timber people provide the legal means for such acceptance by the county.

> It was further agreed that the offer would include current taxes on the same basis and that the timber lands would immediately so back on the tax rolls.

the delinquent timber interests in the county, including the Del Norte comany, the Del-Cur corporaton, the Ward people and other smaller holdings. The amount involved, including the current year's taxes.

The move has the endorsement of the county's tax finding committee as well as many of the largest individual taxpayers of the county. Principal opposition to the settlement on the 50 per cent basis was voiced by Supervisor Warren A. Howe, who voted against passage of the resolution, District Attorney John L. Childs, and other county officers, including Assessor Burtschell, Auditor McVay, Tax Collector O. J. Byrne and Treasurer

Township to a manufaction of the first of th

Immediately after the meeting Mr. Durham left for Los Angeles to work out details of the plan and gather together the necessary funds, District Attorney Childs agreed to cooperate in this work and left yesterday for the south to con-fer with Durham and others inter-

Durham represents practically all will total over \$275,000.

Should a settlement be made on the above basis the suit recently filed by the timber people would be dismissed. The timber people have 30 days in which to accept or reject the proposition and must have the coath ready to complete the deal

good enthority that under the plan all of Def Ness county's delinquent debt will be cleared up, including interest, which will immediately place the county again on a cash,

Resolution Passed Yesterday Calls for Law to Exempt Counties of 53rd Class

Assisted by the Del Norte County Farm Debt Adjustment committee, with G. E. Frevert as chairman and Kenneth F. Layman as secretary, the Del Norte grand jury went into action yesterday passed a resolution to the state legislature asking relief from the present tax moratorium law,

The resolution follows: WHEREAS: Pursuant to resotion adopted by this Grand Jury on April 15, 1937, wherein this body unanimously requested the assistance of the Farm Debt Adjustment committee of Del Norte county to make a study and render us a written report on the tax delinquency problem of Del Norte county, and,

WHEREAS, said Farm Debt Adjustment committee of Del Norte county has this date submitted their findings, and,

WHEREAS, this Grand Jury feels that such report contains very valuable information to all taxpayers of Del Norte county, and,

WHEREAS, it appears that the financial crisis of Del Norte county is due principally to the tax delinquencies of six large timber; interests, and, WHEREAS, these six large tim-

ber interests are delipquent in their in the second se proximately \$79,515.00 and their delinqueston, store 1990 totals aper of this timber interests have avalled themselves of the benefits offered by the 18-year talk payment plan, and

WHEREAS, our county brands are seriously jeopardized, and,

terests have nearly all paid their county taxes with only a delinquency for 1986-1987 for 27 out of 237 ranchers of approximately \$2,225.00 on an acreage of 1945 acres out of a total of taxable agricultural land of 44,145 acres,

WHEREAS, the agricultural interests will be seriously jeopardized financially and will be unable to stand the great increase in the tax rate that will be necessary due to the continued delinquencies of the timber interests, and,

WHEREAS; our school system is seriously meakened and in grave danger of breaking down because of the continued timber tax de-

NOW THEREPORE BE IT REcounty bereinbefore mentioned and of Bay City, Wisconsin. recommends it as a basis for our The report states that only eight

that proper legislation be enacted & Company, the remainder beby the 58rd session of the State ing five owners of small timber Legislature how in session where tracts, one farmer, seven owners in provision be made that all of town property and three own taxpayors of Counties of the 53rd ers of sub-division property. class not having availed themselves | Under the heading of "Remarks"

Del North County Grand July: Oppose farmers are facing a maper C. Enderth Personni; ed. In perial increase in assessments; old age relief a very sectorally affectod and the delingmenty has placed of and the preparation.

It is shown that the county is county officials and amplication.

Summing the virial thing up the stock thing up the county delination and the grand party for that it is high three something that it is high three something about the county are gorter of the delingments and the grand party for the county for the ingress and they are gorter of the delingments.

Is Resumed By Federal Body

The Federal Trade Commission today resumed its investigation into the activities of six California lumbermen's associations in the district deral courtroom here.

The hearing was transferred here or the convenience of witnesses trom San Francisco.

The commission has charged the secciations, including one with headquarters in Sacramente, with violations of fair trades act, including attempted monopoly and price

Council Is Charged California Lumberman Council is charged with being the organization of similar groups to "enhance and promote their own volume of trade in lumer and building material business;

and increase their profits." The hearing is being conducted by Charles Diggs of Washington, D. federal commission examiner. Prosecuting the organizations is Daniel J. Murphy of Washington, C. and defending them is Morgan J. Doyle of San Francisco. Local Concern

The Sacramento concern involved is the Northern Counties Lumber-man's Club. The complaint cites George K. Adams as president, E. McBride as vice president and D. LeMaster as the secretary.

Among the charges are that the members of the organizations conspired to "establish their own organizations as a class of regular dealers and to confine and require the sale of material to others through their members; to use coercive action and boycott against non-members, and to fix and establish schedules of uniform prices."

The organizations, charged with ffiliation in the California counil, and named in the complaint tre the Coast Counties Lumbernans' Club, the Central Valleys umbermans' Council at Stockton, ign Joaquin County; the Northern punties Lumbermans' Club at ramento, the Peninsula Lumber-Club, and the San Joaquin rmans' Club.

SOLVED by this Grand Jury of county. The committee lists the Del Norte county in regular see- six as being: California Pacific sion this 18th day of May, 1997, Title & Trust Co., Del Norte Comthat it approves and adopts the pany, California Oregon Lumber report made by the Farm Debt Lumber Co., Ward Interests, Hami-Adjustment committee of Del Norte | mond Interests, and National Bank

Board of Supervisors and legisla-tors in their consideration of a solution of the county's finan-of a solution of the county's finanare but two major timber intercial problems, and

BE IT FURTHER RESOLVED, ests, namely Sage Land & Developthat this Grand Jury recommends ment Company and Hobbs, Wall

of the benefits of the to-year tax payment plan shall be subject to the schools of the county are fact that redestificate silk as authorized to prior to say tax maraterium cash county warrants; through the legislation. Del Norte County Grand Jury owners farmers are facing a ma-

## Ward Estate and Others Make Tax Offer to Del Norte Co.

### Willing to Compromise In Preference to Trial In Superior Court

Possibilities of a tax compromise between the Ward estate representing 28,000 acres of redwood on Klamath river and other delinquent lumber companies of Del Norte county with the Del Norte board of supervisors was seen yesterday following a report made to the board by Senator Ed. Fletcher of San Diego, who is representing the Ward holdings.

