



CITY OF HAZELWOOD  
ROBERTSON FIRE PROTECTION DISTRICT  
TOWN HALL MEETING



Citizens to Save  
Hazelwood & Fire Services



LEAGUE OF WOMEN VOTERS'  
OF METRO ST. LOUIS

## WHO ARE WE?



## Citizens to Save Hazelwood & Fire Services

Nonprofit group consisting of residents from the Robertson Fire Protection District. We are open to all residents of Hazelwood.

Formed following the City of Hazelwood and RFPD tax increase attempts in 2019, 2020 and 2021.

### MISSION:

To pursue reasonable solutions to the city budget crisis while minimizing the tax burden on Hazelwood residents and businesses.

## TOWN HALL DISCUSSION TOPICS

1. Hazelwood's Fire Service Structure
2. Tax Dispute Breakdown
3. Hazelwood's Budget Crisis
4. Current Litigation
5. What can we do as residents?



# HAZELWOOD FIRE SERVICE STRUCTURE



**Fire Department**—“the department of a local or municipal authority in charge of preventing and fighting fires.”

Oxford Languages

*Ran and overseen by local government.*

**Fire Protection District**—“A Missouri fire protection district is a political subdivision of the state. That means it is a kind of government. It is also a “municipal corporation” meaning that it acts a lot like any other corporation.”

