RETTMAN'S RAMSEY REPORT

Fall 2008

Dear District 3 Resident:

County Board Adopts Maximum Levy

On September 9th the Ramsey County Board of Commissioners approved the maximum property tax levy for 2009. The maximum amount the levy can increase is 4.5% or about \$10.95 million. Possible spending by the county for 2009 is \$588,723,541. This compares to last year's levy and spending which was \$242,063,050 and\$566,957,337, respectively. That levy was 5% over the 2007 levy.

By state law this is the maximum amount the local government can levy, or essentially bill property owners for services and programs, but the amount can be reduced when the final decision is made on December 16. Should something happen, such as the state of Minnesota reducing allocations to programs operated by the county on their behalf, the county cannot raise the levy higher to make up for the difference. Instead, the Board of Commissioners would then need to go through the budget and make cuts in order to balance its budget.

It should be noted that the proposed spending for 2009 is less than the rate of inflation and the levy is less than the limits adopted by the governor and state legislature, despite additional costs the state passed on to Minnesota counties. At the levy hearing, however, Commissioner Janice Rettman stated that she intends to present the Board with several options in her effort to reduce the levy even further. "I want to make it clear that I will be proposing a 1-2% reduction in the levy before final adoption in December," she stated.

Meanwhile, other taxing jurisdictions adopted their maximum levies including St. Paul with an 8.0% increase, the Saint Paul School District with a 3.9% increase, and the Ramsey County Regional Rail Authority with a levy of \$19,938,811 which is equal to the 2008 and 2007 levy. Actual, increases for individual properties will vary depending on changes in value and property improvements. Assessments for public improvements like street paving or sidewalks are not included, nor are the assessments for lighting and street cleaning.

Truth-In-Taxation Public Hearing Set

Ramsey County, the City of Saint Paul and the St. Paul School District are seeking your comments on their proposed 2009 budgets. The joint public hearing has been set for **Thursday**, **December 11, 2008, 6:00 P.M., at Arlington High School (1495 Rice Street)** in St. Paul. For Ramsey County, 2009 is the second year of a two-year cycle so their 2009 budget was adopted last year.

Specific information on your property taxes can be found on the truth-in-taxation statement you will receive in the mail. County budget information is available from the County Manager's Office (266-8000) or on-line at www.co.ramsey.mn.us/ba/index.htm.

In addition to public comments, county staff will be available before and during the hearing to discuss your property status, market value and other information with you. It is important that the county's records regarding your property are accurate and up to date. This information is used to determine your tax but also that are not paying more than you should be. No appointment is necessary but be sure to bring your Truth-In-Taxation notice to help speed up their search process. Also, bring any information, such as a recent appraisal, that might demonstrate that your valuation is not accurate. Remember that because individual properties can be very different, the valuation of your neighbor's is generally not a good comparison.

Board Approves TIF Plan

This spring the City of Saint Paul asked the state legislature to permit them to extend the Downtown Tax Increment District for several years in order to provide funding for their RiverCentre and Minnesota Event District initiative. The impact of such a move is significant since it reduces the amount of money paid to the city, the county and the school district from those properties thus placing a greater tax burden on all other properties. Recognizing these impacts, the legislature approved the plan on the condition that the county annually receives an amount equal to the amount it would receive if the district did not exist. The St. Paul School District will receive only a small portion based on the property values established in 1979.

This means that Ramsey County will receive more than \$2.6 million annually and about \$46,964,745 over the 15 year life of the district. This is equal to about 1% of the county's 2009 proposed levy. Under normal TIF circumstances these dollars would be lost to the county.

Tax Increment Districts are a tool cities can use to help rebuild deteriorated areas. At the beginning of the TIF district the assessor determines the value of all properties in the district. Bonds are then issued for public improvements such as land cleanup, new streets and sewers, etc. and the increased taxes from the improved properties are used to pay off the bonds. The length of the district is based on the length of time needed to pay off the bonds.

To be clear, unlike Minnesota's tax-free zones, property owners pay the full amount due on the current value but a portion of those funds are used by the city to pay off the bond debt, usually 15-25 years. Once the bonds are paid the district ends and the property tax proceeds then are distributed to the other local taxing jurisdictions including the county and the school district.

Commissioner Janice Rettman, noted that, with the county getting its portion of the property tax revenue, the extension is more tolerable but she said she will actively oppose any effort by the city to have the county send those dollars back to St. Paul for their use as had been suggested by some. "Any effort to divert these dollars would be an attempt to undermine the decision of the legislature and force us to further raise taxes on already overwhelmed property owners."

