



A SMOOTH SEA: STAYING THE COURSE

Commissioner Sivarajah
Anoka Area Chamber of Commerce
June 9, 2015

Good afternoon, thank you for inviting me to join you today.

I know many of you, but for those of you I don't, my name is Rhonda Sivarajah and I'm your Anoka County Commissioner, honored to represent District 6 which includes eastern Blaine, Centerville, Circle Pines, Columbus, Lexington, Lino Lakes, and Linwood Township. I live in Lino Lakes. My husband and I have 2 children, our son will be a junior in college next year at the Rochester Institute of Technology and our daughter just graduated from Centennial High School.

I want to begin by thanking you for your commitment to the chamber, our community and building your businesses in Anoka County. Your leadership efforts are **ESSENTIAL!** We are blessed in Anoka County to have a strong business community, a robust nonprofit community, an active faith community all who play a strong role in making this area a great place to live and work.

Question: How many of you sometimes refer to the 'Good Ol' Days' or think about the way things used to be: people being more neighborly, relying more on each other rather than on government... probably many of you wish we'd return to those times.

Government **cannot** be the only answer. That is why groups like yours are so crucial to our community. But government's role over the years has grown, whether we like it or not, and we in government have been **entrusted** to do our part and fulfill our role while making the very best use of your precious tax dollars.

Over the next few minutes I want to tell you about our initiatives, challenges, and what's ahead. And I believe it is good news.

At Anoka County, our **mission** is to serve you, our citizens, in a respectful, innovative and fiscally responsible manner. We are serious about our mission and try to live it every day. I cannot say that without mentioning that our Board of Commissioners has led the state in keeping the property tax rate stable or dropping



over the past four years. That's never been done before in Anoka County's history! After more than 150 years! **THAT** is fiscal responsibility and responsiveness to you, our citizens at a very difficult time in our county and country's financial history. It's about keeping more money in **your** wallet.

My fellow Commissioners and I were briefed earlier this spring on **just how much** those levy drops have accounted for in savings to you the tax payer and the amount is mind boggling!

When we first lowered the property tax levy in 2012, we dropped it by nearly \$8 million dollars. The following year we went down another \$1 million, and for 2014, we dropped it another \$2 million!

Those numbers have added up, because it's cumulative. So the savings over the past four years adds up to \$37 million dollars! Those are **your** tax dollars saved and **kept** in your pocket!

Now I know there's going to be someone here who's going to say 'You're saying you cut the property tax levy but my taxes have just gone up... a lot!'

If you look at your property tax statement closely, you'll see that, although the County sends out the form, the statement lists a whole host of taxing authorities. The County sends them out so you're not inundated with property tax bills.

- Your property **taxes** can be affected by your property's **value**.
- Your property taxes are **also** affected by the value of **other** properties, whether it's a home or business, and whether it's existing or new. A significant increase or decrease in another property's value can affect your property's tax share.

*{new construction can help lower property taxes by growing the tax base and thus diluting the tax responsibility. So the amount of property taxes you pay can be influenced by both **your** property's value, and the value of properties **around** you.}*

- During the recession, housing values dropped faster than business property value. So as your home values went down, business properties picked up a greater responsibility for supporting the overall property tax levy.



Now that home values are climbing again, the balance is returning to all properties.

Overall, the amount you pay in property taxes boils down to two things: a property's value, whether it's yours or someone else's; or a decision made by your local, state or federal government.

A NEW COURSE

In Anoka County we have re-charted our course!

We've made paying down debt and **NOT** borrowing a priority. In fact we have not borrowed a dime for three straight years. In the past, borrowing was done two times a year. As you know, when you lower your debt, you save money.

Just five years ago, our debt load was nearly **\$170 million** dollars. Today, it is nearly **\$115 million** dollars. That's a savings of more than **\$53 million dollars!**

We've used those saving to create both an asset preservation fund and also an IT fund so we're better prepared to care for what we've already bought, and to use technology as a way to better serve our customers and limit the investments in brick and mortar.

In addition to keeping the property tax levy low, I'm proud to say that our county board has looked at other taxes too. Anoka County was one of the metropolitan counties that imposed a \$5 per year wheelage tax when vehicle licenses were renewed.

When our legislature passed legislation that indicated if a county wanted to collect wheelage tax, it had to be \$10 per vehicle and in a couple of years it will jump to \$20 per vehicle. Your Anoka County board did not want to raise this tax for our residents and declined to participate in the new law which took effect last year. This action saved our residents approximately \$2.8 million!

In addition we have implemented lean business principles that have been used in the private sector for years which has resulted in streamlined processes which equals time and money saved.