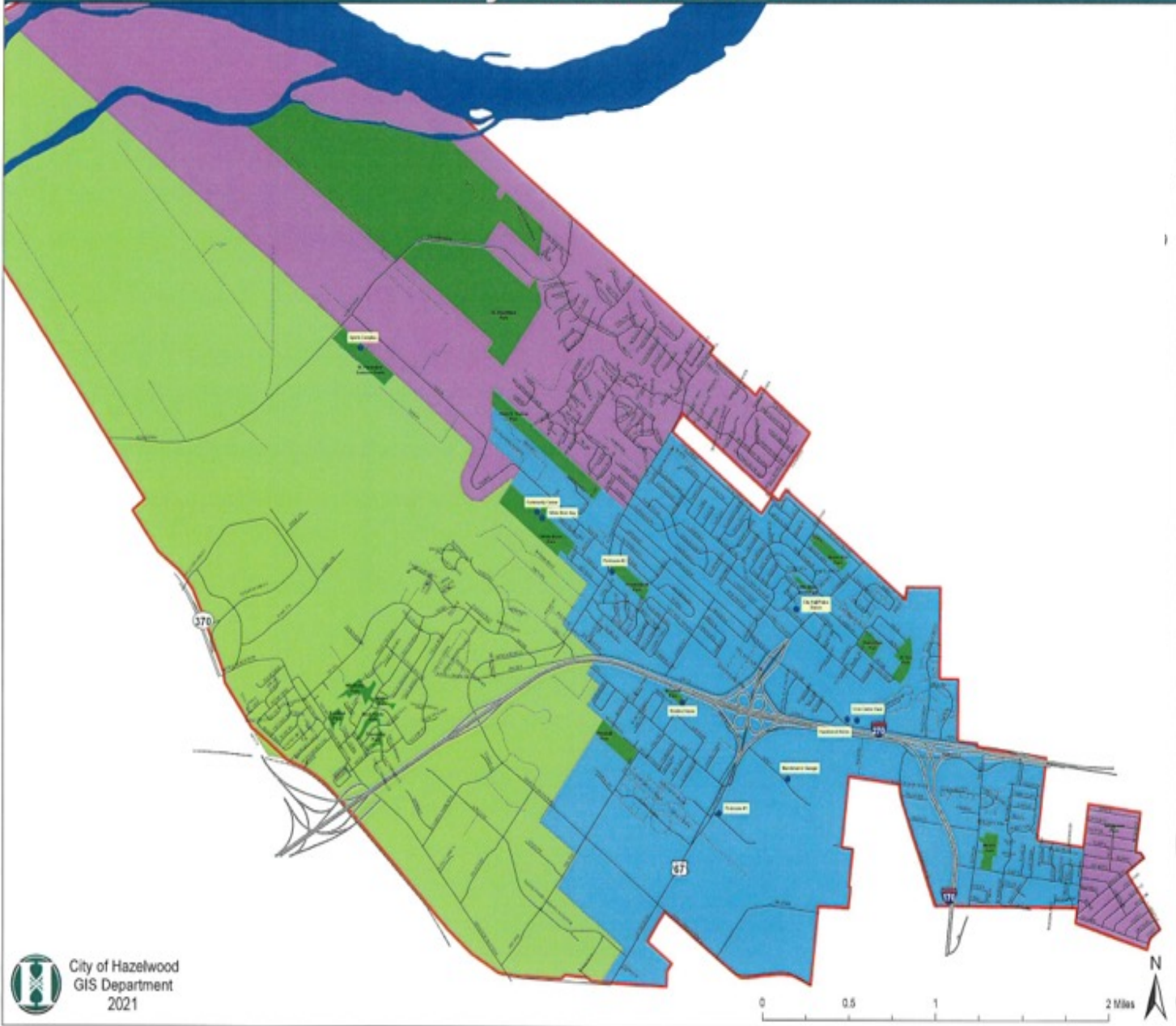
mafd.org

*Ran and overseen by itself as a corporation-like government.*






DEPT.  
VS  
DISTRICT

# City of Hazelwood

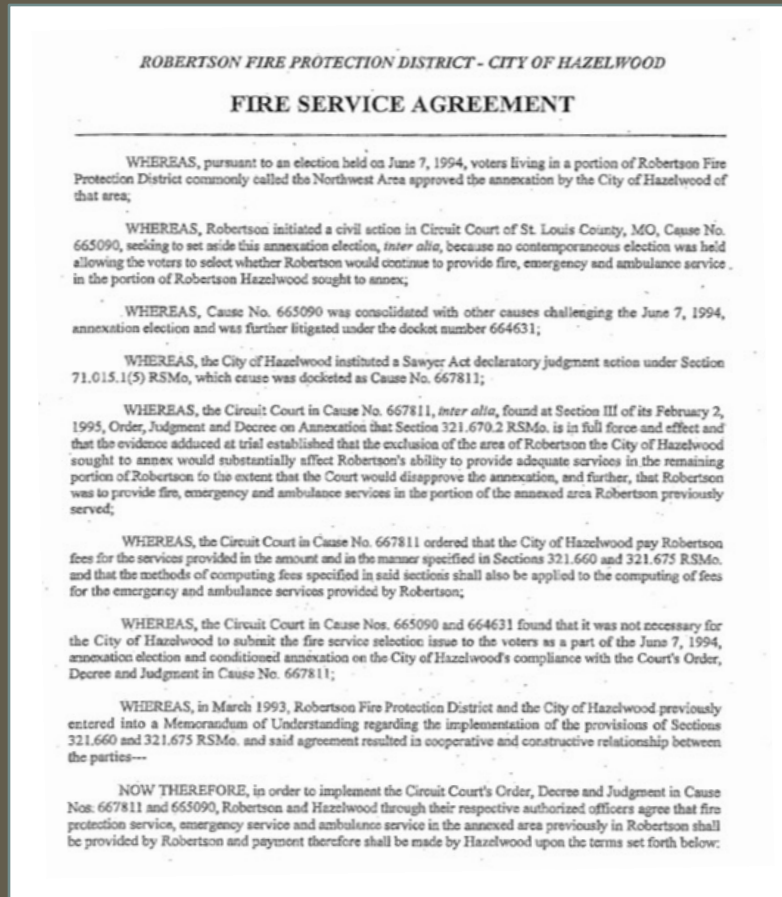


## HAZELWOOD FIRE SERVICE STRUCTURE

-  Hazelwood Fire Department  
Population: 14,690
-  Robertson Fire Protection District  
Population: 4,834
-  Florissant Valley Fire Protection District  
Population: 6,157

## BRIEF HISTORY

### *The Agreement*



- In the 1990's the City of Hazelwood began annexing surrounding land.
- 1995: City of Hazelwood enters into an agreement with the RFPD and FVFPD
- Hazelwood would charge residents a property tax that goes into a general fund used to pay for all services (police, fire, parks and recreation, etc.)
- The Agreement states Hazelwood would pay Robertson and Flo.Valley's tax rates for the residents through this general fund.
- This general fund is the 99¢ per \$100 assessed you currently pay.
- The Agreement lacks an end date.



TAX RATE DISPUTE



# CURRENT RESIDENTIAL TAX RATE FOR FIRE & EMS

Hazelwood

Robertson

Florissant Valley

**2020 TAX RATE**

\$0.989

\$2.563

\$1.6152

**TAXES ON  
\$100,000 HOME**

\$188

\$487

\$307

**TAXES ON  
\$200,000 HOME**

\$376

\$974

\$614

GO TO  
SaveHazelwood.org  
  
CLICK ON  
"TAX CALCULATOR"

# OTHER FORMS OF REVENUE FOR FIRE DISTRICTS

Hazelwood

Robertson

Florissant Valley

RESIDENTIAL

\$0.989

\$2.563

\$1.6152

COMMERCIAL

\$0.992

\$2.629

\$1.7122

AGRICULTURE

\$0.905

\$2.45

\$1.7137

PERSONAL PROPERTY

\$0.976

\$2.631

\$1.8449



Includes: fire, EMS, police, parks & rec and other city services



WHY ARE  
ROBERTSON'S TAX  
RATES SO HIGH?

## TWO ARGUMENTS FOR ROBERTSON'S HIGH TAX RATE

4<sup>th</sup> highest in St. Louis County out of 24 fire districts

1. Tax Increment Financing (TIFs)
2. Tax rates voted in by the residents of Robertson Fire Protection District

# I. TAX INCREMENT FINANCING

Public financing where companies and developers receive subsidies (tax breaks) for redevelopment, infrastructure, and other community-improvement projects. Can last 20 years or more.

**Theory:** Trade off; Loss of tax revenue up front from investors results in employment opportunities, increased sales tax revenue, and overall economic growth.

**Pros:** It's effective for new business, companies love TIFs....they are more likely to invest in an area when they can get a tax break.

**Cons:** It diverts funds away from municipalities such as fire districts. Business moves out when TIFs run out.

# I. TAX INCREMENT FINANCING

**Robertson Fire Protection District argues that its residential tax rates are high due loss of commercial revenue resulting from TIFs.**

- **St. Louis City & County have been criticized for for their use of TIFs.**
- **As a result, Senate Bill 870 was passed:**
  - Since 2018 Fire & EMS can no longer be included in TIFs
  - Unless developers negotiate directly with the fire districts

[https://www.senate.mo.gov/18info/BTS\\_Web/Bill.aspx?SessionType=R&BillID=71153467](https://www.senate.mo.gov/18info/BTS_Web/Bill.aspx?SessionType=R&BillID=71153467)

[https://www.stltoday.com/news/local/govt-and-politics/galloway-sharply-criticizes-st-louis-use-of-tax-increment-financing-incentives/article\\_ac48cb34-2aa5-5386-b8ad-0d1e2dd33d3f.html](https://www.stltoday.com/news/local/govt-and-politics/galloway-sharply-criticizes-st-louis-use-of-tax-increment-financing-incentives/article_ac48cb34-2aa5-5386-b8ad-0d1e2dd33d3f.html)

<https://themissouritimes.com/galloway-says-city-of-st-louis-management-of-tif-needs-improvement/>  
<https://dor.mo.gov/business/tif>

## 2. TAX RATE INCREASES VOTED IN BY RESIDENTS OF THE RFPD

- Missouri Law allows for cities, districts and citizens to add measures to a ballot via a petition process.
- Robertson Fire Protection District has had five tax rate increases pass since 1996.
- These tax rate increases increase the fee amount the City of Hazelwood pays to Robertson.
- DOES NOT increase the amount that residents pay in residential tax to Hazelwood.
- Hazelwood argues this gap between payments to Robertson and what residents pay to the general fund for ALL services is causing the city to go bankrupt.
- Loss of the Ford plant, falling property values, 2008 market crash, COVID-19 etc. also has impact on both Robertson and Hazelwood's revenue.

