

# Farmington Observer

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## Property taxes increase despite Headlee

By MARY GNIEWEK

a healthy thing.

"The big question is can government costs be limited to the rate of inflation?"

Though debate over interpretation of the Tax Limitation Amendment continues in Lansing, homeowners in Farmington Hills can expect tax increases this year because of inflation and skyrocketing property values.

Property assessments in some subdivisions have risen 25 percent over last year, with the average hike 11 percent. City Finance Director Girard Miller said the average city tax increase could be 8 percent this year.

"The general impression of those who did not read Proposal E (Headlee) was that taxes would be frozen," Miller said. "But Headlee did not freeze individual property taxes. Rather, it put a limit on charter authorization. Under Headlee, local government will stop being a growth industry. Maybe that's

from 8.8 to 9.7 mills next year. City Council has charter authority," Miller explained.

"Local government must be careful about levying additional taxes. Voters turned down the more drastic Pisch Amendment (which proposed a 50 percent property tax cut)," Miller continued, "but showed clear support for moderate tax limitation."

"If the government jumps to its charter maximum in 1980, I think we see a Proposition 13 (California's tax cutting initiative) type proposal on the 1980 ballot," Miller said. "It would invite taxpayer revolt."

William Prisk, assistant superintendent of finance for Farmington public schools, said the district could lose more than \$1 million in state aid next year due to tax limitation. The amendment will make Farmington an "out of

formula" district, Prisk said. "We're waiting for the legislature to tell us how to implement it, but the amendment as it was voted on will limit revenue we might have expected from the state," Prisk said.

The district, which includes Farmington, Farmington Hills and a portion of West Bloomfield, received \$1.5 million in state aid this year.

"Headlee will definitely limit school spending," Prisk said.

Under Headlee, a city needs voter approval to float municipal finance bonds. It also cannot increase its tax base higher than the consumer price index rate of inflation. While homeowners will pay higher taxes because of increasing property values, Miller said some businesses will experience a drop in taxes because commercial and industrial property values are on the

decline.

RICHARD HEADLEE, the Farmington Hills insurance executive who spearheaded the tax limitation drive last year, charged the state legislature with stalling implementation.

"Some leaders who opposed it in 1978 are stalling to subvert it. But they are hoping against hope," Headlee said. "The intent of the amendment is to limit the growth of government to the people's ability to pay for it. Local officials understand it. It is a reasonable proposal."

The debate in the legislature over how tax limitation should be implemented centers around the question of millage rollback and who should pay for state mandated programs — local or state government.

The House Taxation and Senate Finance Committees both have intro-

duced bills on proposed implementation. But Lou Glazer, legislative assistant for State Sen. Doug Ross, said the debates have just begun.

"Some cities, like Farmington Hills, are below their legal millage limit. The legislature is trying to determine if the rollback should apply to the levied tax rate or the legal maximum. And after a rollback, how does a community raise taxes?" Glazer said.

"A special committee has been formed to study cost sharing between local and state government," he added. "The issues are very complicated."

Glazer said the legislature must make an implementation decision before tax bills are mailed June 1.

Meanwhile, a study session on next year's budget will be held at 7:30 p.m. tonight (Thursday) in the Farmington Hills City Council chambers.

## Protestors seek change in elderly housing plan

By STEVE BARNABY

Farmington editor

As promised, Farmington and Farmington Hills residents in the Drake and Freedom roads area turned out en masse at this week's Farmington City Council meeting to protest a proposed low-income, senior citizen housing project.

More than 100 residents jammed the small council chamber to oppose a Farmington Hills project which the city hopes is granted rent subsidies from the Michigan State Housing Development Authority (MSHDA).

The firm of Rosenhaus, Robinson, Cline and Slavic (RRC) has been hired by the city to work out a plan with MSHDA. If approved by the state, RRC would manage the project which would be constructed on the 11-acre site bordering Farmington Hills.

RRC manages a similar development in Westland. "We cannot impress on you enough our opposition," said a spokeswoman from a newly formed homeowners' group of Farmington Hills residents living on Freedom, Beechwood and Gill.

"We ask you to do everything in your power to stop the MSHDA proposal." Although willing to hear out the homeowners' protest, Farmington city councilmembers warned that there

was very little they could do about a project being constructed in a neighboring city.

"I don't think we should alienate ourselves from Farmington Hills," said Mayor Dick Tupper. "But we will keep close tabs on what is happening with the project."

He pointed to the recent decision by Oakland County Circuit Court Judge William Beer who ruled that Franklin Village hadn't any right to interfere in a proposed City of Southfield development — LaSalle Park.

Franklin Village had brought suit against Southfield in an attempt to stop the project.

Todd Price, spokesman for the Heritage Village West subdivision, said a senior citizen high-rise and low income housing project was not in keeping with the residential area and that such a project would cause noise.

"Allow us to continue the quiet nature of our neighborhood," he said.

Drake Heights spokesman Vincent Bruckler said the height of the proposed project was complicated by the fact that it would be built on the top of a hill.

Nancy Elliot, Chatham Hills resident, also said the project was in an inappropriate place.

"The older people couldn't get to an area for shopping," she said.

Although the audience was composed primarily of persons opposing the project, there were a number of per-

sons who supported it.