Regional Rail Levy Remains The Same

The County Board, sitting as the Ramsey County Regional Rail Authority adopted its 2009 maximum proposed levy at \$19,938,811 which, as noted, is the same as for 2008 and 2007. Even though the county joined several others in approving an increase in the sales tax to fund transit in the metropolitan area, the Rail Authority will need its levy to fund on-going efforts such as the restoration of the old Union Depot as a transit hub and creating links to other communities such as the Red Rock and Rush Line Corridors and possible high-speed rail to Chicago. For information on the Rail Authority check their website at www.regionalrail.org.

ERF Program Reinstated

Ramsey County's Environment Response Fund (EFR) has been given a new life by the state legislature when it approved an extension for five more years. The program, funded by a .0001% tax on the mortgage principal for new deed registrations, expired on December 31 of 2007. Funds are used to provide gap financing to clean up polluted sites, often called brownfields, for redevelopment.

The county's successful program provided the emphasis the legislature needed to approve the extension. Since its inception more than \$3.5 million has been used to clean up nearly 200 acres of polluted land. Other counties tried to create their own ERF programs but the need could not be established and other proposed uses were not considered. In Ramsey County there are more than 2000 acres of known brownfields that need to be cleaned, far exceeding funding.

On October 7th the County Board, acting as the Housing and Redevelopment Authority, approved updated rules for the program that are not significantly different from the past. They include:

- ERF funds are for gap financing only;
- Funds are "last in" and all other sources must be identified and affirmed;
- Sites must be redeveloped to provide additional living-wage jobs or affordable housing;
- A 50/50 split between city and suburban projects must be maintained.

Commissioner Janice Rettman, chair of the HRA, stated that "the only reason ERF was extended was because our staff was able to get the dollars out the door and in use cleaning up land rather than saving it for some other use. We will continue to do that but it is not clear what impact the current economy will have on the funds coming in or if there are new development projects waiting to get started. We do know that the need is there for new living-wage jobs that pay benefits for our neighborhoods."

Port Authority Buys Frogtown Property

The Saint Paul Port Authority recently purchased the Minnehaha Mall and Minnehaha Bowling Lanes for redevelopment. Since the Port Authority only does economic development projects residents can expect the site to be cleared, cleaned and re-developed for new or expanding companies thus creating new jobs in the area. Housing is not expected to be a part of the package. Like the Dale Street Shops site at Minnehaha and Dale, residents should expect a chance to access some of the new jobs.

Long-term residents will remember that the site, bounded by Minnehaha, Pierce Butler, Chatsworth and Milton, was once a thriving service center for Frogtown. It included a gas station, a Country Club Market, a drug store and gift shops. It also included Minnehaha Lanes where folks sharpened their skills or simply enjoyed an evening of bowling. Young people met old friends or found new ones at the Tom-Tom Room night club or could be found shooting pool in the billiard hall. This could be followed by a late-night snack at the Flameburger at Minnehaha and Milton. Older residents will remember that the site was once a neighborhood dump so some environmental cleanup is expected. How much will be determined by soil borings and the future use.

Response to a Vote Challenge

With the election just days away reports are appearing about voter registration and voter challenges, that is, someone questioning whether or not a person is eligible to vote or to vote at that location. Unlike some states, Minnesota laws permit same-day registration which means that, if you have not voted before or have moved and are voting at a new location, you can register at the polling location. To do so, you must have a valid driver's license, state ID card or student ID to prove you live where you say you do. If you have not changed your license a rent receipt or current utility bill might serve the purpose. You can also have a registered voter with you to attest that you live where you claim. Note that an expired driver's license is not a valid ID.

If someone challenges your right to vote don't get mad and don't walk away. Election judges are well versed in how to respond to challenges and will simply ask you to answer a few questions under oath. If you have moved recently or have not voted before you can save some time by making sure you are at the right location. Some locations have more than one precinct so make sure you are in the right room.

Foreclosure Help Available

Ramsey County property owners have a number of sources to help them when foreclosure is a possibility. The key is to get to help early in the process. Counselors have told us that too many times people come in late and, sadly, "we have to tell them they need to make arrangements for themselves and their families because they are going to lose the home." If you know someone who needs assistance they can call

Home Ownership Center – 651-659-9336 ACORN Housing – 651-203-0008 City of St. Paul Foreclosure Prevention Program - 651-266-6626 Neighborhood Development Alliance - 651-292-0131 Lutheran Social services (Suburban Ramsey) - 1-800-777-7419

Interpreters are often available so that language should not be a barrier to getting help.

Property Tax Deferral For Seniors

Minnesota senior citizens may find a little help with bills from the state by deferring some of their property taxes. Under state law, homeowners may defer a portion of their property tax until their home is sold or transferred, all qualifying homeowners die or the property no longer qualifies as a homestead, that is, one in which the homeowner actually lives.

To qualify the owner:

- (1) Must be over the age of 65 (both spouses if married):
- (2) Have a household income under \$60,000;
- (3) At least one spouse has lived in the house for at least 15 years;
- (4) Have no tax liens against the property;
- (5) Does not have mortgage or other debt against the property more than 75% of the estimated market value.

