



DISCOVER  
HAZELWOOD

# Informational Meeting:

## Fire Service Funding

Sept. 9, 2020

# Welcome!

- Thank you for joining us!
- Submit questions and answers and comments using the Q&A function on Zoom – we'll try to answer as many as we can during the Q&A portion at the end of the meeting.
- We'll also provide an opportunity to verbally ask questions or make comments at the end of this presentation.
- Find more information:  
[www.hazelwoodmo.org/FireService](http://www.hazelwoodmo.org/FireService)



# Why 3 Fire Agencies?

- When the residents voted to annex into the City in the early 1990s, the law at that time allowed citizens to choose their fire service provider. The City would pay the taxes that residents would normally pay for the fire districts.
- What does that mean? The City acts as a conduit, or middle-man, between the fire districts and the residents. The City has a contract with each of the districts to provide service in those areas.

# State of Fire Service in Hazelwood Today

- Since the annexation, the City's payments to the fire districts have increased significantly.
  - \$1.5 million in 1997
  - \$4.7 million in 2017
  - Rate increase of over 10% per year

# Hazelwood Fire Service Costs

**Hazelwood**

**Robertson**

**Flo Valley**

**\$0.92**

**\$2.40**

**\$1.62**

Per \$100 assessed property value

**2021 tax rate = \$0.99 for all City services.**

\*Tax rate per agency. City tax rate includes all City services, such as police, fire, street maintenance and snow plowing, and parks

# Hazelwood Fire Service Costs

**Hazelwood**

**Robertson**

**Flo Valley**

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**\$368.01/person\***

**\$734.91/person\***

**\$192.56/person\***

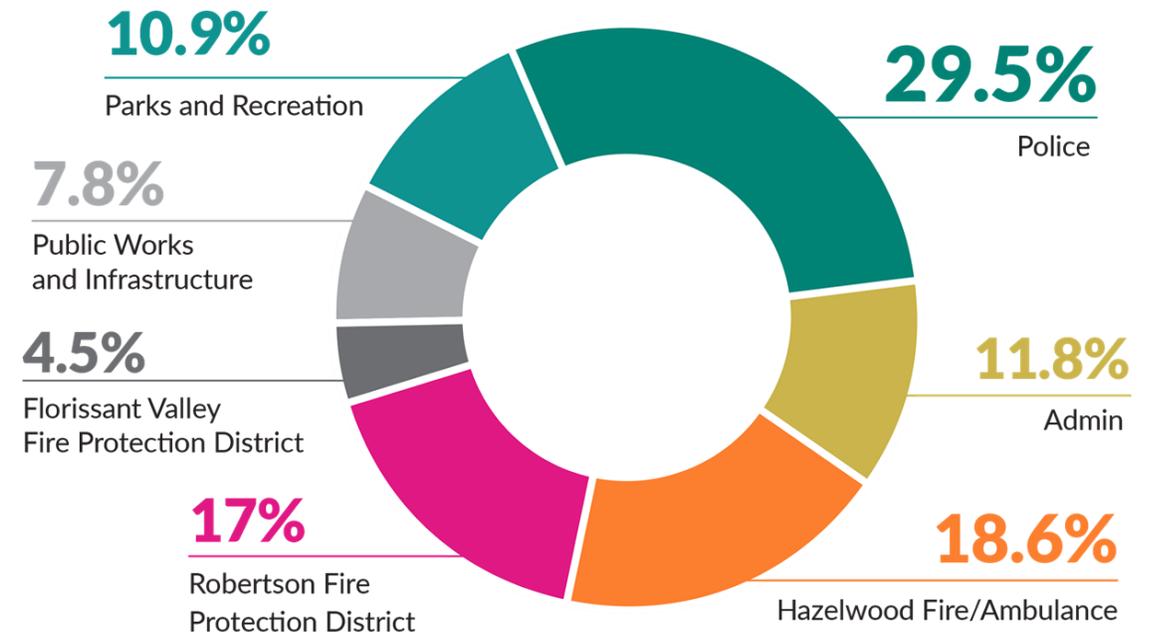
\*Cost per capita in each service area

# How does this affect Hazelwood's budget?

- City funds fire services through General Fund
  - Residents and business owners contribute to the General Fund through their regular tax rate.
  - ALL of Hazelwood pays the same rate but because all of these costs are currently covered by the City, tax revenue that is contributed by residents outside the Robertson fire service area is used to pay for fire service in the Robertson fire service area.
- The voters approved a  $\frac{1}{4}$ -cent sales tax in 2014 and to increase it to a  $\frac{1}{2}$ -cent in 2020. These sales taxes are used to help pay the cost of the Hazelwood Fire Dept., but it is not enough to cover the full cost of fire services in the City.

