

March 24, 2015

To: St. Louis County Board

From: Kabetogama Township

At recent Township meetings, members of our community have brought forward for discussion the fact that a portion of the assessment on our property taxes goes to the Cook Hospital. Their basic questions were: (1) Why should we be paying taxes to support the Cook Hospital when few or none of our residents utilize this facility? (2) Why are some townships in this special taxing district exempt from being assessed for the Cook Hospital?

We took the information provided by the concerned residents and dug deeper into the issue and came up with this information:

- The Hospital taxing district was established in the early 1990's through state legislation intended to aid the operation of financially strapped rural hospitals.
- Apparently (some) residents were allowed to vote at the township level on whether to be in or out of the taxing district. Kabetogama was not organized at that time; no one recalls voting on this issue, so we assume that we were included in the taxing district through a larger voting block or at the County Board level.
- 5 Townships opted out of the taxing districts and pay nothing in support of what for many would be their local health care facility and for many more, their emergency care facility. these five Townships are Greenwood, Vermillion, Alango, Sturgeon and Morcom.
- Property owners in Kabetogama are assessed about \$130 per \$100,000 valuation for a total of about \$95,000 for the township per year for a facility that is neither a health care provider of significance to us nor our primary emergency care provider. Our township does receive some support from Cook Hospital in the form of an annual contribution to our First Responder organization which has been \$1500 annually (\$3000 for 2015); less than 2% return on our taxpayer contribution.

We would like to see a change to what we see as an unrepresentative tax to township taxpayers which is apportioned unfairly within the established special taxing district. We see two options that would bring about a more reasonable situation for us:

- Allow the Kabetogama Township to vote on whether to be in or out of the special taxing district.
- Require that properties in all townships within the special taxing district be assessed at the same rate to more fairly distribute the tax burden.

We understand that the special taxing district was established through state legislation and a change at that level would be required. We ask for your support, including a letter to Sen. Bakk and Rep. Dill, as we pursue an equitable resolution.

As time goes on, it seems that our corner of the county is becoming more and more like a square peg in a round hole. We are becoming less and less a fit with the county as a whole. The property taxes we pay are not insignificant yet as we pay more and more, we see a dwindling return. Yes, the map says we live in St. Louis County but our Zip Code and how we live and operate and receive support ties us much more strongly to Koochiching County.

- School District: We are in the North St. Louis County School District (2142). When they built the new school near Cook, the levy to build the new school increased our tax bill significantly. Yet, it is not realistic to think that our students would attend school there because of the distance involved. They go to I.Falls or Littlefork. We don't fit with the new reality. Our residents would much prefer to pay our school tax to the schools where our students attend.
- Law Enforcement: It often takes an hour or more for St. Louis County deputies to respond to an incident. A response time of 1/2 hour or less to get a deputy on scene here from Kooch County.
- Medical Emergencies: The International Falls Fire/Rescue dispatches an ambulance with paramedic and other medical emergency personnel to all 911 dispatches in the Kabeteogama first response area. Transport is to the hospital in IFalls for next level treatment. The IFalls Fire Department has been instrumental in supporting the Kab First Responders through training and equipment.
- Emergency Management: Last June we had a significant incident with the lake at flood stage and accompanying high winds. Lakeshore properties/homes and resorts were fighting floodwaters and damage to docks and other infrastructure. We asked assistance from St. Louis County in the form of sandbags. No help. We asked Kooch County and got immediate response to come pick some up. We did not get a response from St. Louis for several days. We were told that for future flooding events, there would be a cache of sandbags located in the northern part of the county we would have access to. This has not been set up yet. Our citizens were not considered for disaster relief programs. Our neighbors in Koochiching County had the same flooding situation and when Congressman Nolan toured the area, he stated that we would receive aid. Koochiching County received Federal relief and we received a letter stating that because we are in St. Louis County we did not qualify. We all hope we do not experience any future disasters, but dread the thought that if we were to have a more serious disaster to hit us and the surrounding area we would possibly not receive assistance again because of where we live in St. Louis County.
- Roads: It has been 35 years since our main road system (CSAH# 122) has been resurfaced. We understand that it is scheduled for work in 2017, which is good. Will it be another 35 years before it is scheduled again? We asked for a widening of the shoulders and surfacing to allow for safe pedestrian and bicycle travel. This did get addressed on a portion of the road with a promise to complete the rest – did not happen.
- Other County Services: Because of the distance, 75 miles to Virginia, our residents have to endure that extra burden to complete business with the county such as various permits, variance issues, recording updates to deeds as well as seeking assistance from County Social services

Of course we enjoy some of the truly unique benefits of being St. Louis County residents such as the Taconite Tax relief; eligibility for IRRRB grants, which our community has benefited from greatly; and the county's enhanced 911/radio system is super.

We understand where we live. We enjoy our lifestyle and understand there are trade-offs when living in a remote area, especially in a county as large and demographically diverse as St. Louis County. But our frustrations are real. When an issue like the Hospital tax surfaces, it doesn't take long for talk of annexation to Koochiching County to dominate the conversation.

We seek your empathy and support as we explore the possible. We hope you can provide both.

Respectfully,

Kabetogama Township Board

Robert Nevalainen, Chair