To sign up for the deferral program contact the Minnesota Department of Revenue at 651-555-6088 and ask for form CR-SCD and the instructions that go with it. You must apply by July and the deferral starts the following year. Seniors can apply at any age beginning in the year you turn 65. It's not too early to plan ahead.

Early Childhood Education Scholarships Available

Do you have a child who will be 3 years old by September 1st? If so, you may be eligible for yearly scholarships to place your child in a quality early education program that fits your needs. Under a new program proposed by the Minneapolis Federal Reserve Bank's Chief Economist, Art Rolnick, scholarships of up to \$13,000 per year (for 2 years) will be offered to some St. Paul families in an effort to better prepare their children for school. Why would an economist be interested? Studies consistently show that children who are prepared for school have better success in school and in life and usually do better financially than children who were not prepared. In other words, an investment in early childhood education is the best investment we can make for positive, long-term results – it's proven "cost-effective".

Participating families are not limited to one child in the program plus, once accepted, the scholarship stays with the child even if he or she changes education programs or moves to another area of the city. Families with children under the age of 3 or soon to have a baby will not be left out. They will be eligible for parent mentoring until the child is 3 and eligible for a qualified early childhood education program. Ramsey County Public Health nurses are actively involved in getting information to families and providing the mentoring help when needed.

Ramsey County Commissioner Janice Rettman has already been active trying to sign up families for the program. "I agree with Mr. Rolnick and Mayor Chris Coleman that one of the best investments we can make our children is by starting their education early. Many parents have to work two jobs or long hours so this gives the children a chance to start out on equal footing."

To be eligible, families (which includes single parents) must

- live in Planning District 6 (North End/South Como) or District 7 (Thomas-Dale/Frogtown); and
- have an annual income less than 185% of the Federal Poverty Guideline (which calculates to about \$38,000 for a family of 4).

In addition to the family program, home daycare operators can be a part of the early education program by meeting certain training and qualification standards. Those details are yet to be worked out but by going through training providers could raise their business income substantially.

For information and an application contact Resources for Child Caring at 651-641-6604.

Yard Waste Sites Are Not Just For Leaves

Ramsey County's 7 yard waste sites are open for regular hours until November 30th. Leaves and grass clippings are the usual things brought in but other soft-bodied garden plants, such as trimmings from gardens and waste plant material from vegetables are also acceptable. They are easily composted and the plant's moisture helps the fall leaves compost quicker.

Brush and tree branches must be taken to the White Bear Township, Arden Hills, Midway or Frank & Sims sites. This waste is ground up and used to create hot water and energy at the St. Paul District Energy Plant, a service authorized by Commissioner Rettman at the request of district residents.

Fall hours for all sites are:

Saturday: 9:00 A.M. - 5:00 P.M. Sunday: 11:00 A.M. - 5:00 P.M. Monday: 11:00 A.M. - 7:00 P.M.

Tuesday CLOSED

Wednesday 11:00 A.M. - 7:00 P.M.

Thursday CLOSED

Friday 11:00 A.M. - 7:00 P.M.

District Council News and Schedules

<u>District 5 (651-774-5234)</u> www.paynephalen.org/index.html

Board of Directors 4th Tuesday, 7:00 p.m. @ Arlington Library

Neighborhood Action Committee 3rd Tuesday, 6:30 p.m.
@ Arlington Library

District 6 (651-488-4485) www.district6stpaul.org/

Board of Directors 1st Monday, 6:30 p.m. North Dale Recreation Center

Land Use Task Force 4th Tuesday, 6:30 p.m.

District 7 (651-298-5068) www.d7mix.org/

Board of Directors Meeting 2nd Tuesday, 6:30 p.m. @ 533 N. Dale Street

District 8 (651-228-1855) www.summit-u.com/

Board of Directors Meeting 4th Tuesday, 7:00 p.m. @ Hallie O. Brown Center

District 10 (651-644-3889) www.comopark.org/

Board of Directors Meeting 3rd Tuesday, 7:00 p.m.

@ Como Park Historic Street Car Station

District 11 (651-646-1986) www.hamlinemidwaycoalition.org

Board of Directors Meeting 3rd Tuesday, 6:30 p.m. @ 1564 Lafond Avenue

<u>District 12 (651-649-5992)</u> www.district6stpaul.org/

Board of Directors Meeting 2nd Thursday, 7:00 p.m. @ 890 Cromwell Avenue

District 13 (651-645-6887) www.unionparkdc.org/

Board of Directors Meeting 1st Wednesday, 7:00 p.m. Merriam Park Community Center

City of Falcon Heights (651-792-7600) www.ci.falcon-heights.mn.us City Council Meeting 2nd and 4th Wednesdays, 7:00 p.m. @ Falcon Heights City Hall