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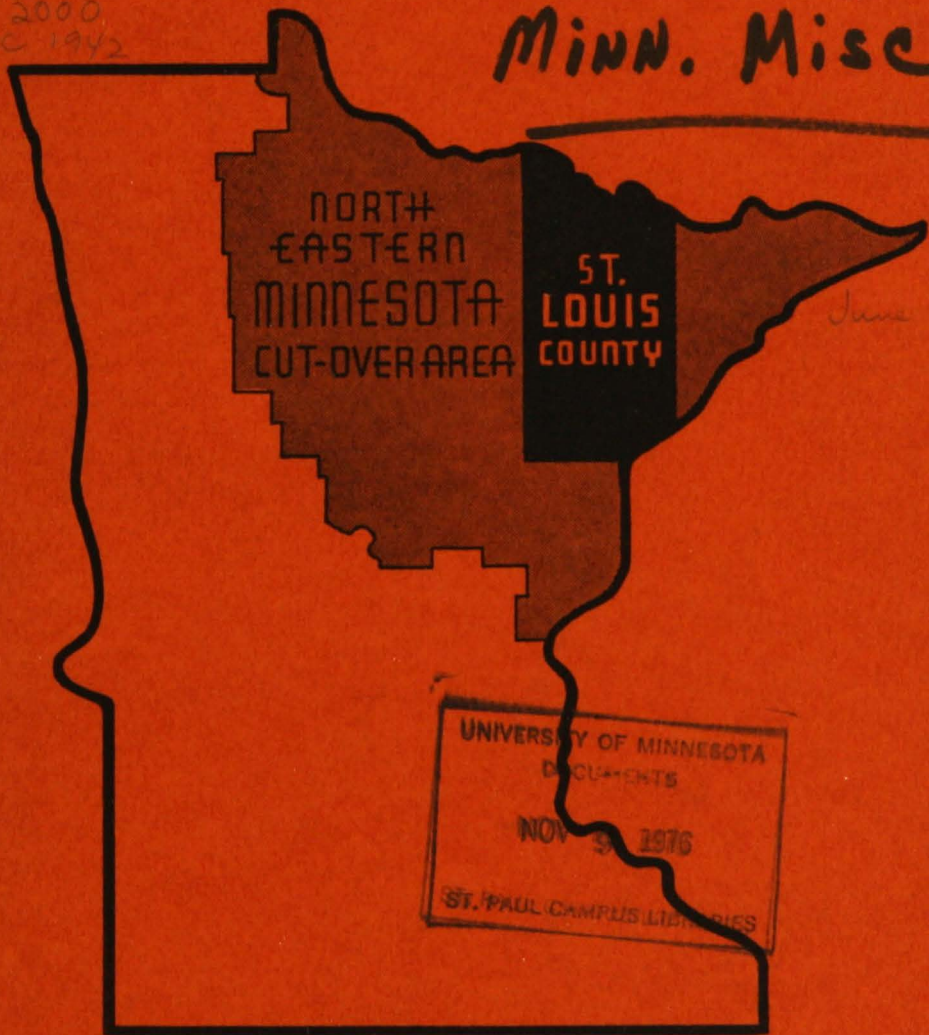
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# ST. LOUIS COUNTY PEOPLE

## *Study their Land*

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*June*

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**Report of  
Land Use Study in  
St. Louis County**

by

**County Officials  
Township Officials**

and

**Land Use Committee**

assisted by

**The Agricultural Extension Service  
University of Minnesota**

and

**Bureau of Agricultural Economics  
U. S. D. A.**

June, 1942

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## ST. LOUIS COUNTY LAND USE COMMITTEE

