

## RETTMAN'S RAMSEY REPORT

August, September/October - 2005

Dear District 3 Resident:

I hope this letter provides you with information on some of the issues being discussed by the Ramsey County Board of Commissioners. The views expressed in this newsletter are mine and/or my staff's and are provided to citizens as a part of my responsibility to keep you informed on what I am doing as your County Commissioner. If I, or my staff, can be of assistance to you please call us at 266-8360 or send an e-mail to [www.janice.rettman@co.ramsey.mn.us](mailto:www.janice.rettman@co.ramsey.mn.us).

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### **Joint Dispatch Center Plan Moves Forward**

After creeping along for several months there has been a flurry of activity as the County Board finally moves forward on a plan to consolidate four public safety communication centers into one. On August 23<sup>rd</sup> the Board, on a 4-3 vote, declined to approve a proposed agreement with the city of St. Paul to locate a merged communication center in a building near the Ramsey County Adult Detention Center campus. Suburban communities, who for many months had requested to be a part of the discussion, objected to the proposed funding formula that eventually would require them to fund a greater percentage of the annual operating costs than Saint Paul, despite less usage. Instead, they proposed that the operations be funded with 40% of the cost based on tax base and 60% based on the number of 911 calls. The funding issue could not be resolved and the Board requested that County Manager David Twa meet with the county's 19 communities in an effort to settle the differences.

On September 13<sup>th</sup> Mr. Twa reported back to the Commissioners with a recommendation that 60% of the annual

operating costs be based on property tax base and 40% based on call volume. While not perfect, the proposal appeared to be acceptable to suburban communities. It remains to be seen whether or not St. Paul is willing to sign on. If the city chooses to go on its own, the cost for a new communications center, which the city needs badly, is estimated at \$3 million. Added to that would be more than \$5 million in annual operating costs.

If Maplewood and White Bear Lake, who now operate their own communication centers, do not join the consolidated operation their costs would be \$119,552 and \$34,890, respectively, for upgrades. Maplewood's annual operating costs are \$525,500.

In the meantime, construction of the 800 Megahertz system continues. Antenna locations are nearly completed at 7 sites around the county which will give complete coverage of the area including penetration into nearly every building in the county. Once construction is completed testing will begin to determine effectiveness as well as problem areas. For instance, many current radios cannot penetrate into the basements and sub-basements of some

buildings and the river valley terrain creates other problems in some of the low areas.

The 800 MHZ system should correct those problems and allow every police and fire unit in the County to communicate directly. As it now stands, every agency operates on a different frequency which makes it impossible for a Roseville police officer to talk via radio to a St. Paul officer even though they may be just a few feet away.

Meanwhile, the many police and fire departments, along with the County Sheriff, are working to develop a common radio protocol and a set of operating procedures. An extensive training program on radio use is also being developed for all radio users and emergency dispatchers.

### **County Board Sets Maximum Tax Levy**

On Tuesday, September 13 the Ramsey County Board of Commissioners set the maximum property tax levy for 2006 at \$218,220,433. This is a 5.65% increase over 2005. However, if adopted as proposed, the actual new spending would be increased just 1.2% over last year.

Property taxes cover less than half (41.3%) of the county budget while fees and state and federal dollars fund most of the remaining budget (51.7%). It should also be noted that the proposed levy includes almost \$8 million for libraries that is levied only on suburban communities. St. Paul has its own library system and funding source.

In addition to the County levy, the Board, acting as the Regional Rail Authority adopted a levy of \$7,700,000 in anticipation of funding the purchase and rehabilitation of the St. Paul Union Depot and beginning preliminary engineering for light rail transit on University Avenue. This is a 227% increase over 2005.

Commissioner Janice Rettman voted against both proposed levies. In her statement to the Board she emphasized a need to keep the total of both levies at or under 5%. "I recognize that we need to increase taxes to offset the loss of state aid and I suggest we limit the (county) total levy increase to 2% for contract negotiations, 1% for 800 MHZ and .5% to restore our fund balance." Despite her request the Board adopted the proposed maximum levy and Board Chair Victoria Reinhardt suggested that the levy could be reduced through the budget review process. This has not, however, been the practice in recent history.

Following the meeting Commissioner Rettman stated that "When you add in the expected levy increases from the city and the school district property, owners are going to see double digit tax increases."

On Wednesday, September 14th St. Paul adopted a 3% levy increase while the St. Paul school board is expected to approve a 22% levy increase. Other Ramsey County school districts are expected to adopt similar levies based on earlier discussions.

It should be noted that this is the maximum amount the county can bill property owners for 2006. During the course of the next 3 months the Board will review the County Manager's proposed budget and make adjustments in fees and spending that they believe are necessary. In doing so, the actual levy could be reduced but it may not exceed that 5.65% increase regardless of what the state legislature might do next year. The final levy is adopted following the Truth-In-Taxation public hearing scheduled for December 13.

Earlier this year the County Board adopted a 2-year budget cycle which means that the budget under review will look at both 2006 and 2007. When the Board adopts the budget in December it will be for '06 and '07 even though the levy will only be for 2006. Next year the Board will only consider amendments to

the budget rather than giving it a full review. It will then adopt the levy for 2007.