Senator Fletcher's report follows:

Twelve companies are cooperating and feel rather than definite compromise.

"We are ready and I have papers in my possession ready to file mandamus petition so that if we are compelled we will go into court to prove that Blegal assessments have been made which will invalidate the agreements

"But we hope even in court a compromise can be made rather than endless litigation.

District Attorney J. L. Childs of Del Norte in reply to Benator Fletcher's report said that the board was under bond and that he would, not advise any compromise at least until suit was filed. The court must approve any adjustments that may be made, he add-

FAVORS COMPROMISE However, Childs said he was retrongly in favor of a compromise ed Benator Fistcher.

Howard Libby, representing oble Wall company and Tom.

the Del Mertir es present time. And to order to go the delinquent tames paid a ver liberal settlement much have to b

viapre estad denotes Flatcher age
to file shindaires proceedings until a full attendants of the superviapre could be field beparried;
Boots-was about yesterday on tocount of sightees. This was agreed

One of the supplying said that county wassestif amounting to an

### Gov't Seeks Del Norte Redwoods

Forestry Officials Outline Plans To Acquire 6,000 Acres On Klamath.

Plans for government acquisition f 6,000 acres of redwood timber ands in the lower Klamath secion were disclosed here yesterday by a group of government officials netuding Glenn S. Mitchell of Grants Pass, supervisor of the Sisijou national forest, J. K. Brandeberry, assistant U. S. forester, and Mr. Barnham, who is also consected with the U.S. Porest service. Mr. Brandeberry spent several months here last your making a curvey of the northern California redwood belt comprising 263,-

The tract which the government proposes to acquire is north of the Clamath river on the Minot and Hunter creek watersheds and is owned mostly by the Ward estate and Hotchkiss Timber company. The government has an option on the property now, it was disclosed, and is ready to complete the purchase within the next three or four months. In order to give the government clear title to the proprty all back taxes now due must

The tract has been selected as spical of the entire redwood belt and will be turned into an outdoor experimental laboratory, acording to Mr. Brandeberry. The orest service will install a crew to heck and classify every acre of land in the tract. Timber that is ripe for cutting will be removed under the selective logging plan and sold to local manufacturers. Roads and trails are to be develpped which will open the district or recreational purposes as well.
On the basis of this experiment

the government will then proceed with the acquisition of additional imber tracts with the object of including the entire 263,000 acres in a great national park, probably over a period of fifteen to twenty

This would give the government control of eight and a quarter bil-lion feet of redwood timber and permit the continual operation of at least five outfits cutting 110,000 to 115,000 feet of redwood lumber a day to operate indefinitely under selective logging program. Twenty-five per cent of the receipts from the sale of timber is allocated to the county, which would assure a constant and substantial source of revenue.

The ultimate program for the development of the area makes practically all the timber land available for cutting on the selec-tive logging basis. It is proposed to set aside and protect a strip 2000 feet wide olong all main high-ways to be maintained in its natural state as a tourist attraction.

Mr. Brandeberry has also recommended that certain areas along Smith river and Mill creek be set aside purely for recenstional purposes, as well as other tracts in the Elamath section and elsewhere. These areas, while open to the public for recreational playgrounds, would be kept free from commercialism of any sort.

The entire program is to be outlined to the board of supervisors at a meeting to be held this efterneon, at which time Messrs. Mitchell, Brandeberry and Barnham will so over the entire proposition with county cificials.

### OBSERVATIONS

(By Operator 13)

Government ownership of northern California's vast redwood forests will be brought about on a substantial, business-like basis which can only be of lasting benefit to the counties

TAKES OVER ...

THE GOVERNMENT affected if plans of the United States forestry department are successful. To begin

with, only a small tract of the big trees, about 6000 acres, is to be acquired by the government, and this for experimental purposes only.

Establishment of the experiment station in the heart of our redwoods means that headquarters must be set up here in Del Norte county, and office and field forces recruited . . . a payroll created. Also, many of the problems which now concern the mere handful of people inhabiting this redwood area will become problems of government concern.

Transportation for the lumber manufactured . . roads and trails to make the forests accessible . . . protection of the natural scenic beauty along the highways . . . development of recreational resources ... these are a few problems with which federal agencies will be concerned and for which federal funds will be appropriated under government ownership of our timber.

Gradually, perhaps over a period of 15 to 20 years; the government hopes to acquire all the redwood timber lands in this area. Meanwhile our lumber manufacturing payroll will continue, depending upon market conditions, with room for expansion if the demand justifies.

Summing up the situation briefly ... the government comes in here with the idea of building up and developing the redwood area along commercial as well as recreational lines and the greater the cooperation received by local residents the more immediate and extensive will be the benefits.

# irte Tr

thinhed 1879; Cress ent City News, established

E, CRESCENT CITY, CALIFORNIA.

### NEW BILL DESIGNED TO HELP DEL NORTE

POWERFUL INFLUENCE BACKS MOVE TO CLEAR UP TAX DELINQUENCY MUDDLE,

### DELEGATION GOES TO SACRAMENTO

G. E. Frevert, chairman of the Del Norte county farm adjustment committee, and B. C. Endert, foreman of the county grand jury, were in Sacramento yesterday to attend a senate committee hearing on the Douel

Others from Crescent City are also reported to have been present at the hearing.

A bill withdrawing delinquent taxpayers' moratorium priviledges after this year was slated to be introduced into the state senate this week as the result of action taken by the Del Norte county farm debt adjustment committee and the county grand jury.