Victor Hultstrand, Chairman, St. Louis County Board	Hibbing
Karl O. J. Eklund, County Commissioner	Brookston
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Arthur G. Schadewalde, County Commissioner	Duluth
Paul J. Flynn, County Commissioner	Duluth
Jacob Pete, County Commissioner	Ely
Joseph Kraker, County Commissioner	Virginia
W. H. Borgen, County Auditor	Duluth
George Diebler, County Highway Engineer	Duluth
Arthur Lampe, County Supt. of Schools	Duluth
M. J. Thompson, Supt. N. E. Experiment Station	Duluth
Henry Ronningen, Farm Security Adm. Supervisor	Duluth
C. H. Simonds, Farm Security Adm. Supervisor	Eveleth
A. J. Erchul, Exec. Sec. County Welfare Board	Duluth
Walter Ethier, Welfare Office	Virginia
Mrs. George Perham, Welfare Office	Iron
M. A. Rhodes, Area Supervisor, State Forest Service	Hibbing
Arthur Roe, U. S. Forest Service	Brittmount
Clare W. Hendee, Supervisor, Superior National Forest	Duluth
John Fritzen, Area Supervisor, State Forest Service	Duluth
R. W. Bassett, Iron Range Resources and Rehabilitation Commission	Chisholm
Wayne Kakela, Duluth Chamber of Commerce	Duluth
August Neubauer, County Agricultural Agent	Virginia
D. T. Grussendorf, County Agricultural Agent	Duluth
J. J. McCann, County Agricultural Agent	Hibbing
Arthur Johnson, President St. Louis County Club and Farm Bureau	Meadowlands
Arthur Fichtner, Master, Hermantown Grange	Duluth
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William Hovis, Vice Chairman, South St. Louis Agr. Cons. Assoc. Committee	Culver
Eino Lahti, Member, South St. Louis Agr. Cons. Assoc. Committee	Meadowlands
Gunnar Eklund, Chairman, North St. Louis Agr. Cons. Assoc. Committee	Gilbert
Walfred Ollila, Vice Chairman, North St. Louis Agr. Cons. Assoc. Committee	Orr
A. F. Winkler, Member, North St. Louis Agr. Cons. Assoc. Committee	Virginia
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F. L. Cox, Route 6 Box 324	Duluth
Aaron Stark, Route 5 Box 47	West Duluth
Frank W. Shelton, Route 6, Box 468	Duluth
Herman Moberg	Cotton
Garrett Landgren	Meadowlands
Peter Hiltunen	Tower
E. P. Owens	Cook
Ed. Pixley, Jr.	Bear River
Luther Swanson	Hibbing
N. L. Huston	Tower
Herman Olsen	Hibbing

## TOWNSHIP COMMITTEEMEN

### Alango

Matt Leinonen  
Matt Hanula  
Ernest Nukola

### Alborn

Andrew Hoiem  
Carl Abrahamson  
Peter Sonneson  
W. C. Perry

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Kenneth Johnson  
John Elmon  
Hjalmer Lain  
Sam Lucci

### Angora

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### Argo

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Clarence Anderson  
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Edwin Krogerus  
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Nestor Norgard  
Andrew Etelainen

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Axel J. Peterson  
Reino Saari

### Biwabik

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### Brevator

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Leo I. Heine  
Andrew Kultala

### Breitung

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Edward Arola  
W. L. Holter

### Canosia

C. C. Johnson  
Christ Hanson  
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P. E. Michels

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Frank Snyder  
John W. Johnson  
Fred Isaacs  
Jalmer Perkkio  
Mrs. William Santa

### Cherry

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John V. Anderson  
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### Clinton

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Herman Korja  
John Wiinanen  
Eli Hautala

### Colvin

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Walter Mattson  
Eino Johnson  
Eina Pietila  
Hayno H. Ranta  
Louis Papovich

### Cotton

Walde Soderlund  
Harold Gustum  
Ralph Dass  
Andrew J. Miller

### Culver

J. Oscar Bong  
Earl Johnson  
Lester E. Olson

### Duluth

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Peter Hendrickson  
David Ivarinen  
Ralph Alseth

### Elmer

Martin Warlick, Jr.  
Emil Makela  
Albert Dupac  
Frank Svoboda  
William E. Hill  
Emil Zatocil  
Eino H. Hill  
A. G. Turnboom

### Ellsburg

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Archie Smith  
Leon J. Faltisek  
Laura Holberg  
Gust Lundgren