## 2. TAX RATE INCREASES VOTED IN BY RESIDENTS OF THE RFPD

### TAX RATES PROPOSED BY ROBERTSON AND VOTED IN BY RFPD RESIDENTS

#### **1996:**

Proposition 1: Increase of “**no more**” **40¢** per \$100 assessed value

Proposition 2: Annual Increase of **20¢** per \$100 assessed valuation of revenues

Proposition 3: Increase of **3¢** per \$100 assessed value

#### **2008:**

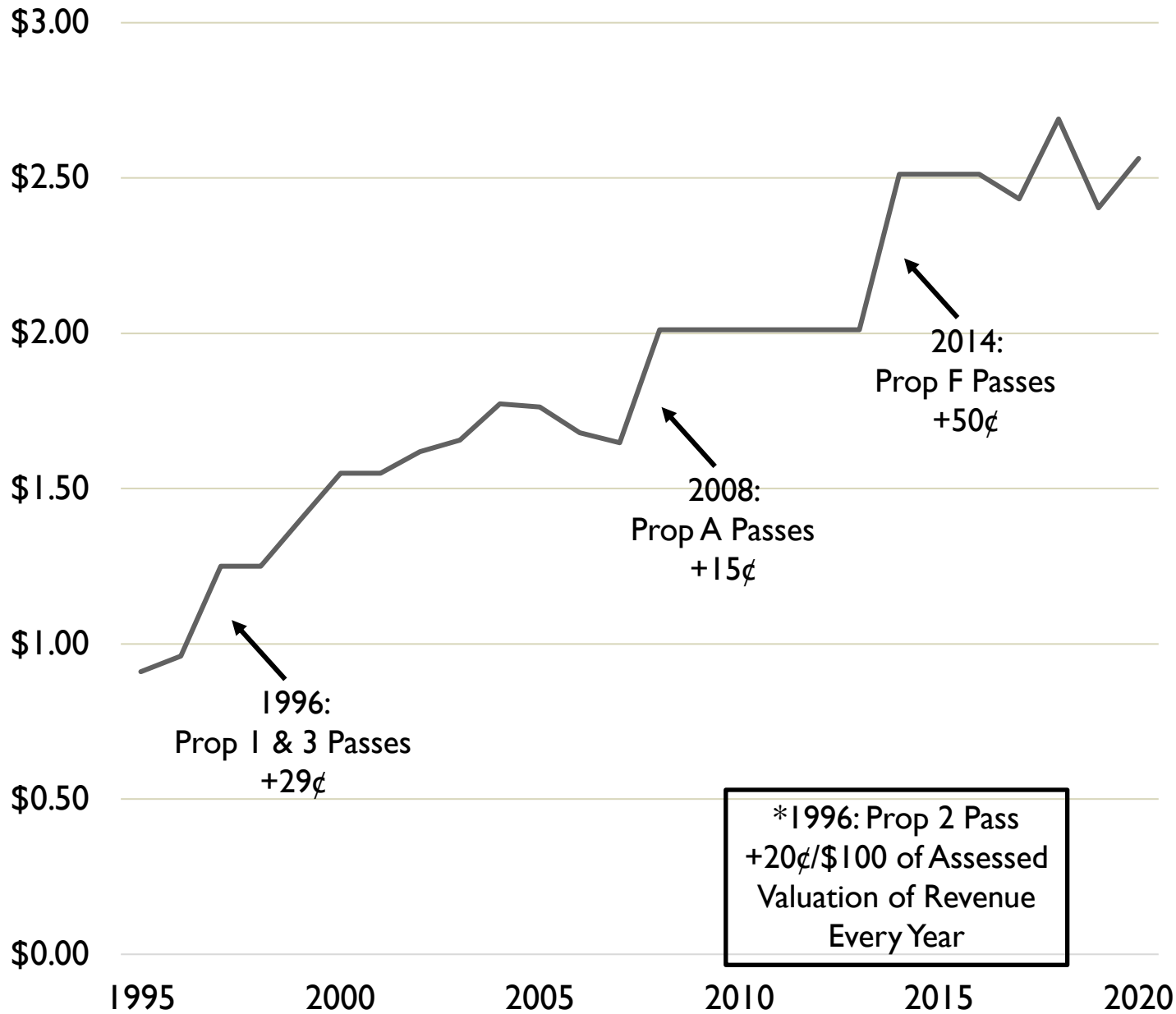
Proposition A: Increase of **15¢** per \$100 assessed value

#### **2014:**

Proposition F: Increase of **50¢** per \$100 assessed value

# ROBERTSON FIRE PROTECTION DISTRICT TAX RATES

1995 TO 2020



## Other Impacts on Tax Rates:

- Property values—as property values go down, tax rates go up to cover the lost revenue.
- Actual and/or perceived expense losses by the fire district—tax rates increase to cover the loss
- Union contract demands

