

Residents voice opposition to county tax plan

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by Peter Bodley

Managing editor

Anoka County efforts to create what County Administrator Terry Johnson called "a manageable tax burden" did not sit well with a handful of property owners who spoke when the Anoka County Board had a public meeting on its proposed 2010 budget and tax levy at the Anoka County Government Center Dec. 3.

Following presentations on the proposed county budget and tax levy by Johnson and Cevin Petersen, division manager for finance and central services, as well as on the proposed 2010 Anoka County Regional Rail Authority budget and tax levy by Tim Yantos, rail authority executive director, six people spoke at the public hearing conducted by County Attorney Robert M.A. Johnson.

Gene Martinez, public policy advocate for Arc Greater Twin Cities, kicked off the hearing by urging the county board to continue its support of programs that allow people with disabilities to be "vital members of the community" and not warehoused in an institution or stuck in a family home unable to participate in the community.

Rick Meyer, Blaine, wanted to know why there was still a rail authority tax now that the Northstar system was up and running.

According to Yantos, for the next 20 to 30 years the rail authority will be paying off the debt on the county's portion of the bonds that were issued for the local financial commitment to build Northstar.

However, Mark Korin, who owns an engineering business in Ramsey, lives in Oak Grove and is a member of the Oak Grove City Council, was upset over the 40.7 percent increase in the property tax bill for his business.

"This is not fair," said Korin, who said he had spoken with other business owners facing similar tax increases. "It does not make sense."

With the taxes from both Anoka County and the state of Minnesota, it is a "big mistake" for businesses to stay in Minnesota, according to Korin.

"I realize that paying taxes is part of being in a community," Korin said.

But with this tax increase, he said he will have to consider letting go employees or even whether he can stay in business.

"This is a tax burden that is not bearable," Korin said. "Enough is enough."

Back in 2001, he had 58 employees, but now he only has 16 left and in response to a question from County Commissioner Robyn West about salary increases, Korin said some of his employees had had to take a 10 percent cut in pay, while others had had their hours reduced to 32.

According to Maureen Devine, county division manager of property records and taxation, the increase to which Korin referred was for his total tax bill, not the county portion.

In addition, there are special circumstances contributing to the big increase - Korin's business is located in a tax increment district and when he purchased the property, Korin signed a minimum assessment agreement, which means the value is fixed for tax purposes no matter the fluctuations in assessed values of other properties, Devine said.

Irene Beberg, Ramsey, was concerned about a tax increase on seven acres of vacant land that she owns in the county with only one building site on it. "The assessed value went down, but the taxes went up," she said. "I am caught both ways on this."

According to Eric Schleder, a property owner in Columbus, Korin had said "everything I could say."

Anoka resident Darwin Johnson wanted to know why his taxes did not go down when his assessed value dropped.

In response, County Administrator Johnson said that net tax capacity value on property in the county shrunk 5.86 percent, lowering the county's tax base and driving up the county's tax rate an estimated 9.48 percent for 2010.

With property values on existing homes decreasing an average of 7.8 percent and the combined tax rate increasing 9.48 percent, there is a "modest" increase in the county's share of property taxes, he said.

But resident Johnson said that with decreasing property values and vacant homes caused by foreclosures, the county board should be lowering county taxes, not increasing them.

"I don't like how you are spending our money," he said.

Peter Bodley is at peter.bodley@ecm-inc.com