### Embarrass

Eino Norha  
Waino Norha  
Otto Kangas  
John Jukola

### Fairbanks

William E. Johnson  
Edward Brander  
Esa Salo

### Fayal

Martin Bork  
George Rasula  
N. H. Harvey  
A. J. Suomi

### Fern

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Albert Nettle  
Andrew Laine

### Field

Arthur Twite  
Maurice Degrugillier  
A. C. Lahti  
Albert Enzmann

### Fine Lakes

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Simon Asp  
T. F. Madden

### Floodwood

Henry Baumann, Sr.  
Otto Siikanen  
Nick Mattson  
P. J. Pollock

### Fredenberg

Vern Larson  
Andrew Pearson  
John Nicholson

### French

George Donaghue  
Frank A. Robertson  
W. E. Gross

### Gnesen

C. O. Johnson  
Vincent Lepak  
John Frankowiak  
Thomas Rees  
Stans Macknikowski

### Grand Lake

Ivar Tyback  
Edmund Nelson  
Charles Harnell  
A. W. Kroll  
August Wickstrom

### Great Scott

Charles Koskola  
Eino Jutila  
Dan Smilanich

### Halden

John Wuotila  
Waldemar Alho  
Oscar Norman  
Alfred Wuotila  
Alfred Leppi  
John Tveit

### Herman

Helmer Ruth  
Henning Sundquist  
R. A. Westberg

### Industrial

Emil Dallman  
Seymour Paulson  
Hugo Sanborn  
Marcus Calvert  
Edwin J. Calvert

### Kelsey

John Edstrom  
Andrew Jarvi  
J. W. Erickson  
George Shindler

### Kugler

C. E. Wahlsten  
Arthur H. Hendrickson  
David Hendrickson  
Charles Miettunen  
Fritz Norberg  
Albert Jonason

## TOWNSHIP COMMITTEEMEN

### Lakewood

Mrs. H. O. Haugland  
E. C. Hagadorn  
Albert Olson  
A. F. Smith

### Lavell

Frank Robertson  
Henry Oja  
Ed Saarinen

### Leiding

Donald Edberg  
Leo Rissanen  
Anton Pocernich  
Frank Wardas  
Walfred Ollila

### Linden Grove

Wayne Lehto  
O. W. Olson  
Palmer Amundson  
J. B. Wien

### McDavitt

H. C. Kirscher  
Jalmer Palmgren  
Alfred Olson  
I. E. Amundson

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E. E. Sausman  
Jim Johnson  
Olaf J. Anderson  
Harold Holetz  
Albert Turbutt

### Mesabe

Fred J. Anderson  
Helmer O. Johnson  
Carrie Anderson

### Missabe Mountain (No Committee met for this town)

### Midway

Carl Strom  
William B. Lackie  
Eric Johnson  
Fred Hendrickson  
Oscar Erickson

### Morcom

Albert F. Thompson  
Herman Thompson  
Frank Jary

### Morse

Waino Starkman  
Joe Koschak  
Joseph Loisel  
J. P. Purdy  
R. K. Starkman

### Ness

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Louis J. Campbell  
Peter Ralidak

### New Independence

Thos. McArthur, Jr.  
John Fjerem  
Carl Anderson  
Frank Mabie

### Nichols

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J. M. Russell  
George Koski

### Normanna

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Albin Kanen  
John E. Lund  
Adolph Solem

### Northland

Phillip Peterson  
Ole Berg  
Alfred Peterson

### Owens

Albert W. Anderson  
Ernest Bloomquist  
Louis Baraffie  
Hans Forsline  
George Leander

### Payne

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Simon JohaneK  
Jens P. Hansen  
Ella Rask  
Christianna Hansen  
Mrs. Viena Clifford  
Anna Swenson

### Pike

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C. L. Sandstrom  
Weikko A. Hill  
Arvo S. Saari

### Portage

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Walter Parda  
Ole Finstad  
Morris Finstad  
Valentine Gruska  
Alex Gerber

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Toivo Keranen  
L. P. Graff

### Rice Lake

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Sam Jackson  
Wm. M. Reid  
W. D. Cain