Usually, if you see something that's not working, you either try and improve it, or scrap it. We're seeing neither. Despite the difficulties, we've seen very few improvements in the computer system that directly impacts our workload. But our workload isn't the main issues. The real problem is poor customer service because of incorrect information and a huge expense in the process of getting little result. **It's time for the State of Minnesota to fish or cut bait!** *(The only thing we have seen is constant turnover in the program's leadership!)*

Fortunately, we have tremendous staff throughout the county who have been creating temporary solutions and work-arounds to accommodate for the inadequacies.

Those are some of the rough waters we've encountered. We have weathered the storm and now, it's about steadying the ship and staying the course.

PROTECTING PEOPLE

In Minnesota, counties act as an arm of the state providing Human Services to people on the state's behalf. We know the County is the final safety net for our community's most vulnerable, including our seniors and children. I mentioned the struggle with MNsure but in others ways our staff is doing innovative, award-winning work.

I'm sure several are you are veterans. Raise your hand if you're a veteran. Thank you for your service. Our veterans are a top priority for us so we've added staff to our Veteran Services Office **and** new technology to help us track veterans' needs better and get you through the process faster. If you haven't visited our VSOs, you should!

Many of you are also probably caring for aging parents. I know I am. We've also realigned our social services programs to recognize that our population is aging and our elderly are very vulnerable. We feel this new alignment will better serve their health and well-being if they come to us for help.

Finally, we've taken steps to bolster our adult mental health intake unit, and improve our outreach and referral services.

We've made some difficult choices in the past few years, and we weren't everyone's favorites. Lots of people weren't happy that we cut our levies at times when others were going up. But we made those decisions with you and our mission in mind.



INVESTMENTS

Your tax dollar is extremely precious and I don't like them to be wasted in any way. I'm true to my conservative values. That includes being very strategic about how we use our dollars and leverage those dollars to get additional funding, whether it be through grants or cost sharing with the state and/or federal government.

Nowhere is that more apparent than with our Highway and Parks departments. Our Highway Department only has a budget of about \$15 million county dollars but leverages three times that in state and federal grants. As you likely know, the biggest project is the upgrade of U.S. Highway 10.

US10

U.S. Highway 10 has been a key push for us the past two years. I stress the **U.S.** part of the name because this is **not** Anoka County's responsibility, but we needed to take the bull by the horns to get it **done**, get it done **right**, and for the right **price!**

This is a project we are cost sharing with the city of Ramsey, the state of Minnesota, and the federal government. Our first leg of the project is the intersection of Highway 10 and Armstrong Boulevard in Ramsey which will be completed at the end of this year. It's amazing how much progress they're able to make every week, and so far, this project's been done without a single complaint. People know how important this project is!

Maybe you don't use Highway 10 or avoid it at all costs. But this work still affects you. When one route doesn't work, people look for alternate routes. That's especially true when our highways become overcrowded. In fact, in Anoka County, our **county** roads are only about **18%** of the paved roads within our borders, but they're used by **33% or more than a third** of the drivers. That means people are seeking alternate routes, and the county roads and city streets through your neighborhoods bear the brunt. We're working to correct that.

PARKS

We're fortunate to have many beautiful resources in this part of the county and our Parks Department has a lot of work underway to preserve it and surrounding open



space for future generations, all the while maximizing and leveraging funds! I just want to quickly highlight a few:

Cedar Creek Conservation Area

Not too far from here is the stunning 540 acre Cedar Creek Conservation Area in Andover and Oak Grove. This natural area along the Rum River and Cedar Creek has it all: water, forests, wetlands, and more than 150 acres of restored tall grass prairie. It's great for hiking and is open to public hunting and no special permits are required. Access is off Round Lake Boulevard.

Mississippi West Regional Park

The 273-acre Mississippi West Regional Park in Ramsey is seeing continued improvement although it's a little tricky to get to with the work at Armstrong Boulevard. There's a new boat launch, and we're planning additional park improvements in the next three years.

Mississippi River Regional Trail

From that park you'll now be able to get to downtown Anoka with the extension of the Mississippi River Regional trail. This latest addition will take you from Fridley to Mississippi West Park in central Ramsey, a distance of about 25 miles.

Regional Trail Recreation

Partnership with our cities have created lots of trail opportunities. You can now take the Central Anoka County Regional Trail along Bunker Lake Boulevard from Ramsey to Bunker Hills Regional Park with 14 miles of new trail. Work's also underway on the Rum River Regional Trail, with a paved route from downtown Anoka to the Rum River Library.

Coon Rapids Dam Regional Park

Anoka County's second most heavily used park has seen some wonderful improvements including newly paved roads and parking lots, and this year, the boat launch parking lot and ramp will also be redeveloped, along with interior restoration of the popular Park Visitor Center.

Coon Rapids Dam Reconstruction

We've been asked many times "when is the Coon Rapids Dam going to be done?" It should be completed by July 31st, and the walkway across the dam will be reopened for public use. This \$16 million DNR project is intended to prevent the spread of Invasive Carp in the Mississippi River watershed. You may not know that the dam is owned and operated by the Three Rivers Park District. It's a very popular trail link between Hennepin and Anoka counties.