If terms like levy, estimated values, limited market values and tax rates confuse you, you can find a brochure explaining these and other intricacies of the property tax code under the links section on Commissioner Rettman's web page at [janice.rettman@co.ramsey.mn.us](mailto:janice.rettman@co.ramsey.mn.us) or by contacting her office at 651-266-8360.

### **County Budget Hearing Set**

Citizens who wish to comment on the county's budget may do so at the public hearing on Friday, October 28. The hearing will be held from 8:30 a.m. until 12:00 noon and from 1:30-5:00 p.m. both sessions are in the Council Chambers on the 3<sup>rd</sup> floor of the Court House. While you may sign up at any time, you are encouraged to contact Chief Clerk Bonnie Jackelen at 651-266-8014 to get on the list.

### **Truth-In-Taxation Hearing Set**

The annual truth-in-taxation hearing is set for Tuesday, December 13 beginning at 6:00 P.M. at Arlington High School. This is a joint public hearing with Ramsey County, City of St. Paul and St. Paul School District elected officials present to listen to citizens views on the three budgets.

Ramsey County has proposed a 5.65% levy increase, St. Paul a 3% increase, St. Paul Schools a 22% increase and a 227% increase in the Ramsey County Regional Rail Authority levy. Add in the impacts of state legislators lowering the tax rate on commercial industrial properties and rising values and this could result in a 20% increase in property taxes for residential properties over 2005.

### **Volunteers Needed**

Ramsey County is always looking to tap into its most valuable resource – its citizens. Volunteers are needed for a variety of activities including serving on committees or assisting in community activities. Contact Bonnie Jackelen at 651-266-8014.

**Capital Improvement Committee** makes recommendations to the Board regarding planning and spending on the county's roads and property.

**Community Corrections Advisory Board** makes recommendations to the Board on a comprehensive community corrections plan.

The **Library Board** governs the suburban library system with its 6 branch libraries.

The **Community Health Services Advisory Committee** advises both the County Board and the St. Paul City Council on public health issues and services.

**Extension Service** ties into the county's agricultural history to encourage citizens to take advantage of agriculture and horticulture programs including the Master Gardner Program.

**Parks and Recreation Commission** advises the Board on planning and operations of the county's parks, trails and recreation areas.

**Personnel Review Board** hears appeals on personnel issues such as disciplinary actions.

### **Truth-In-Taxation Public Hearing:**

**Tuesday, December 13, 6:00  
P.M.  
Arlington High School.  
1495 Rice Street**

## **Eminent Domain Decision Raises Ire**

One thing is clear from the Supreme Court's decision issued on June 23 ((Kelo vs. New London, CT) regarding government's ability to take property for economic development – everyone has an opinion. At issue is whether or not local government has the authority to take private property (with fair compensation) for another private purpose. Under the Court's decision, property can be taken from a citizen and be sold to another to be used for economic development purposes. This is generally considered an effort to increase the tax base and /or the number of jobs within the community. In addition, economic development is now considered a public use. Other uses might include more dense housing even if it is market rate or upscale.

In the past, a generally accepted policy was that the property in question needed to be blighted or in an economically depressed area, both of which are very subjective. However, under the ruling that is not a requirement. While the former property owners must be compensated fairly for the value, the developers are permitted to keep whatever profits they get from the project.

Homeowners are not the only ones who need to be concerned. It appears that churches and non-profit agencies that own qualified property, such as mission shelters could also be a target because they do not pay property taxes. In Saint Paul, at least 25% of the land base does not pay taxes because of the number of schools, universities, government buildings and medical facilities.

On one side of the issue, local governments generally believe this decision re-affirms their authority to use economic development to help the broader community, including the use of eminent domain. The other side generally believes that any property is now a target for taking and that the decision is not what the framers of the

Constitution intended when they adopted the Fifth Amendment which states, in part, *nor shall private property be taken for public use without just compensation.*

Because of the decision, Congress and many state governments are clamoring to draft legislation to place limits on the use of eminent domain. This could be a case where partisan politics are forgotten as both parties scramble to be the first in line with a plan.

In a somewhat related case, the Minnesota Supreme Court determined that, even though condemnation is not used, property owners some times may be entitled to relocation benefits in addition to the sale price. In that case a property owner had sued the City of Richfield Housing and Redevelopment Authority for benefits after he was denied them on the basis that the property was never condemned. The Richfield HRA had selected a developer to work with them (HRA) and on their behalf on the Lyndale Gateway project which included removing a number of houses and replacing them with a mix of housing, retail and office buildings.

According to the Court, the threat of the HRA's condemnation powers was a reality and put limits on the negotiation process. Additionally, because of its involvement in the purchase and redevelopment process, including controlling the developer and providing financing to make the purchases possible, the HRA – with its powers - was, in fact, an active participant. As a side note, the agreement between the city and the developer requires that the developer pay all relocation costs so the city or its HRA will not have to pay.

Finally, the Supreme Court decision had at least one unexpected consequence. Supreme Court Justice David Souter, who has a home in Weare, New Hampshire, has learned that someone is proposing acquiring his property in order to build a hotel. It was reported that it would be named the Lost Liberty Hotel featuring the "Just Desserts" café.