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Joseph Haavisto  
John F. Havela  
Mrs. Julia Mattanen  
Nick Esala

### Solway

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John P. Wirtanen  
Hjalmer Sillanpaa  
Theodore Salli

### Stuntz

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Cliff Rue  
Richard Harvey  
Robert Halvorson  
John Doherty

### Sturgeon

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Karl Toivonen  
Arthur Tomfohr

### Toivola

John Salo  
Felix Nygard  
Ily Lahti  
Chas. Levaniemi

### Van Buren

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F. W. Hutchinson  
Charles Koski  
Lempi Johnson  
L. E. Harris

### Vermillion Lake

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Arthur Molander  
Leonard Johnson  
Edward Korpi  
John Wiermaa

### Waasa

Eino Alaspa  
Lauri Toinila  
August Anderson  
William Nevala

### Willow Valley

Henry Lindell  
Gust Parson  
Verner Wallin  
Walfred Lindell

### White

Anthony Smolich  
John M. Elo  
Elie Nori  
Adolph Hakala

### Wuori

Emil Wiitanen  
William Aho  
Chas. Sandnas  
Antti Heikkila

### Unorg. T. 52 R. 21

Sam Heikkila  
W. J. Crosby

### Unorg. T. 53 R. 15

J. C. Ryan

### Unorg. T. 53 R. 16

Olaf A. Radberg  
John Radberg  
Frank Anderson

### Unorg. T. 54 R. 13

John Fritzen

### Unorg. T. 54 R. 15

J. C. Ryan

### Unorg. T. 55 R. 14

J. C. Ryan

### Unorg. T. 55 R. 15

J. C. Ryan

### Unorg. T. 55 R. 21

J. Parris

### Unorg. T. 56 R. 14

J. C. Ryan

### Unorg. T. 56 R. 17

Oscar C. Johnson  
Urho Kauppila  
Frank MacheK, Jr.  
L. A. Koch

### Unorg. T. 57 R. 14

J. C. Ryan

## TOWNSHIP COMMITTEEMEN

**Unorg T. 57 R 16**  
 Andrew Johnson  
 Herman Bodas  
 Matt Peterson  
 Frank Tookso

**Unorg. T 58 R. 14**  
 J C Ryan

**Unorg T 59 R 21**  
 Luther Swanson

**Unorg T 60 R 18**  
 Stephen Pfenning  
 John I Westby

**Unorg. T 62 R 17**  
 Ed Kronholm  
 Bernard Sostrom  
 Jack Johnson

**Unorg T 62 R 21**  
 M Thornberg  
 Wm Manninen

**Unorg T 63 R. 21**  
 John Sknaba  
 Peter A Novak  
 H A Halvorson  
 John Vaveia

**Unorg T 64 R. 21**  
 Oscar Lehman  
 Frank Novak  
 John Smith  
 Robert Palo

**Unorg T 65 R 21**  
 66 20  
 66 21  
 67 17  
 67 19  
 67 21  
 69 21  
 68 21  
 70 21  
 71 21  
 Alex Geibel



To the Commissioners of St Louis County

GENTLEMEN:

At your request a land use study of St Louis County has been made. We submit herewith data compiled from county records, which give a fairly accurate picture of the use of land, tax status of land, tax valuations, tax rates, tax levies and collections, bonded debt by townships, school districts, and for the county as a whole. It also gives pertinent facts on school income and expense by districts and welfare costs for the county.

Meetings have been held in all communities in the county. The above mentioned figures and facts were presented and discussed at every meeting held. Those in attendance voted unanimously recommending that all town boards cooperate and classify all lands in each township for the following purposes:

1. To get a clear picture of all land now in farms that is suitable for farming
2. To select wild land of good quality, properly located that may be suitable to sell for new farms
3. To designate for conservation uses all land which because of quality or location is not adapted for farm use for the present
4. The above classification to serve as a pattern of settlement that will aim to consolidate farm settlement. Use only the best agricultural land for farming. Reduce or eliminate scattered settlement and reduce costs of public services.