Senstor John Phillips, chairman of the state farm debt adjustment commission, wired G. E. Frevert, chairman of the county committee, that the bill was to be introduced by Senstor Deuel, with the support of Senstor James M. Allen and Assemblyman M. J. Burns.

The bill provides that tax debtors who do not take advantage of the 10-payment plan for paying delinquent taxes by the end of 1937 must be governed by the regular laws covering sale of delinquent property.

Because of the presence in Sacramento of J. H. Brown federal farm adjustment administration representative, who assisted the local committee and the grand jury with their recent recommendations on the subject, it was assumed here that the federal and state farm debt adjustment groups may actively support passage of the Deuel bill.

Senator Ed Fletcher, who represents the Ward estate, one of the most heavily tax-delinquent groups in the county, is expected to head opposition to the bill. a of the Del Norte Record, establis

THE DEL NORTH TRIPLICATE

### FLETCHER'S PLAN MAY BE DEFEATED

MOVE TO PORSTALL CON-

Def Norte county property out ners, including the delinquent time ber land speculators, who have not to date signified their intention of refunding their back taxes into der the 19-payment plan must either make up their minds provide or subject their holdings to said by the sheriff, according to a most undertaken yesterday by the Del Norte county grand jury. The time ber barons have been stalling taxe payments now for several years under the California tax more torium and are all set to enjoy further time as provided in a bill now pending before the legislature.

The bill giving relief to the timher interests is being sponsored the
the legislature by Benator more
Plotcher, who is representing the
Ward people in an effort to compromise tast physicals. To have
Plotcher has offered the county
35 cents on the doller.

The grand jury's more to fore stall further, dolay in tax pays ments came following submissions of a report made by J. H. Brown; federal auditor, for the Del North Farm Debt Adjustment commission. Brown's report shows the attention to be alarming, lack of tax ments threatening to close all schools.

of the county.

The delinquency also threatens to piace an impossible tax burdes upon agricultural lands in Del Norte since nearly \$2,555,000 in an accept valuation will be removed from the tax rolls this year by sill to the state. However pointed so this will measuring a rate of most than \$2.50 per \$160 for 1937-38, his coming an unboundle burden with in the next few years if the mostil

Powerful support for the country's plan is premised in the legislature.

I. S. AID BLOCKED BY DELINQUENCY OF SINGLE COLLETY

SACRAMENTO, Aug. 5 (A.P.)—
Inability of Del Norte county to
raise money to meet the federal
government's requirements for old
age, child, welfare assistance and
ald to the blind is jeopardizing the
\$13,000,000 federal security program for the entire state, a conference of interested officials here
today was told.

The conferees discussed various suggestions for solving the county's money problems but adjourned without taking action to meet again early next week.

The northern county would be in a good shape financially except for the tax moratorium law, its supervisors and other officials advised the conferees. Thousands of dollars due in taxes from large lumber companies cannot be collected due to the moratorium. As a consequence not only the social welfare program is trippled but schools, hospitals and functions of county government are in a critical situation.

Federal security official, representatives of the state controller, finance director, attorney general and other state departments attended the meeting, with the Del Norte officials, in the office of Mrs. Florence Turner, director of social welfare.

Del Norte supervisors R. L. Scott and W. A. Howe, District Attorney John L. Childs and Charles Thunen, principal of schools, explained the county's plight.

They said expenditures had been

out to the bone but that with only
40 percent of the taxes collectable,
it was impossible to meet the demands of waifare aid, schools, hospitals, to say nothing of aid for
the indigent, transients and unem-

ployed.

Mrs. Turner said that federal regulations provide every political subdivision of a state must conform to the schedule in order for any old age, child or blind funds to be allotted to the state.

### Make Tax Offer To Del Norte Co.

(Continued from Page 13

senting the Del Norte companies
attended the meeting. They
strongly expressed themselves in
favor of a compromise plan along
the general outlines as suggested
by Senator Fletcher.

Burns laid stress on the fact that the Del Norte companies like the Ward holdings found themselves where fifty or more of the stockholders were unable to pay at the present time. And in order to get the delinquent taxes paid a very liberal settlement would have to be made.

Benator Fletcher pointed out that in a recent case similar in character involving over a million dollars in San Diego county where three errors identical with those made in Del Norte county the San Diego county Superior Judge L. N. Turrentine last Thursday rendered a sweeping decision invalidating the assessments of 1931 in the San Diego case,

And unquestionably any court in Del Norte county will do likewise if the case goes to court Senator Fletcher said. The board of supervisors asked Senator Fletcher not to file mandamus proceedings until a full attendance of the supervisors could be held. Supervisor Scott was absent yesterday on account of sickness. This was agreed to.

One of the supervisors said that county warrants amounting to approximately \$110,000 were outstanding and that the county owed in addition about \$40,000. He said if the county could take in enough money to clear up indebtedness and start on a cash basis, he would favor such a settlement.

It was explained that should a settlement be reached 35 to 40 cents on the dollar would be paid. Benator Fletcher said this would be satisfactory.

Senator Fletcher's victory in the San Diego tax title case is reprinted from the San Diego Tribune of December 18, as follows:

"Holding 1931 assessments il-

legal, Judge L. N. Turrentine ruled that the Santa Fe Irrigation Co., may not take tax title to about 2000 acres of land lying between Rancho Santa Fe and the ocean. The suit was brought by the irrigation district against the Ed Sietcher Company, Grossmont Park Company, Ed Fletcher, Mary C. B. Fletcher, Rancho Solana Corporation, and others, Plaintiffs had taken a deed to the land for delinquent taxes and suit was brought in superior court to quiet title. In his verdict favorable to Fletcher and the other defendants, Judge Turrentine declared the assessments vold because proper notice had not been given by the district tax collector; property had been assessed anl taxed without deduction for public roads and there were errors in computations and descriptions. The court stated that to quiet litle defendants will have to make a settlement on the taxes. Defense counsel announced that an adequate settlement probably would be sought

LDT TIMES, EUREKA, CAL

# Senator Fletcher Visits Eureka; Tells of Session

Benator Ed. Fletcher of San Diego, passed through Eureka yesterday on his way to Crescent City on husiness. Speaking of legislative matters of greatest benefit to the state he said that bill 200 by Senator Garrison gives greater opportunity to promote public ownership of utilities through the use of revenue bonds. The bill which has received the signature of the governor permits the sale of bonds to be paid for out of the revenue of the utilities purchased. They do not become a general obligation against the real estate of the community.