# How does this affect Hazelwood's budget?

- City has had budget issues for several years
  - Became more pronounced after Ford closed in 2008
  - City has had budget deficits in 4 of the 6 past years
    - Projected deficit for 2020 FY (ended in June) is \$2.2 million
    - Budgeted deficit for 2021 FY is \$4.5 million
    - Pandemic exacerbated budget issues
- The City projects to run out of money in 2021



# What has the City done?

## 2020 Actions = \$1.3M in Savings

- Eliminated 10 administrative positions since 2015
- Eliminated another 3 FT and 8 PT positions in the 2021 budget
- Eliminated raises and implemented a hiring freeze
- Closed Civic Center East indefinitely
- Eliminated fall leaf collection and spring limb collection
- Eliminated 4<sup>th</sup> of July fireworks
- Eliminated mailed newsletter and recreation program guides
- 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
- Reduced employee travel and training opportunities

# What has the City done?

- **Neighborhood Improvement District (NID)** to bridge the gap between what it would cost Hazelwood to serve the area and what the City has to pay to Robertson based on their voter-approved tax rates.
  - Failed by 75% in 2019
  - Failed by 59% in 2020

# What are our options?

## Proceed with Litigation

- The City terminated the contract in December 2017
  - The intent is to protect the services for residents and provide financial security
  - Included the City providing services and invited Robertson to help plan the transition
- Robertson sued the City
  - Both sides have been working to try to reach a resolution but no result yet.

# What are our options?

## Annexation by Fire Districts

- The fire districts can place on the ballot a petition to annex their respective service areas.
- Residents would become members of the fire districts and property owners would pay taxes directly to the fire districts.
- Both fire districts are currently studying annexation of their service areas, including the possibility the Hazelwood service area.

# What are our options?

## Citizen's Initiative

- Missouri law continues to provide an initiative petition process through which fire district residents can vote to adopt district laws and policies.
  - Future citizen's initiatives could include requiring approval of an intergovernmental agreement through which Hazelwood would provide fire service to the area.
- 2018 – A citizens committee submitted a petition to the Robertson Board of Directors to put a City-approved agreement to have Hazelwood provide fire/EMS services directly to the Robertson area within the City.
  - It was not placed on the ballot.

# What are our options?

## Significant Budget and Service Reductions

- The City has a projected budget deficit of almost \$4.5 million for the 2020-21 FY.
- The deficit will grow if payments to Robertson continue beyond December 31, 2020.
- The next round of significant cuts would have to include fire and police as there is no other place to cut.

# What about De-Annexation?

- The statutory time limit to challenge the annexation expired over 20 years ago.
- If property in the fire district service area could lawfully be de-annexed and removed from the City, those residents would not be “re-annexed” into the fire district, so they would be left without any Fire and EMS services as well as City police protection, street maintenance, snow plowing, and use of park programs and facilities.

# Economic Development & Tax Abatement

- The City uses its economic development program to spur growth in Hazelwood.
  - ED Loans funded through a dedicated ½ cent sales tax – can only be used for economic development purposes
  - Who gets tax abatement? Use the “But for” test
  - Consider potential for future revenue, job growth, and the other revenues such as sales taxes, utility taxes, business licenses, and more that do not get abated.

