

MARCH, 1977

I am opposed to underground wiring in Madrona because of its costs. According to the "Madrona Underground Fact Sheet" put out by the proponents, the owners of each buildable lot will be assessed \$1600 - \$1700 which can be paid off at a rate of \$18.50 - 19.50 per month for ten years. In addition, the cost of connecting house to underground wire presently averages from \$250. - 400. These costs can be borne easily by our affluent neighbors, but work a considerable hardship on our low income neighbors. Payments of \$19.50 over ten years look very much like an additional property tax, except that fixed payments, regardless of property value, adds an extra dimension of regressivity. If we convert the monthly payments into equivalent tax millage rate, we find that as the assessed value goes down, the millage rate goes up. A \$60,000 property will pay equivalent 3.9 mills. A \$20,000 property will pay equivalent 10.7 mills. These costs will be borne by the residents in their utility bills. Hand written on the "fact sheet" was the message that persons over 65 may defer payment to next owner. Upon investigation I found out what that meant. Homeowners over 62 who meet a means test will be allowed to have the state pay, whereupon the state will attach a lien to their house which will grow at an 8% interest rate. At 8%, the debt will double in 9 years, triple in 14 years, and quadruple in 18 years. If this were happening to me, I would feel compelled to sell out to cut my losses. Renters have no such option.

The direct cost of undergrounding is only the beginning, however. As the proponents accurately point out, one result of undergrounding will be a dramatic and immediate increase in property values in the area. Many of us have recently received our property tax notices. Whereas the tax increase over last year is stunning to some of us, we must admit that the assessed valuation increases have not kept up with market value increases of our homes. There's no reason to believe that assessed valuations will not keep increasing as market value goes up. Now this is the perfect situation for the speculator, but it's dreadful for those of modest means who wish to continue living here.

Living here is the issue. Part of the charm of living in Madrona is the diversity in age, income, race, lifestyle, and values of its residents. As it becomes more expensive to live here, less and less of the low income people can afford to stay, and more and more, Madrona will resemble the bedroom communities across the lake.

An alternative exists to the Local Improvement District (LID) under which it is possible for 50% plus one of the property owners to make undergrounding happen. City Light will underground smaller sections if all affected property owners agree.

The "fact sheet" points out that part of the costs of undergrounding will be paid by Seattle City Light. This policy was initiated in an era of abundant inexpensive energy. Times have changed. We must change our thinking to How can we best manage our dwindling resources. If City

light has money to put into our neighborhood, I suggest that measures related to energy conservation should take precedence over undergrounding.

I urge my neighbors to come to the Madrona Community Council meeting Wednesday, March 9, where all views will be heard.