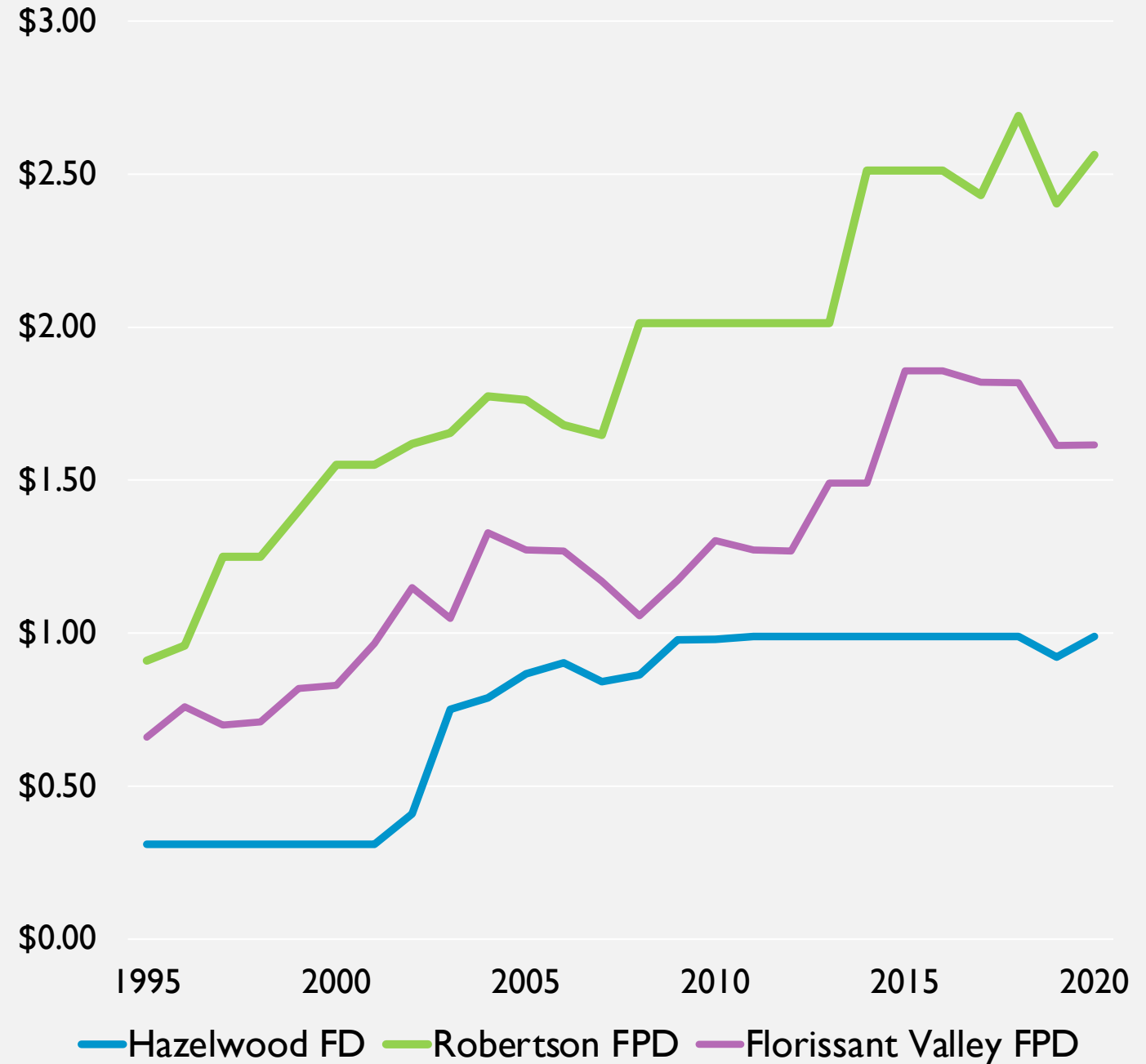


# FIRE DISTRICT & FIRE DEPARTMENT TAX RATES

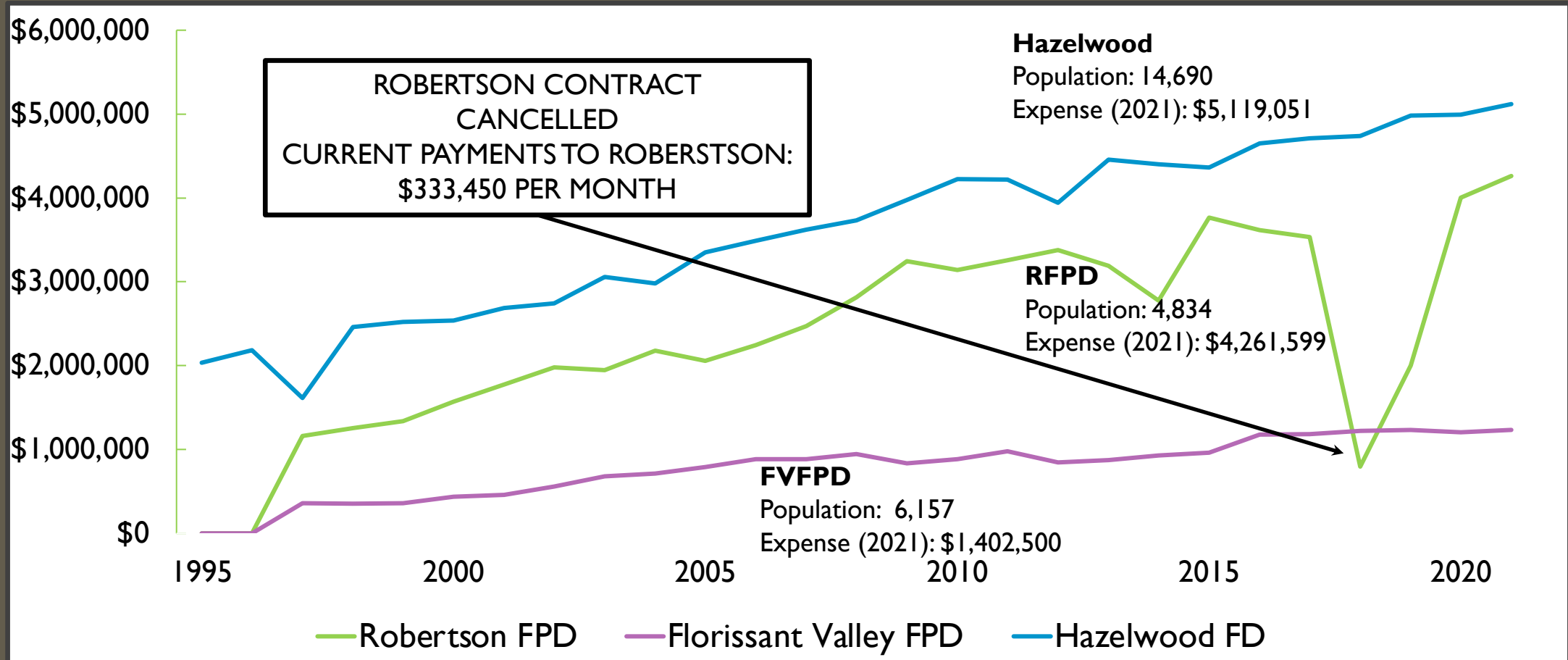
1995-2020

## How to Lower District Tax Rates:

- Once a tax increase passes it can not be rescinded.
- Voters can only vote to have tax rates lowered for 1 year.
- The Fire District Board has the power to lower tax rates—no one else.