So that's a quick Parks update. We hope you'll also take advantage of our recycling services.

COMMERCIAL RECYCLING

We've been working with Minnesota Waste Wise (a Minnesota Chamber of Commerce Foundation program) for the past three years to assist local businesses in saving money through on-site recycling initiatives. The service is available free of charge to business located in the county through Anoka County's Commercial Recycling program. In 2014, nearly 428,000 pounds was kept out of the waste stream through this program.

LICENSE CENTERS ELECTRONIC CHECK-IN

Next time you go to renew your tabs you'll see a new feature at our Ramsey and Coon Rapids License Centers. A new electronic system replaces the old "take a number" system and reduces wait times by filtering transaction types and directing customers to the quickest line. The system allows for real time performance measurement and management. The new system will be installed in the three remaining license centers soon.

LIBRARIES

We're also trying new ways to bring our libraries closer to you including book lockers and vending machines for our most popular titles. You can see both at the Andover Community Center. Plus, you'll find as many people taking classes about business and technology at our library as there are people scouring for books. Our libraries offer more services for kids than ever. The branches are truly multi-service centers now.

ECONOMIC DEVELOPMENT

I want to talk about what **you** do for a moment, and how we can work **together**. Small businesses and entrepreneurs are the life blood of this county. Whether you own a shop, perform a service, or run a large facility, you're the people who provide the jobs that make this county great.

Economic development and business retention and development are **very** important to me. While previous administrations threw money at projects like trains, we learned through our partnership with Greater MSP, that 80%+ of economic development is nurturing existing businesses to grow jobs.



To help our local businesses, Anoka County has brought two programs into the fold that I want to briefly tell you about: the Economic gardening program and the Open to Business program.

OPEN TO BUSINESS

Thanks to a partnership between the County and the Metropolitan Consortium of Community Developers, business owners or those looking to start a new business can access a new program called Open to Business.

Let's watch to learn more.

-VIDEO-

(In case the video does not work:

Open to Business will provide prospective and existing entrepreneurs in with free one-on-one counseling with a business adviser. The program provides assistance in the following areas:

- financial management
- loan packaging
- business plan assistance
- real estate analysis
- marketing assistance
- strategic planning
- business regulations
- professional referrals

Open to Business also provides direct financing and loans in partnership with banks and nonprofit lenders. Those funds can be used for inventory, working capital, asset and equipment purchases, real estate acquisition, and start-up costs.

I've put the contact information on the screen. Contact Kathleen if you think this program can help you grow your business and grow jobs.



Contact:
Kathleen DuChene
763-438-7315
kduchene@mccdmmn.org

Note: You won't need to read her contact info. I'll have had it on the screen since the end of the video

ECONOMIC GARDENING

You may have already heard of our Economic Gardening program. It is entering its third year and the entrepreneurs and business leadership who've participated are glad they did. Let's hear from one local CEO about how Economic Gardening has made the difference.

-VIDEO-

This program is specifically for companies known as "second-stage" companies. This program provides business leaders with proven resources and tactics from CEOs who've successfully grown their business from stage two.

For more information about Economic Gardening, please contact Karen Skepper, our Community Development Director. Her information is on the screen.

Karen Skepper
763-323-5709
Karen.Skepper@co.anoka.mn.us

Note: You won't need to read her contact info. I'll have had it on the screen since the end of the video

ANOKA COUNTY-COMMON BOND VETS HOUSING

Finally, I want to mention a project that I'm cautiously optimistic about. We've been worrying for years about what to do with the aging buildings at what we call the Rum River Treatment Center. You may know it as the former Anoka State Hospital.

We use many of those buildings right now for staff and services including our Workhouse, Community Corrections and Social Services. We've also partnered with Stepping Stone Shelter to offer beds to the homeless and it's been a very good partnership. But there were still a few vacant buildings. They're falling apart but still costing us thousands of dollars a year to minimally maintain. We needed to do something. At our board meeting two weeks ago, we signed a preliminary agreement with Common Bond to turn those aging buildings into housing for homeless veterans and their families. Common Bond successfully did the same at



Fort Snelling but there are still millions of dollars to raise, both from local, state and national resources but we have signed on and are hopeful this project can come to fruition.

CONCLUSION

As a County, **we** want you to be successful. **I** want you to be successful. To do so, we need to be a sound organization based on solid financial principles that allow us to best serve you, our customer. In doing so, we create a culture and a community where you can do your best every day, knowing that you're served with the very best in public safety, including safe roads to travel, and parks to play in, trails to explore, libraries to learn... all while keeping your tax dollars low.

Thank you for asking me to join you today. Questions?