Another bill of general interest is the venereal disease legislation which has also received the governor's approval. Also of much importance, according to the senator, are the liberalized old age pension act, the state and county irrigation district legislation, and the moratorium laws which protect the owner over a given period

from foreclosure. Senate Bill No. 33, he said. provides for reduction of the amount of interest that bond brokers may charge. In the past the sky has been the limit but under the new law the maximum interest that can be charged on a small loan is 2 per cent per month and on amounts over \$500 the maximum that can be charged is 12 per cent per annum. As approximately 90 per cent of the people cannot bors row money from the banks, this new law will afford some relief to those who must go to the brokers for their borrowing. The bill not

Senator Fletcher said: "I have enjoyed the acquaintance of Senator Irwin Quinn of this district and it has been a pleasure to work with him in the Senate. He has gained the friendship and respect of all of his confreres in the legislature and has made good in

only establishes the maximum that

can be charged but also provides

that interest can be collected only

a big way."

The senator said that of the 4200 bills introduced less than 1000 will finally become laws. Many of the bills introduced were for the purpose of amending existing laws and many of the others were to do away with obsolete laws now on the statute books. For instance one of the bills introduced by Senator Fletcher does away with 210 useless acts.

### Lumber Tumble Some Key Prices Sag At Big Northwest Mills; Hint on Home Building

Lumbermen Blame Tighter Housing Credit; One Notes Postponements by Builders

### Trouble With Transit Cars

BY RAY J. SCHRICK Staff Reporter of THE WALL STREET JOURNAL PORTLAND, Ore.-Fir lumber prices, often barometer of the nation's home-building plans, are sagging here in the Pacific Northwest timberland.

"Green fir is off \$5 a thousand from five weeks ago," says a large Portland wholesale lumber buyer, confirming a typical report from sawmills hereabout. Good grade green (undried) two-by-four's are selling for \$73 a thousand board feet compared with \$78 late in August.

"Mills offer us two-by-four's at \$75, but we tell them we'll give \$73 and they accept the order," adds the sales manager for one big mill that buys some lumber from competitors for resale to the building trade.

Fir Stude Soft

Fir studs—the eight-foot long two-by-four's that are the first lumber raised when a new house goes up-are especially soft price-wise. One Portland wholesaler, for example, now pays \$64 for a thousand board feet of stude that cost him \$70 a month ago.

To many lumber men here, this price slide means just one thing; Fewer houses will be built in the U. S. in the next few months, and probably in the coming year. About 1,000 sawmills in this area are the nation's No. 1 source of framing lumber that forms the skeletonsfloor joists, wall stude and roof rafters-of the thousands of new homes built every year in the U. S.

Fir lumber prices still are above the levels of past seasons. The \$78 price for green twoby-tour's compares with \$68 a year ago and with \$55 two years ago. But the roaring homebuilding volume that shoved prices up may now be tapering off.

If so, it means that one major source of U. S. prosperity in 1955 may be slipping. Up to September 1, the nation's home builders had started more than 922,000 new houses, compared with about \$00,000 in 1954. Such a pace meant a steady demand for countiess household goods, from freezers to flyswatters, as well as for building materials such as this area's lumber.

Current lumber price dips may be misleading, of course, and may only be temporary. The nation's home builders, in fact, upped the number of new houses started in August to 123,000 from 115,000 in July. But timber men here, some of whom consider the post-Labor Day period as a pattern-setter, report the current price downturn is the longest they've seen in 19 months. Order backlogs dropped by 10% in the four weeks ended September 25. Prices for green dimension lumber, which held firm throughout September last year, have slipped downward by an average \$1 a thousand board feet each week since just before Labor Day. Although prices usually decline seasonally in September, the dip this year was twice as deep as in 1953 and 1952.

Other Price Dips

Other home-building lumber besides fir is also falling in price in the Pacific Northwest, Green hemiock dimension lumber sells for close to \$64 a thousand board feet, down from a \$70 peak. In the western pine region east of Oregon's Cascade Mountains, white fir two-byfour's have dropped \$3 a thousand board feet to approximately \$78.

The industry is also eyeing another indicator of lumber demand: "Transit cars" of unsold lumber that are sent rolling across the country on railroads in the hope they can be sold, while en route, to an Eastern buyer who needs a

quick supply.

"Right-now, transit cars are a millstone on the market-they're hard to give away," declares one Portland wholesaler. "Until they get cleared off the tracks, people continue to hold off buying in the face of a falling mar-

"Some large contractor in nearly every big metropolitan center has now postponed housing starts he'd planned for this fall-this has an immediate effect on purchases by retail lumber yards to supply October housing starts," says a large Western Oregon shipper who has transit cars scattered all over the

Another wholesale shipper is surprised that a current boxcar shortage-cars are as much as 50% short of normal needs-in Western Oregon hasn't strengthened the market. Credit Curtailment

"It's the first time I've seen a car shortage as bad as this one in a falling market," observes Vince Bricher, co-owner of Daugherty Lunmber Co., in Cottage Grove, Ore. Like many of his colleagues, Mr. Bricher points to credit curtailment as the cause of the lull in lumber demand.

Tightening mortgage money is causing bigger project builders around the country to logego some of their starts this fall," he says.

### Lumber Tumble: Price Decline in Northwest; Home-Building Hint

Continued from First Page whose firm is also a lumber wholesaler. "They're cautious because of uncertainty about what the credit tightening will do to new starts on housing from here on." Inventories Fade

Retail lumber yard inventories dropped for four successive months to the beginning of August, the latest officially available. And they've gone even lower since, according to a spokesman for a firm that owns a chain of retail lumber yards in the Midwest.