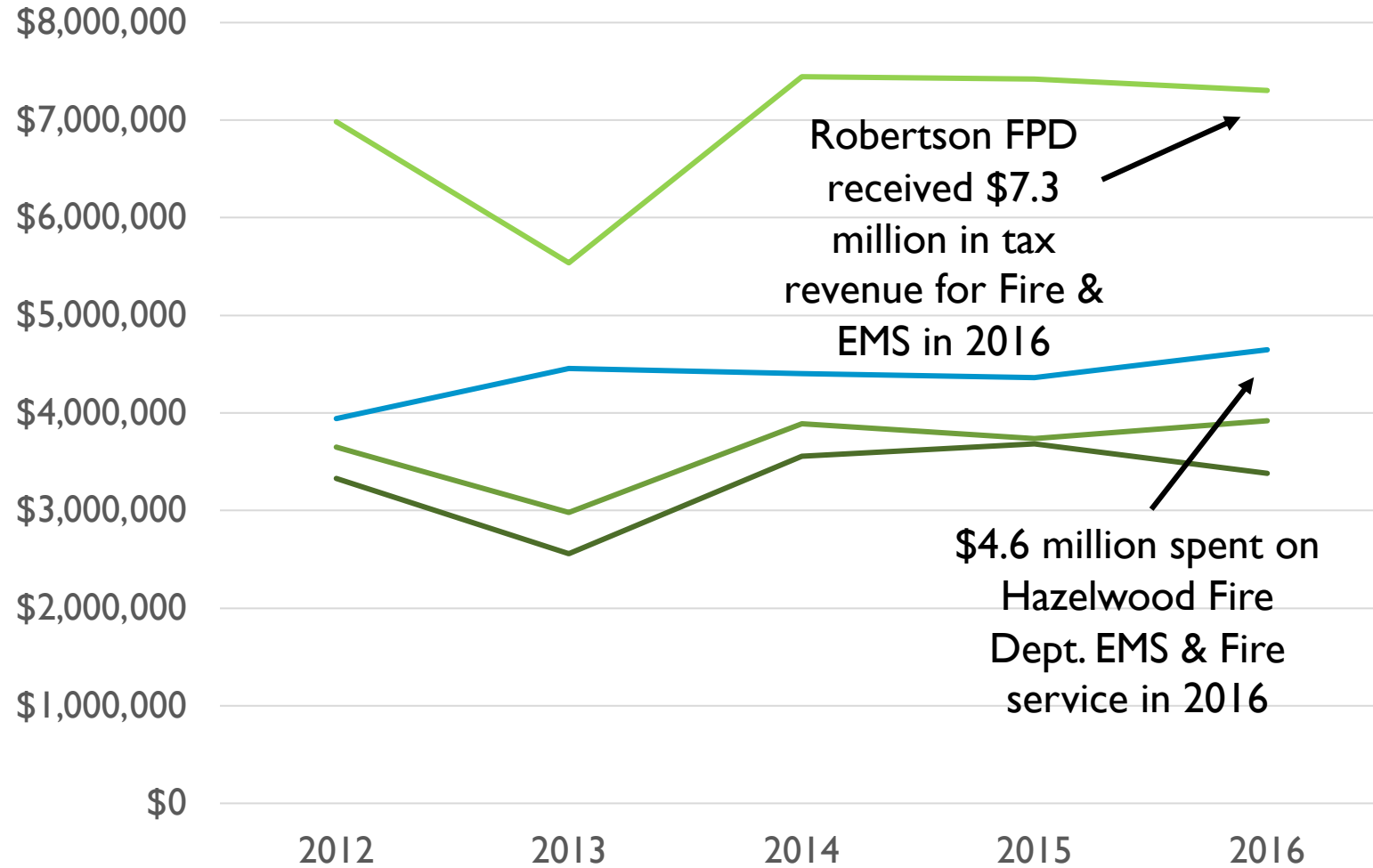
# CITY OF HAZELWOOD EMS & FIRE SERVICE PAYMENTS 1995 TO 2021



ROBERTSON FPD  
RESIDENTIAL REVENUE  
VS  
HAZELWOOD  
EXPENDITURES  
FOR FIRE & EMS SERVICE

- In 2016 Hazelwood spent \$4.6 million on Hazelwood Fire Department's EMS & Fire service to protect a population of about 14,000-15,000 residents.
- That same year Robertson FPD received \$7.3 million in tax revenue ALONE to fund fire & EMS protection for about 9,000-10,000 residents.

Robertson FPD Revenue vs Hazelwood Expenditures  
for Fire & EMS Service



- Hazelwood Fire & EMS Expenses
- Robertson FPD (Hazelwood Revenue)
- Robertson (Bridgeton Revenue)
- Robertson FPD Total Revenue

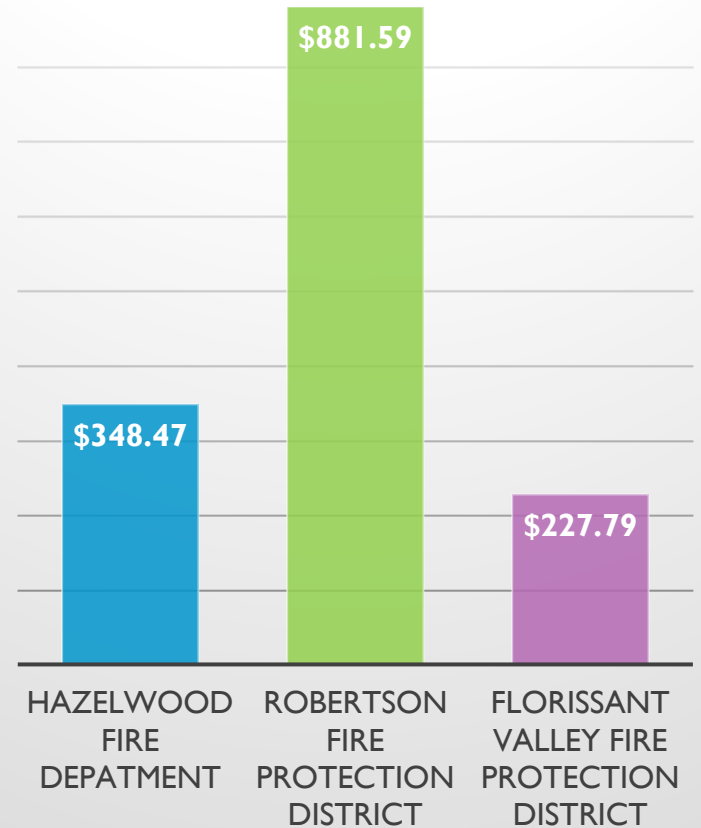
# COST PER RESIDENT

When looking at how much Hazelwood spent on each Fire Department/District in 2020 compared to the number of residents living in the area...

There is a difference.

