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support for government-assisted into the program, she said.

County will net millions from tax credit sale

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Of the Statesman-Journal

Marion County is in line for about \$6 million, thanks to action by a state commission Friday.

The Environmental Quality Commission certified \$19.7 million in tax credits for Ogden Martin Systems, the company that owns the Brooks garbage burn plant in north Marion County.

That award translates to an estimated \$6 million lump-sum cash payment by Ogden Martin to Marion County, probably by next week, according to Bob Cannon, county legal counsel.

The New Jersey-based Ogden Martin announced earlier that it expects to sell the credits — for use in cutting state corporate income taxes — to Columbia Wilamette Leasing of Portland, reportedly for about \$9 million.

ment in plants and factories.

John Charles, executive director of the non-profit Oregon Environmental Council, had told the commission last week that the tax credits to Ogden Martin should not exceed \$2.65 million over 10 years.

"They missed the boat," Charles said Friday after the commission's decision. "They were acting more like a revenue commission rather than an environmental quality commission when they considered factors such as rate of return on investments instead of the extent to which the facility controls pollution."

The council maintains that the garbage burner creates more pollution problems than it solves.

Charles said that the council may appeal the decision and that it will urge the Legislature to discontinue the pollution tax credits program.

Marion County Commissioner Gary Heer said he was delighted with the commission's action.

"The money goes into a dedicated fund for solid waste. It should help us keep tipping fees at competitive levels," he said.

In 1984, Ogden Martin agreed to pay the county 90 percent of the proceeds from the sale of the tax credits. The proportion later changed because of the amount of fees Ogden Martin will be required to pay to complete the transaction, Cannon said.

"We had no idea at that time of that agreement that the transaction of the tax credit would be so complicated or so expensive," he said. "We don't believe that anyone will be making a profit on this."

County officials announced last week that tipping fees at the Brooks plant will more than double for Marion County gar-

bage haulers on March 1, increasing from \$12 a ton to \$25 or \$26. The board of commissioners will set rates Jan. 7, Cannon said.

The estimated increase will not be affected by the payment from the tax credits, Heer said.

"If the amount we receive through the tax credit award had been lower than what we now expect, the new tipping rate could have been higher," he said.

Ogden Martin officials had agreed to pay the county part of the proceeds from the tax credit sale. That money is to help offset increases in tipping fees paid by garbage haulers at the burn plant.

The exact amount will be announced after negotiations are completed early next week, Cannon said.

The commission's tax credit award was based on a formula that certified \$39.5

million, or 75 percent of the plant's \$52.3 million pollution control value. The state Revenue Department actually gives credit for half that value, or \$19.7 million over 10 years, Carolyn Young of the Department of Environment Quality said.

A Department of Environmental Quality staff report had recommended that the commission approve tax credits worth about \$13.78 million over 10 years.

Young said the commission considered waste reduction, return on investment and electricity generation in determining the amount of tax credit.

The commission's decision was disappointing to an environmental watchdog group that opposes the state law which permits companies to apply for credits against their corporate income taxes when they install pollution control equip-

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