It is no secret, of course, that efforts are being made all over the nation to restrain construction credit. Late in July, for example, both the Veterans Administration and the Federal Housing Administration gave official evidence of the trend. A prospective buyer now finds down payment requirements for V.A. and F.H.A. loans are higher. On a \$12,000 home, for example, he has to plunk down \$240 more than previously.

Despite the rise in August housing starts that followed the action of the V.A. and F.H.A., lumber men here in the Pacific Northwest think their price slump is evidence that the building brakes are being effectively applied.

"August and early September housing starts boomed because builders got big projects going on the basis of earlier financing commitments they obtained before mortgage money tightened," says one lumber industry official. New Jersey Builder

One New Jersey builder who's starting 900 new homes is cited as an example. According to lumber sellers here, he's offering 30-year mortgage, no down-payment deals because he arranged his financing prior to July 28, when the V.A. lowered the mortgage limit to 25 years and required a 2% minimum down

Here in Portland, project builders applied to the V.A. in the month ending September 25 to build only about half as many homes as in August and 64% fewer than in September, 1954. annications, like humber orders, point to building that will start in the near future.

"The thing that bothers builders," explains a V.A. official in Portland, "is inability to obtain mortgage money from Eastern insurance companies and banks at a fixed discount rate."

With mortgage money scarce, banks and insurance companies often will agree to buy V.A. and F.H.A. mortgages only at discounts -a lender, say, may offer \$9,900 for a \$10,000 mortgage. Some 6% discounts are reported in the Pacific Northwest on V.A. 25-year loans with a 2% down payment, compared with a West Coast maximum of 4% to 5% less than a month ago.

A number of millmen and wholesalers main-

tain that the current market break may not signal a cutback in housing starts.

"Too Much Lumber"

"It's not so much a slowdown in home building as the fact we're making too much lumber for the demand," argues one mill sales manager.

But although this area's mills are ripping out lumber at a 20% faster pace than incoming orders in recent weeks, production is not at record levels. For the first eight months of 1955, 6,621,000,000 board feet were turned out, compared with 6,720,000,000 in 1958 the last comparable year, since a 12-week strike cut 1954 output.

Not all fir prices weakened in the recent slump-lumber for non-residential uses, for example, is still strong. Big foot-square timbers for schools, bridges and warehouses, are selling for \$85 a thousand board feet, compared with \$78 two months ago and \$68 a year ago. Also, higher quality finishing lumber, less subject to price wavering than rough framing lumber, is steady: B and better grade one-by-four vertical grain fir flooring, for example, is selling for \$167 a thousand board feet at mils.

Strong non-residential building rates give local lumbermen consolation for the dip many

expect in housing starts:

"The rising industrial building pace in 1956 will more than offset the decline of 8% to 10% in housing starts," predicts an official of one large lumber company.

Work on new non-farm dwelling units in August was valued at \$1.3 billion, down 2% from July-the first month-to-month dip since last February. But non-residential construction continued its climb, rising to \$683 million in August, up 3% from July.

# Jan. 20, 1953 OAKLAND, CALIFORN your mulls .

This air view shows the inundation in the town of Klamath.

of Maste County, after the Klamath River, swollen by

AP Wirephoto heavy rain, overflowed its banks and forced evacuation of homes. The water was reported draining off today.

# riplicate

### Proposed Settlement Meets State Opposition

\$263,000 Offer of Timber People Looks Big To Del Norte, But Attorney General Not Impressed -Orders District Attorney Not to Sign Papers Stipulating Irregularities in Tax Levy and Collections

Acceptance of \$268,000 cash payment in full for Del Norte county's delinquent timber tax bill variously estimated to total from \$500,000 to \$650,-000, and advocated by many as good business for the county under the circumstances, ran into a definite snag this week. In order to complete the settlement, permitting the payment of the \$263,000 to the county under court order, the board of supervisors, by resolution, proposed to stipulate certain technical discrepancies in levying county taxes since 1930.

## **Demand Rights**

Senator Ed Fietcher, San Diego politician, and his associates, M. E. Durham, Los Angeles tax expert, through their attorneys, in court

Childs demanding 48 hours notice other alternative but to withhold pertinent statutory and case law of court heaving of the Ed Fietcher case against the county of Dal The full text of the Attorney General's letter, signed by James

Under date of Cot. 18, the county officers laightful in g Supervisor San Prefaction Oct. 15, 1938, is as follows: Under date of Oot. 18, the county Howe seems touch J Burtschool the College C. J. Byrns.
Abstract Englishment College
unter L. L. Dreibler filed a further
letter with the district attorney
as Solvey.

The quantity of circuit for
Del Norte county may notified the
Board of Supervisors that Cory

Board of Supervisors that they the fact that you have indicated then the fact that you have indicated then 404129 of the Transfer Section 4041.28 of the Pol. Code or you are apparently about to enter any section of the oddes, whereby into a stipulation agreeing that the board may upon advices seek every contention made by Messre to control stipulate for or bind in Durham and Stater in the above any manner the said officials in suits or compromises of delinquent timber taxes—and as the legal advisor to the said board of super-visors, we claim you have no right matter, nor on the other hand take matter, nor on the other hand take to aid saits or represent the any course in this matter other supervisors to probeedings that than to actively oppose to the best sk means to control, or bind said of your ability any claim made by

Now comes Attorney General U. Webb with an order forbidding County Officials District Attorney John L Childs from signing any such stipulation. from signing any such stipulation. Your duty to perform an illegal act.
The attorney general rules that merely because the Board of Super-Code in no wise confers the power upon the board of supervisors to validate an illegal act performed by you or any other county officer.

In commenting upon the order, Stater & Dawson, also of Los An- District Attorney Childs said yesvoluminous 56- terday: "I was convinced from the Code in no wise confers the power. page brief containing allegations first that the proposed settlement of certain discrepancies in the levying and collection of Del. Norte
county taxes covering the period board when the resolution was up
for consideration. However, I ac"I feel that it is only fair in view." weighty document has falled to ceded to popular demand and the convince Del Norte county officers order of the board of supervisors advice rendered after such conferthat the allegations will stand up and proceeded, to negotiate with

General's letter, signed by James

"I have before me your communication of October 7th, in rethat than to actively oppose to the best officials to set in any manner of the delinquent timber owners or proposals for settlement of delin-their representatives that the acquest timber terms without our seemant or levy of the taxes in written counsel." legally or irregularly made.

visors of your county, or rather four members thereof, request you to do so. On the contrary, it is your duty to refrain from illegal action on your own part and to oppose and if possible prevent such action on the part of the others.