Town boards in all organized towns and selected local committees in all unorganized townships have met and classified all land in each township. A county map showing the classification of all land as made by town boards and township committees has been made and is on file in the Land Commissioner's office.

All statistical material used and all other material used in the study is presented in condensed form in this report. A statement of recommendations made by town boards and township committees is also contained in this report.

Respectfully submitted,

Signed—KARL O J EKLUND,  
Chairman of County  
Land Use Committee

# General Information

Minnesota laws provide that in counties like St. Louis, land on which taxes have not been paid for about seven years shall *forfeit to the state to be held in trust for local units*. This law provides that ownership of tax forfeited land shall be as follows :

State .....	10 %
Town, City or Village .....	20 %
County .....	30 %
School District .....	40 %

There are two important facts involved in the forfeiture of land under these Minnesota laws.

- (1) People within a county own 90 % interest in land forfeited for taxes.
- (2) Responsibility for handling tax forfeited land is delegated to county commissioners in cooperation with township supervisors.

In the past four years, citizens of St. Louis County have inherited 90% interest in 755,188 acres of land and at the same time have inherited the responsibility for handling this amount of land. It is not surprising, therefore that St. Louis County people, particularly their responsible representatives, the Board of County Commissioners, should give serious thought to this very important new job delegated to them.

## A Bit of History

When the United States was established as an independent nation all the land except a very small portion owned by eastern seaboard colonists, was owned by the United States Government. Since this nation is a democracy, governed by a free, independent citizenry, the policy of private ownership of land was early established.

To carry out this policy of converting millions of acres of land from public to private ownership, several methods were planned.

1. Considerable acreages were granted by the Government to railroad companies to aid these companies in establishing transportation systems without which settlement of such vast country would be impossible.
2. One of the basic philosophies of democracy is universal education. To aid in creating educational facilities, the United States Government made large grants of land to all of the states for the purpose of establishing educational foundations in each state.

3. The more important step taken was to provide for private individuals to file on tracts of land that they desired, and after meeting certain minimum requirements, such as living upon the land and making certain improvements, these homesteaders were to become full owners of their land. This was known as the Homestead Act. The policy has continued in force until recent years and has firmly established the wisdom and desirability of private ownership of land. The policy has worked well generally throughout the nation.

### **Forfeiture Throws Land Policy in Reverse**

The forfeiture of 755,187 acres of land in recent years in St. Louis County, by which ownership of the land has been changed from private to public, has caused our land policy to work in reverse. What has happened in St. Louis County has happened generally in all Northeastern Minnesota Counties. Because of our well established national policy to have land held in private ownership, state and local officials have been reluctant to adopt tax forfeiture laws which, of course, tend to reverse the process and convert privately owned lands to public ownership. For the above reasons, Minnesota law-makers hesitated a long time before formulating and adopting tax forfeiture laws. The shock to the state caused by the forfeiture of land for taxes would have been much less if we had started the process of forfeiture sooner.

Although tax delinquency became a serious problem about 1920, instead of proceeding at once to deal directly with the problem, various measures for tax abatement were tried out in the belief or hope that by making it relatively easy to settle delinquent taxes, owners might be induced to pay up all back taxes, and thus keep the land in private ownership. However, because of the depression following the last war and the resultant upheaval, land values have been greatly reduced and tax rates have been generally increased. This caused an increase in tax delinquency in spite of the opportunities offered for easy settlement of delinquent taxes.

### **Tax Forfeiture Laws**

In 1935 tax delinquency had become so serious in the state, particularly in the Northeastern cut-over section, that the Legislature passed a law providing roughly that if taxes are not paid for about seven years, land will forfeit to the state. Since that time about 6,000,000 acres have forfeited in Northeastern Minnesota, or about one-third of the total land of the area. Some of the counties made use of this tax forfeiture law and forfeited land in 1936, others in later years. St. Louis County did not forfeit land until 1938.