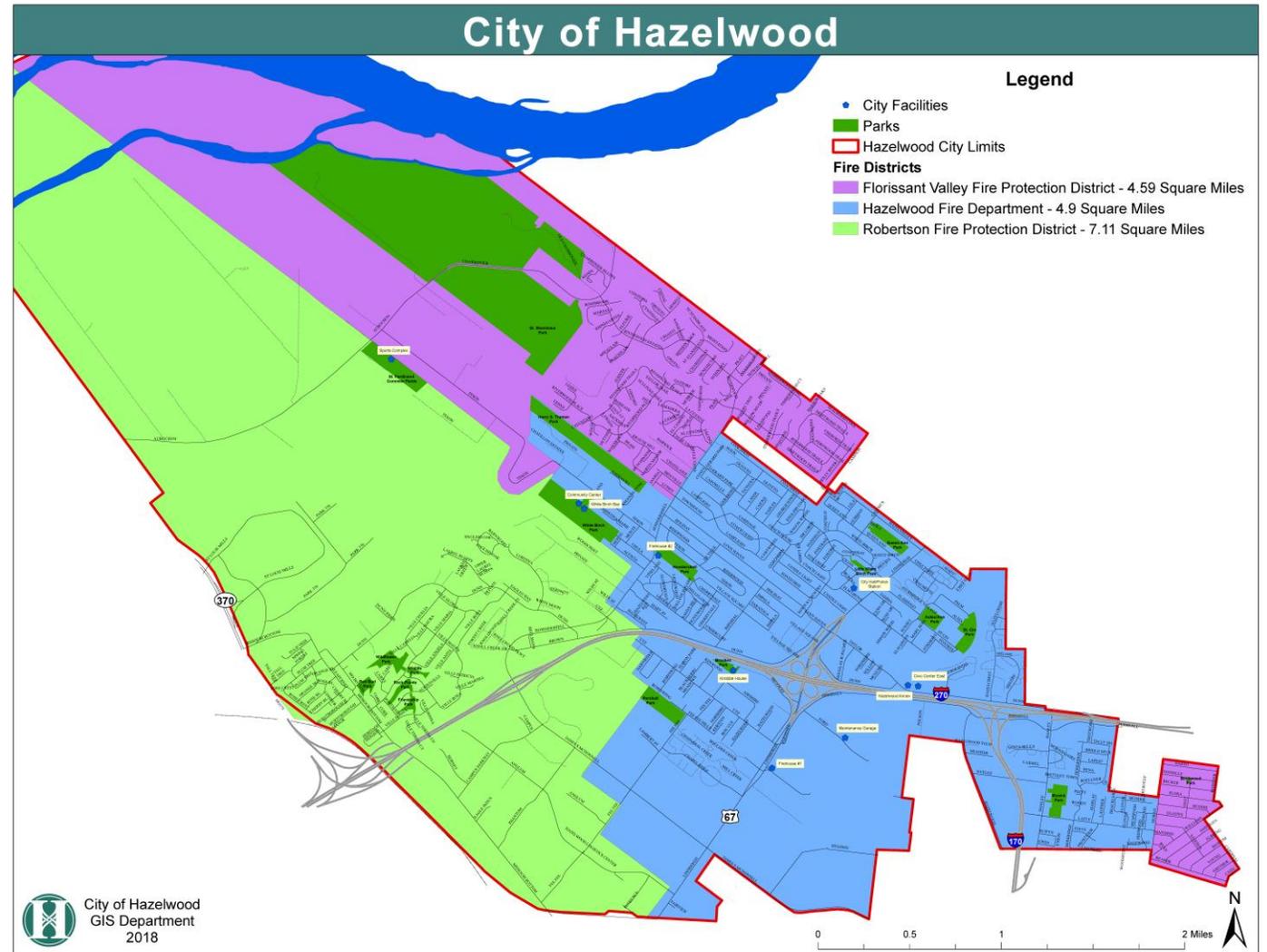
# Economic Development & Tax Abatement

- Efforts have created many successful projects.
  - Aviator Business Park: Silgan Plastics, International Foods, and Weekends Only with Amazon will be opening a facility there soon.
  - HLC: Quiet Logistics, Bunzl Logistics, Red Cross, Midland Paper, and another Amazon facility.
    - 2,500 jobs.
  - HTP: Wayfair, 24 Seven Enterprises, and Boeing
  - Pershall Business Campus: Pallet Logistics Management and Green Street
  - Much-needed redevelopment of Village Square into a thriving location for future businesses.
- But increasing economic development does not provide enough revenue by itself to sustain all of the City programs and other expenses, many of which are outside the control of the City.

# Question 1

Which fire service area do you live in?

- Hazelwood Fire Department (blue)
- Robertson Fire Protection District (bright green)
- Florissant Valley Fire Protection District (purple)
- Other



# Question 2

## How did you find out about this meeting?

 **City of Hazelwood, MO**  
Community and Economic Development Coordinator Becky Ahlvin • 6 days ago



**VIRTUAL INFORMATIONAL MEETING:  
FIRE SERVICE FUNDING**

● Florissant Valley Fire Protection District  
● Hazelwood Fire Department  
● Robertson Fire Protection District

WE INVITE YOU AND YOUR NEIGHBORS to an informational meeting to discuss viable options to address **FIRE SERVICE FUNDING** in your neighborhood. Attendees will have opportunities to ask questions and make comments.

**WEDNESDAY SEPT. 9** | **VIA ZOOM**  
7pm-8pm

REGISTER AT:  
**HazelwoodMO.org/  
FireService**

Sept. 9 Fire Service Funding Virtual Informational Meeting. Join us on Sept. 9 at 7 pm for a virtual informational meeting to discuss viable options for fire service funding in Hazelwood. Attendees will have opportunities to ask questions and make comments. Register at See more...

 **Fire Service in Hazelwood | Hazelwood, MO**  
hazelwoodmo.org

Posted to **Subscribers of City of Hazelwood, MO**

 Thank  4 Comments  4 · 2157 Impressions

 **City of Hazelwood**  
September 1 at 2:25 PM · 

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



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# Question 3

Based on what you know right now, what is your preferred option?

- Annexation by fire districts
- Citizen's initiative
- Significant budget and service reductions
- Other

# Q & A and Comments

We want to hear from you!

- Submit questions and comments via the Q&A function
- Raise your virtual hand to speak verbally
  - 2-minute speaking limit
  - We'll try to answer your questions



[www.hazelwoodmo.org/FireService](http://www.hazelwoodmo.org/FireService)

# Thank you!

Keep an eye on the City's website:

- Sign up for updates
- Submit comments and questions about fire services
- Find a recording of this webinar
- Find future opportunities to participate in this critical endeavor as we determine the best way to provide fire and EMS services to all Hazelwood residents while protecting other critical services

[www.hazelwoodmo.org/FireService](http://www.hazelwoodmo.org/FireService)