"Section 4041.22 of the Political upon the Board of Supervisors to

"I feel that it is only fair in view of our previous conferences and ences, that I now advise you not representatives of the timber; to proceed along a course of actionwhich you and your Board of Howe, county officials have writ- "Receipt of this letter from the Supervisors have been informed is ten District attorney John L. Attorney General leaves me no without justification under, all.

# rte Triplic

ESCENT CITY, CALIFORNIA, FRIDAY, APRIL 9, 18

### TIMBER LANDS OFF COUNTY TAX ROLLS

SALE OF WARD PROPERTY TO STATE CUTS A MILLION OFF COUNTY VALUATION.

Del Norte county property which has been deeded to the State for delinquent taxes must not remain upon the tax rolls of the county, according to advices received this week by County Assessor Frank J. Burtschell from Walter J. Hicks, county assessor of Sacramento county. Mr. Burtschell wrote to Hicks, who is a prominent authority on tax matters, inquiring as to a method of procedure.

In replying to Burtschell the Sacremento county assessor says; "I was particularly interested in your statement that you had one holding in your county that was deeded to the state in 1936, the valuation of which amounted to over a million dollars, and this worried your Board, apparently by reason of the loss of such a large assessment from the Assessment Rolls. However, in this connection I might state that it would be more harmful to put the valuation on than to leave it off as the tax rate must be based upon the total value of the rolls and with a parcel of such value on the rolls, in basing the tax rate on same your county would certainly be short in estimated revenue, which would create considerable worse condition the having a slightly higher rate.

"If this parcel were placed on the rolls and the Board of Supervisors in setting their tax rate would presume this parcel would again remain delinquent and so based their calculations in setting their rate, your entire tax rolls would be illegal and could be thrown out in its entirety."

### Smith River Co. Buys Interest In Timber Deal

In one of the largest timber deals in Northern California in many, years, a newly organized California corporation, the Robinet Logging Corporation, announced the first of the week the purchase of 150, 000,000 feet of virgin Douglas fir and redwood, covering some 6500 seres on the east bank of the Klamath river, Blue creek and Bear creek areas, that has been known for generations as the "Bull Estate Timber", which had remained untouched since piemer days in northwestern California.

The sellers in the transaction are heirs of the Bull estate, including the following: the widow of the late Raiph W. Bull, Mrs. Bernice Bull; Miss Yetta Bull, of Arceta, and many others.

The purchase price, it was indicated, would run in the neighborhood of \$1,500,000.

Principals in the newly organized corporation are the Simonson Logging Company of Smith River, O. E. Davis of Klamath, Calif.; Albert Wirrkala, Nascele, Wash.; and G. A. Bloomquist, of Brush Prairie, Wash.

It is reported that the new corcoration will start logging operaions this spring, planning to cut 0,000,000 board feet per year, elling the logs as the market levelops.

### Money Available For Mill Creek Purchase, Said

A dispatch from Sacramento yesterday stated that surplus funds of the state park commission can be used for purchase of the Mill Creek grove of redwoods in Del Norte county, the state attornoygeneral's office ruled today.

The legislature appropriated \$150,000 to match Humboldt county funds for purchase of a grove in Humboldt county. The grove cost less than estimated and the park commission asked if it would be legal to use the surplus funds for purchase of the Del Norte county grove.

### Initial Purchase Plan Favored By U. S. Commission

Section Near Klamath
Chosen for First
Development

Long-standing proposals for the establishment of a national forest in the redwood area of northern California took definite form this week with the announcement by Becretary of War Harry H. Wood-ring that the National Forest Reservation Commission had approved an initial purchase of 6262 series of forest land in Del Norte company.

The area proposed to be purchased for national forest purposes is about four miles north of Klamath, in the Ward and Hotchkiss holdings on Minot and Hunter Creeks.

If the deal is consummated on lines approved by the commission, it would mean the payment of all delinquent taxes against the property, a matter of deep importance to the hard-pressed Der Norta county treasury.

WON APPROVAL HERE

When areas proposed for inclusion in the projected new national forest were announced several years ago, there was some alarm on the part of county officials over the part of county officials over the part of having lange

from the tax rolls. At a public meeting in the Humboldt county courthouse, however, forestry officials explained that acquisition process, depending on congressions at appropriations and with due regard for the effect on local taxing agencies. They also explained that a substantial part of all reventire secruling to a national forest, from sale of timber, grazing rights; or other means, is returned to the counties in which the forest is located. Expressions at the meeting in Bureka were favorable to the national forest project by a large majority.

Over a 'period' of years acquisition of the proposed redwood national forest would involve an expenditure of about \$6,000,000, it has been estimated. The initial purchase area in Del Norte, approved by the federal commission this week, is expected to cost approxfmatry \$182,000.

National forests are not withdrawn from development, but are administered along lines calculated to produce permanent returns. Recreational and sportsmen's activitide also are fully recognised by national forest management. In the first Del Norte purchase area, it is understood the service has outlined an experiment in selective logging, designed to permit the cutting of certain selected trees without denuding the entire area.

As tentatively outlined, the proposed national forest eventually would include some of the finest timber in Humboldt county along Prairie creek and Redwood creek, together with areas along the Riamath in Del Norte county, and a southern unit principally along the Novarro river in Mendocine gmn 27 th

# MENICIPALITY OF THE PROPERTY O

THE LEADING COUNTY

### Redwood Deal Said Okayed by Forest Board

A United Press dispatch appearing in an evening paper yesterday stated that the national forest reservation commission had approved an initial purchase of 6,251 acres of virgin redwood in Del Norte county.

