

California is losing...

... \$ 200,000 a Year on Winter Olympic Site

Officials Want State to Spend \$2.1 Million to Revamp Area, Now a State Park

by a *Wall Street Journal*

San Francisco. — While the Summer Olympic Games continue in Rome this week, California is waking up to a fiscal hangover from the Winter Games held in Squaw Valley last February.

Cause of the headache: The costly winter sports facilities the State inherited when the 11-day event ended. After spending 9 million to help stage the Olympics in the lofty Sierra Nevada wilderness town, the State estimates it is losing money at the rate of \$200,000 a year maintaining Squaw Valley as a park.

One proposed remedy would have California spend \$2.1 million moving and tearing down some facilities, installing a parking lot in their place, and partially rebuilding troublesome utilities systems. State Park Division officials who are urging the outlay say, if all this is done, operating losses will drop to \$40,000 or \$50,000 a year.

In addition to the funds needed to fix up Squaw Valley, the State auditor general says the \$9 million the State appropriated for the Games didn't quite cover costs. About \$700,000 is needed, auditors say, to reimburse the State's general fund for unauthorized expenditures and to pay off payroll taxes and sales taxes, among other things, owed by the commission set up by the State to handle Olympic matters.

The original cost estimate for setting up facilities for the Games in the then-obscure area was about \$3 million, he says. Expenses mounted to about \$20 million, with the Federal Government, Nevada and various companies making contributions in addition to California, he says.