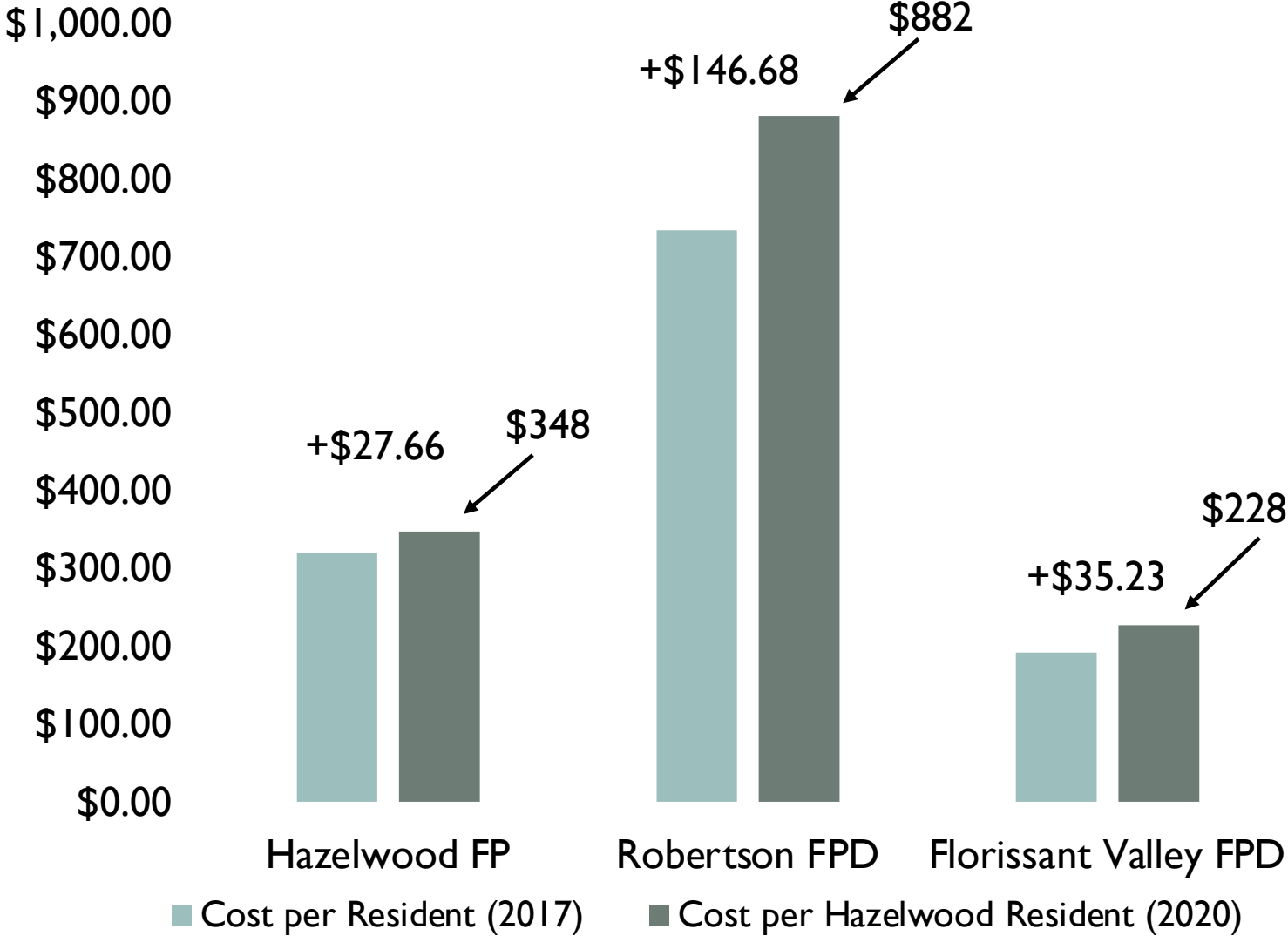
Hazelwood Fire & EMS Service Expenses			
Dept/District	Hazelwood FP	Robertson FPD	Florissant Valley FPD
Population	14690	4834	6157
Current Tax Rate (2020)	\$0.99	\$2.56	\$1.62
Total Expense	\$5,119,051.00	\$4,261,599.00	\$1,402,500.00
Cost per Hazelwood Resident	\$348.47	\$881.59	\$227.79