The land approved for purchase, it is said, is on the Klamath river and the commission also has its eyes on another tract up Smith river and tracts in Humboldt county.

Yesterday M. M. Barnum and J. K. Brandeberry, forestry men from San Francisco, and G. E. Mitchell, supervisor of the Siskiyou forest at Grants Pass, were here conforring with local citizens in an effort to "sell' them on the idea of the purchase of redwood lands that would be turned into the national forest and the timber sold on a selective logging basis. These gentlemen showed maps of the area and explained that from the sale of timber, under the plan, 25% would be turned in to the county plus 10% that would be used for road building in the forest area.

The forestry men stated that it was the desire to purchase 260,000 acres in Del Norte and Humboldt county with 40% of that amount being in Del Norte. They figured that on a selective logging program that area of timber would keep three mills the size of Hobbs, Wall & Co. operating indefinitely.

The government has been advocating the purchase of redwood for several years past but it has not been until the last few years that an effort has been made to convince the people of Del Norte county that this should be done.

### Redwood Is Popular

California's redwood is popudar among the men who design homes in the United States, Canada, Mexico and Hawaii, a California Redwood Association survey shows.

Geven out of 10 architects. queried said they used redwood in their own homes and 95 out of 100 said they would use it again if they built another home.

The survey got 1,300 replies from a questionnaire sent to architects.

Hobbs, Wall & company, the one big lumber manufacturing concern operating in Del Norte county, will continue to pay its taxes promptly . . . surely good news to every small

Operating Company Pays Its Taxes

taxpayer. For the entire sixty-two years during which this company has operated

its mills and camps here the firm has regularly, year after year, paid thousands of dollars toward the expense of government. Another payment soon to be made for the last half of the company's 1936-37 tax bill will put another \$10,000 into the county treasury.

Compare this record with that of the timber speculators who now owe Del Norte county approximately half a million dollars in back taxes and who apparently are determined to stall along until the little fellow will have to hear the entire tax load. This year over a milion dollars' worth of tax delinquent timber land will be removed from the assessment rolls. Next year another three million in valuation will also be removed from the rolls which will bring a terrific increase in taxes to resident property owners.

In the meantime the county's outstanding warrants are piling up to a staggering sum and it is becoming more and more difficult to peddle the yellow paper even at a big discount. The situation will soon reach the point where the county's credit will become exhausted entirely and we will then be forced to take any compromise of fered by the timber barons.

Let's have some action now!

Tan 18, 1955

### Vasi Acreage Of Bull Estate On Klamath River Purchased By Loaging Corporation

Involving approximately one and one half million dollars and an estimated 150,000,000 board feet of redwood and Douglas fir timber embracing some 4,500 acres on the Klamath River, one of the largest and most important timber deals in many years was disclosed here today by parties and attorneys concerned in the negotiations.

The large transaction embodies projectly control to heirs of the J. C. Bull estate and is located in the Blue Creek and Bear Creek areas fronting on the Klamath. Known for generations as the "Bull: Estate timber," the vast stand consists of virgin growth which has remained untouched since pioneer days in northwestern California. The tract is one of

largest remaining unharvested timber stands in this entire region.

Buyer of the immense forest area is the Robinet Logging Company, a newly organized California corporation. Principals in the corporation are the Simonson Logging Company, of Smith River; Albert and O. E. Davis, of Klamath. Wirrkala, incidentally, represents interests which conductone of the largest timber operations in the state of Washington.

It was indicated that the Robinet organization will start logging operations on the newly acquired timber this spring, planning to cut about 20,000,000 board feet per year, selling the logs as the market develops. As a result, the operation will become one of the largest in northern California at the present

time. Henderson, widow of the late for many years. G. Y. Henderson, now living in Oakland: Clarabelle Hink, Oakland; Mary Siegfired, Oakland, And Jess Blankin, of Los Angeles. Mrs. Bhil's laterests, incidentally, also include those of the old Newburg Redwood Co.

Attorneys representing the sellers in the deal were John Leddy, of the firm of Leddy and Sautter: G. Edward Goodwin, of Huber and Goodwin, and Blaine McGowan, all of Eureka. Representing the buyers as counsel was Don Falk, of the firm of Falk and Falk, also of Eureka.

\$1,500,000 DEAL

Although the exact purchase price was not disclosed, stamps affixed to documents involved in the negotiations indicate that the figure will approximate one and one half million dollars.

The title and transfer operations involved in the immense deal were handled through the Belcher Abstract and Title Company, of Eureka, in whose hands the papers were in escrow until

today. The transaction, in addition to its immediate significance,

was viewed as illustrating a trend in the lumber and logging industries which has been apparent during recent years, in which great holdings have become available and accessible Wirrhale, of Nassele, Wash, for harvest. This trend began ington; G. A. Bloomquist, of during the World War II period, when Douglas fir operations were opened up in this region for the first time in history, resulting in a vast expansion of logging projects, sawmills and associated enterprises which, in turn, has been largely responsible for the unprecedented population growth of this area.

The deal also carries with it historical aspect in its relationship to the Bull family. The late J. C. Bull was one of the county's early day ploneers and look a leading hand in building up both industrial and business The sellers in the transaction enterprises. Bull's son, the late are heirs of the Bull estate in-Ralph W. Bull, long was a eluding the following: Mrs. prominent figure in the Cali-Bernice Bull, widow of the late fornia political scene and serv-Ralph W. Bull; Miss Yetta Bull, ed for a number of years on the of Arcata; Colonel W. Frank California Highway Commis-Bull, of Rutherford, New Jer-sion. Also he was president of sey, cousin of Bull; Mrs. Lillian The Times Printing Company

# Fir Tree Seed

County Forester Eugene Holstoad this week issued a general appeal to county residents to gather fir comes from an aiready light natural crop for the reseeding of some 30,000 acres of prime forest lands destroyed in three major fires last mouth. The cones are worth from six to eight dollars per seek

finders, Hofstead said.

Various Boy Scout units al- long way and be sure the seeds ready had volunteered for cone- are full and firm. Don't collect gathering expeditions when the cones where your cut samples official call was issued.