Marquette Kowalski submitted a letter of support with 50 signatures attached.

The letter said that these residents are pleased that the project could be built in that location. They urged the city to work with Farmington Hills to assure a successful development and said they oppose the city using any of its resources to block the project.

Joanne Crane, a member on the Commission on Aging, said there is a "documented" need for senior citizen housing in Farmington Hills.

"At least 1,000 people are waiting to get into the Farmington facility," she said.

"The City of Farmington will have a senior citizen project built at the site of the old Farmington Junior High School on Thomas.

## Residents oppose site — not seniors

By LOUISE OKRUTSKY

While leaders of subdivision organizations voiced their displeasure over a proposed senior citizen development in Farmington Hills at the Farmington City Council Monday night, most of the 100 persons in the audience sat and listened.

"I DON'T WANT SIX STORIES," said one woman. "I'm not against senior housing if it's attractive and neat. But I can't see six stories."

Others don't want to see a six-story building outside their windows.

"I don't want to look out my kitchen window and look at a tall building," said Mrs. Vincent Bruckler, an eight-and-one-half-year resident of the subdivision.

The location as well as the size of the building came under criticism.

"I'm not against senior housing but it's a poor location," said Mrs. Bruckler of the site on Drake and Freedom.

"I wouldn't mind a condominium or a two-story housing on the hill," she said.

"It's the wrong place for senior housing," said Joan Poullis of Drake. "There's no sidewalk. The seniors will need transportation."

Mrs. Poullis works with senior citizens at Oak Hill Nursing Home in Farmington.

"I'm well aware of the problems of senior citizens," she said. "They should move the building nearer to facilities and shopping areas."

"THERE ARE MORE cars and more congestion," he said.

"We feel we've been lied to by the city. There's no continuity in planning," he said.

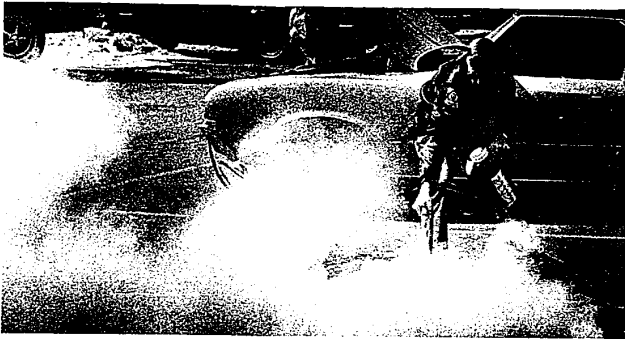
Consolidation with Farmington Hills might be the answer to the problems faced by both towns, he added.

Others looked at the future of their property values.

"I don't object to seniors but I do object to six stories," said a Drake street resident. "I'd rather have two buildings than one large one on that land."

"I'm worried about the property value. We might have to move if the value goes down. Everyone in this area has a big investment in their homes. When they bought them they intended to stay here," she said.

"When you come to low income housing, your property values are at stake. I intend to live here for the rest of my life," she said.



Tempest in a gas can

That's what Farmington Public Safety Officer Gary Goss found recently in the parking lot at the Farmer Jack store on Farmington Road, south of Grand River. The fire started after a motorist attempted to thaw his gas line by pouring gasoline through the car-

burstor. A spark from jumper cables attached to the battery apparently caused the fire. Fire officials warn against keeping flammable liquids or sprays near the engine compartment while attempting emergency auto starts. (Staff photo by Harry Mauther)

tentative victim gives more information.

The Department of Commerce began the investigation when it was contacted by an investor who did not receive his interest payment in February. Scherrer had been paying 9 percent interest on the bonds.

FARMINGTON HILLS police were called into the investigation Feb. 28 and Michigan State Police joined the effort March 5.

"The two departments moved full speed ahead and got enough information so that the prosecutor's office could issue warrants on March 15," said Oakland County Chief Asst. Prosecutor Richard Thompson.

Police searched Scherrer's office at 32330 W. Twelve Mile, his Farmington Hills residence, and his bank records.

"We interrupted his Caribbean cruise when we searched his office," said Michigan State Police Detective Sgt. James Smiley. "He came back when he got the word."

At least 15 customers had contacted

## Attorney faces pre-trial exam

By MARY GNIEWEK

A pre-trial examination for Farmington Hills attorney P. Scott Scherrer is scheduled next Friday morning in 47th District Court.

Scherrer, 30, was arrested last Thursday on six counts of uttering and publishing false bonds and taking money under false pretenses, offenses that could net him a 14-year prison term on each count. He is free on \$40,000 personal bond.

According to police, Scherrer netted more than \$1 million by selling counterfeit bonds under the name of Henry Ford Hospital, Inc. Hospital officials, concerned over the scheme's possible adverse effect on a proposed bond sale planned later this year, cooperated in the investigation.

Police are tracking down the names of 22 potential victims, who each paid Scherrer at least \$5,000 for the phony municipal finance bonds.

"We have just scratched the surface," said Farmington Hills Police Detective John Hedrick. "We're trying to find out who these people are and to what extent the scheme goes. Each po-

At least 15 customers had contacted

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A balanced victory

North Farmington gymnast Suanne Castillo show the form which led her team to a tie with Ludington High School in the state finals last weekend. To read the details, turn to the sports section. (Staff photo)

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