## Cost per Hazelwood Resident



**COST PER  
RESIDENT  
2017 vs 2020**

**Hazelwood Fire & EMS Cost per Resident  
2017 vs 2020**



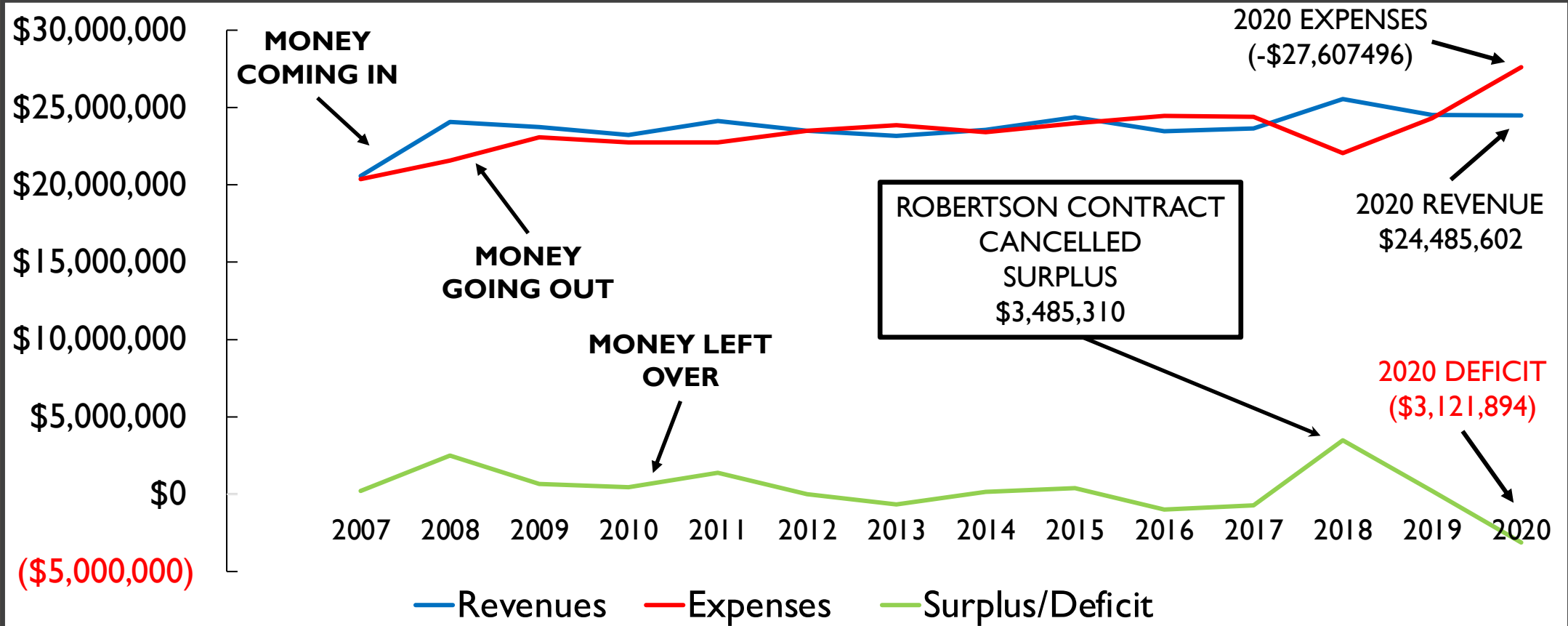


# HAZELWOOD BUDGET CRISIS





# CITY OF HAZELWOOD ACTUALS REVENUE VS EXPENSES 2007 TO 2020



# SERVICES CUT BY HAZELWOOD

**To deal with their budget crisis, Hazelwood implemented the following cuts:**

- Eliminated 10 administrative positions since 2015
- Eliminated another 3 FT and 8 PT positions in the 2021 budget
- Closed Civic Center East indefinitely
- Eliminated fall leaf collection and spring limb collection
- Eliminated 4th of July fireworks
- Slower street maintenance and snow plowing response times due to short-staffing
- Eliminated park pavilion rentals
- Eliminated popular park programs, such as Halloween Happenings and Easter Egg hunts
- Eliminated Hazelnuts funding

<http://www.hazelwoodmo.org/521/Fire-Service-in-Hazelwood>

# HAZELWOOD BANKRUPTCY

Hazelwood states that if the Robertson FPD payment dispute is not resolved:

Bankruptcy in 2024

Hazelwood states that if court rules in Robertson's favor:

Bankruptcy in 2022



# CURRENT LITIGATION



# CANCELLATION OF THE CONTRACT

2017: the City of Hazelwood terminated their agreement with Robertson Fire Protection District citing increasing payments impact to the deficit.

2018: Robertson FPD sued Hazelwood for breach of contract.

Currently, Hazelwood is paying Robertson a court negotiated rate of \$333,450 per month.

Both sides are in mediation to resolve the issue.



## MEDIATION: RESOLVING THE TAX BURDEN

A solution proposed in mediation was for both the City of Hazelwood & Robertson FPD to let voters decide if they would take the tax burden from the City, ending Hazelwood's payments to Robertson.

- Hazelwood: Neighborhood Improvement District (2019 & 2020)
- Robertson: Proposition R (2021)



**NEIGHBORHOOD IMPROVEMENT  
DISTRICT (NID)  
HAZELWOOD 2019 & 2020**

**The City of Hazelwood brought two tax increase proposals to the voters of the District that would bridge the gap between what the residents pay the city, and the city pays RFPD.**

- **2019:** Proposition F would have added an additional \$1.73 per \$100 of assessed value on top of the 99¢/\$100 residents already pay in property tax.

The ballot measure failed by 75%.

- **2020:** Proposition F was placed on the ballot again and it would have added an additional \$1.37 per \$100 of assessed value.

This measure failed by 59%.

# PROPOSITION R ROBERTSON 2021

**April 2021, Robertson Fire Protection District placed Proposition R on the ballot.**

The ballot language read:

*Shall the Boundaries of the Robertson Fire Protection District be extended to include the following described property: The Northwest Territory except that served by the Florissant Valley Fire Protection District?*

What the ballot language failed to mention is by annexing this new territory all residents in the Robertson FRD would pay the district's taxes directly (\$2.56/\$100 assessed value) in addition to the City of Hazelwood's 99¢ per \$100 of assessed property value.

This measure failed by 58%



**WHERE DOES LITIGATION GO  
FROM HERE?**

## CITY OF CRESTWOOD VS AFFTON FPD

1997: City of Crestwood annexed in unincorporated territory within the territory of the Affton Fire Protection District.

Like the Hazelwood case, Crestwood pays the taxes directly to the fire district for the residents and has no end date for their payments.

Crestwood claimed they could no longer afford the payments as they continued to climb.

2017: Crestwood sues the Affton FPD claiming the laws governing annexed fire district (section 72.418 and 321.322) was unconstitutional as the original payment continued to climb.

2021: Missouri Supreme Court rules in favor of Affton Fire Protection District.

Difference: Laws governing FPDs (section 72.418) passed **PRIOR** to Crestwood annexed AFPD, however these laws passed **AFTER** Hazelwood annexed the RFPD.



WHAT CAN WE DO AS RESIDENTS?

## ROBERTSON & HAZELWOOD HAVE GIVEN RESIDENTS TWO OPTIONS:

1. Increase the tax rates on the RFPD residents by 13.7-26%

Both options have major consequences to the residents and the city.

2. Let the City of Hazelwood go Bankrupt

## I. INCREASE THE TAX RATES ON THE RFPD RESIDENTS BY 13.7-26%

- Residents may not have foreseen the impact these tax increases would have on the city. Voters may not have approved tax increases had it directly cost them.
- These tax rates will significantly increase RFPD residents' mortgage payments and hurt individuals on a fixed income.
- Such a large tax rate increase will also hurt property values as home buyers will not want to pay high taxes.
- Even if RFPD residents pay the tax rates for Hazelwood, these high rates negatively impact new and local business.
  - Example: we could possibly lose the POWERplex development.