Portions of the burns included rowing. areas where conscientious effort The best gathering places are ging, are dead, Hofstead report- tains 21/2 bushels.

Here is what to look for:

There are two seeds under the Eureka. base of each cone scale. Cut a few sample cones in half the needed.

show empty seeds or insect bur-

by land owners and cooperative squirrel caches, cones on down woods workers had retained a trees harvested in September, or source of tree seed and growing from standing trees. Deliver stock for future harvests. This cones promptly, since they mold effort is lost and the seed trees, in storage. The unit of measure carefully protected during log- is a large feed sack which con-

> The cones are worth M sack now in Humboldt county.

Douglas-fir cones are 2 to 4 For further picking instrucinches long with a three pointed | tions on for delivery of cones confork on each cone scale. When tact one of these offices: Califorripe, they change color from nia Division of Forestry, Fortuna, green to brown, but remain clos- phone Fortuna; Six Rivers Naed until the seed is lost. Dark | tional Forest, 23 Fifth st., Eurebrown cones with scales spread ka; District Ranger Stations at out fan-shaped are from last Orleans, Mad River or Salyer, or year's crop and have lost their the Humboldt County Department of Forestry, 802 Fifth st.,

Small or large quantities are

VOL. 49. NO. 128

### Forest Titan

Sky-Scraping Redwood Is in Growing Demand For Homes, Industry

California Mill Output Runs 11% Ahead of Record '52; Outgains Rest of Industry

### House Fronts and Foundries

BY WILLIAM A. CLARK Staff Reporter of THE WALL STREET JOURNAL EUREKA, Calif.—The towering redwood tree, long a California tourist lure, is turning into a fast-rising attraction for the home and factory as well.

Here in the 300-mile-long "Redwood, Empire" of Northern California, sawmills are gobbling up the tree's dark logs and spitting out redwood boards at a rate more than double that of pre-war days. Production in 1953 promises to top last year's record 870 million feet; major mills are chalking up an 11% gain. The lumber industry generally recorded a gain of less than 4% for the first 10 months this year, most recent period for which figures are avail-

Behind these statistics: A steadily climbing demand for redwood by builders of modern houses and makers of a wide range of industrial and commercial products from cocktail tables to brewery vats.

Against the Trend

It's true that the most recent monthly figures show some interruption of this pattern ! of annual increase. Shipments and new orders slipped below a year ago in November, although production continued to run ahead. Most redwood men continue optimistic.

"We're confident that demand for redwood will continue strong because it's a specialty wood, more a finished product than a raw material," says Kenneth Smith, vice president of Pacific Lumber Co., one of the largest red-wood producers. "It's not really in the same market with pine and fir," he adds.

"We've got the glamor girl of the conifers," declares Sherman A. Bishop, sales manager of Union Lumber Co., another big producer. He adds: "Today it's a 'must' in lumberyards in the Bastern states. Where ten years ago these yards might have had a single bin of redwood, now they have whole alleys and there's at least one 100% redwood yard there

क्रियां विद्यार विद्यात क्रियां के विद्या क्रियां क्रियं scored its most notable success in homebuilding. Its resistance to weather and decay and its color have made it a favorite of many modern architects. Its main use in houses is for external sidings; it's also widely used for interior paneling and exposed interior beams.

Says Philip Farnsworth, general manager of the California Redwood Association: "It's not just a raw material which may or may not be used in building-it's an integral part of the architect's design."

Such styling isn't found only in more expensive, custom-designed houses. It has appeared in developments such as the 3,000-unit "Pueblo Gardens" at Tucson, Ariz, and the Del Rosa development at Jackson, Miss.

among others.

Redwood is also showing up in storefronts and showrooms of such shops as the House of Cashmere in New York, Peacock's jewelry store in La Grange, DL, and Rich's department store in Atlanta. It's used for the seating in the new memorial stadium at Selma, Ala., and in 30 other stadiums across the land. It's also used in the construction of several modern churches in the U. S., in the new municipal airport building at Greenville, & C., and in some of the latest Pennsylvania Railroad stations such as the one at Edgewood, N. J.

"As successful as redwood is in construction, we're counting heavily on industrial uses, too," says sales manager Bishop of Union Lumber. The wood's resistance to moisture, decay and insects has already led to its use in vats in such rot-favoring surroundings as wineries, distilleries and breweries; as well as in containers for greenhouses, pulp mills and chemical plants.

### Refineries and Power Plants

About 60 million board feet of redwood a year are used to build water-conserving "cooling towers" for oil refineries, power generating plants and atomic energy installations. Water absorbs the heat, cools by circulating through redwood towers, then is re-circulated.

The rot-resisting wood is also finding increasing use in "gas scrubbers," towers in which escaping waste gases from industrial plants are "washed" by being circulated with water, through many-layered grids of redwood planks. This treatment helps prevent sir pollution. Sixteen redwood gas-scrubbing tow- I ers, each 10 feet wide and 50 feet tall, are used at the Kaiser Aluminum & Chemical Corp. plant at Spokane, Wash.

Redwood's "dimensional stability" - it c shrinks less while drying than any other com- n mercial wood-is a quality which makes it good for such special flooring problems as the underlayers of warship and aircraft carrier s decks. It's also used for pattern-making in p foundries, where its shape-holding powers are t

of prime importance.

The redwood trees are native only to this stretch of California coastal ridges. They are the tallest type of tree. When one of these J titans is felled in the forests near here, it | must be carefully simed so its 150-ton-falling- P weight doesn't shatter its own wood when it | crashes to the ground and doesn't ruin nearby

Then it's hacked into 40-foot pieces by big circular saws, and the 3-to-16-foot-wide logs dragged away by diesel-powered tractors. The wood is next hoisted onto trucks and hauled to the sawmills along special roads built to hold 170-ton loads that would buckle ordinary highways.

From the sawmills will come almost one billion feet of redwood boards this year, industry leaders predict. There are 34 billion board feet contained in the redwood trees still standing, almost all of them on land

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**Ed Fletcher Papers** 

1870-1955

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**Newspaper Clippings** 



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