## 2. LET THE CITY OF HAZELWOOD GO BANKRUPT

Other cities that have gone bankrupt (Detroit & San Bernardino) experienced:

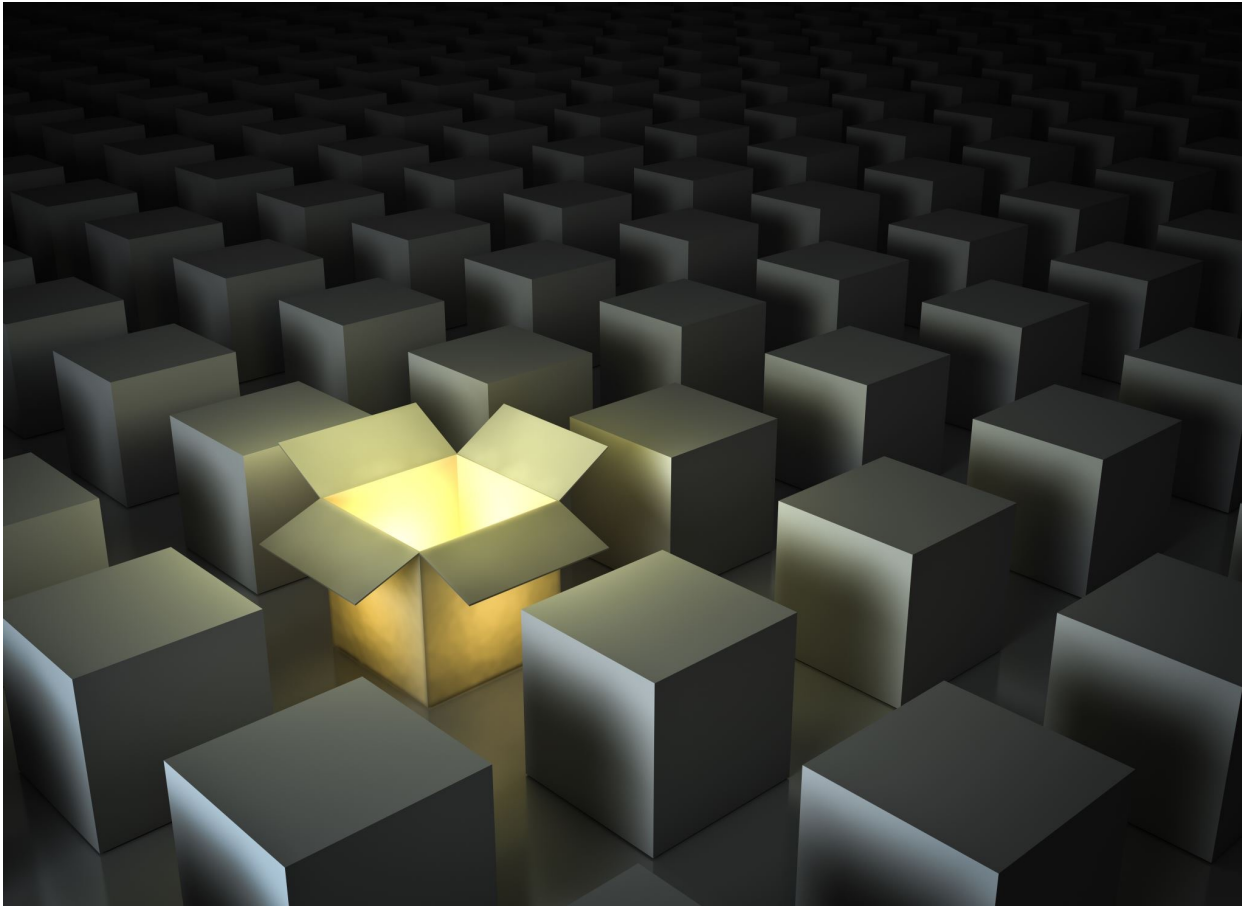
- Reduction in property values
- Loss of services
- Tax hikes
- City's credit rating is hurt
- Unattractive to businesses and developers

RESIDENTS OF THE RFPD: IF HAZELWOOD GOES BANKRUPT YOU WILL NOT RETURN TO UNINCORPORATED ST. LOUIS COUNTY.

Too much time has passed for de-annexation of the RFPD.



## RESIDENTS CAN DO SOMETHING



- No matter what happens in the court case residents can provoke change.
- We are here to listen to Robertson Fire Protection District & the City of Hazelwood
- By taking proactive steps now we can greatly impact the future of our city.



## POSSIBLE SOLUTIONS

1. RFPD residents become proactive and vote in members to the RFPD board that will work with the city in trying to reduce cost in hopes of being able to lower the cost to Hazelwood.
2. A citizen's petition to de-annex from the RFPD that will allow the city and residents to renegotiate for a better fire rate for the area.
3. RFPD can decide to review and cut budget to make it more affordable to the city.
4. Voters accept a tax increase for all residents to help pay RFPD.



# WE ARE A COMMUNITY!

We are more than the name of our city or fire district we live in.

Our schools, our police, our street services, our businesses, our families are all impacted by this issue.

**OUR FAMILIES AND LIVELIHOODS ARE WHAT MATTER**

We need to stop fighting and come together as a community





# Citizens to Save Hazelwood & Fire Services

GET INFORMED!

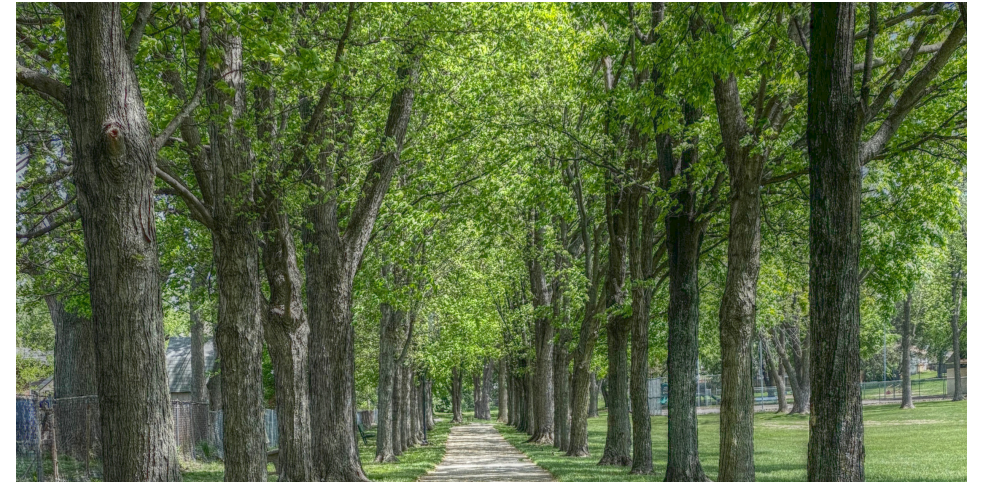
GET MOTIVATED!

GET INVOLVED!

[SaveHazelwood.org](http://SaveHazelwood.org)

- Contact us.
- Sign up to volunteer.
- Donate to the cause.

This issue impacts everyone, including YOU!



THANK YOU