### **Experience in Other Counties**

Many of the counties forfeited land as soon as it was possible after the passage of the forfeiture act, and followed this up with

forfeiture each year. These counties accumulated considerable experience in handling tax forfeited land. In the meantime the Minnesota Legislature has passed other laws bearing on the handling of tax forfeited land, such as land classification laws, statute of limitations, which aims to aid in clearing titles to tax forfeited land, and the Land Exchange Law.

### **Request for Land Use Study**

County Commissioners of St. Louis County realized that they had a rather large and important job in handling tax forfeited land. They also knew that other counties had acquired considerable experience because they had forfeited land earlier. They knew that the Agricultural Extension Service of the University of Minnesota had been giving considerable thought and study to the problems and realized that to successfully handle tax forfeited land in St. Louis County it was important that the people generally in the county, and particularly township officers, should know something about the forfeiture of land, local responsibility, problems involved in handling such land, and methods used in other counties. On September 7, 1940, the St. Louis County Board of Commissioners passed a resolution asking that a land use study be conducted in St. Louis County, the study to be conducted as a cooperative effort between officials and the citizens of St. Louis County, the Agricultural Extension Division of the University of Minnesota and the Bureau of Agricultural Economics of the U. S. Department of Agriculture.

Since the County Agricultural Extension Service is a cooperative institution representing the County, the Agricultural Extension Division of the University of Minnesota and the United States Department of Agriculture, the County Agricultural Extension Offices were designated as the local agencies to be responsible for conducting the study.

### **Local Sponsorship**

Since the people of St. Louis County are primarily interested in how land is handled in St. Louis County, and since full legal responsibility for handling tax forfeited land is vested in the Board of County Commissioners and Town Boards, a county land use committee representing county officials, various state and federal agencies, and particularly the land owners of the county, was set up to sponsor and direct the work.

### **Methods of Conducting Study**

Naturally the first step in a study of county land use problems requires a thorough knowledge of the land situation in the county. A representative of the Bureau of Agriculture Economics spent several months in St. Louis County searching various county office records and compiling facts therefrom. After the main part of this data had been compiled and worked up in

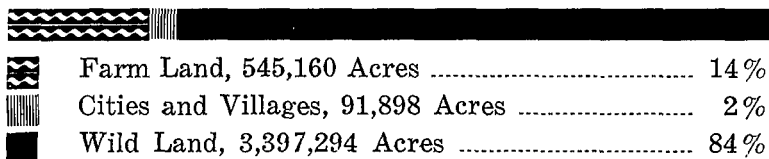
presentable form, the County Land Use Committee was called together, the facts presented to them, and proposed methods of reaching the whole country were suggested and discussed. It was planned that every community in the country should be reached and the methods of procedure already worked out in other counties should likewise be presented at these local meetings. To carry out the recommendations of the county committee, extension agents in the county arranged for meetings which were held quite generally throughout the year 1941 and the early part of 1942. Meetings were held in 67 communities. From one to three or more townships were represented at each of these meetings.

# FACTS ABOUT ST. LOUIS COUNTY

The following information is presented to show some of the facts, figures, and problems involved in the use of land in St. Louis County. The total land area of the county is 4,034,352 acres.

## GRAPH I.—PRESENT USE OF LAND

Total Land Area 4,034,352 Acres = 100%



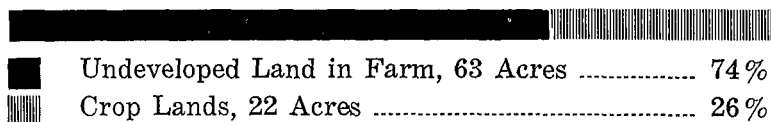
Graph No. 1 shows how land is being used in St. Louis County at present. Out of the total acreage in the county only 545,160 acres are in farms. This represents 14% of all the land. Cities and villages occupy 91,898 acres or 2% of the land. The balance of the land in the county, 3,397,294 acres or 84% is unoccupied wild land.

### Use of Land on Average Farm

There are 6,398 farms operated in St. Louis County, according to AAA figures. Each farm has an average of 85.2 total acres of land per farm.

## GRAPH II.—USE OF LAND ON AVERAGE FARM OF 85 TOTAL ACRES.

Total Acres in Average Farm - 85 - = 100%



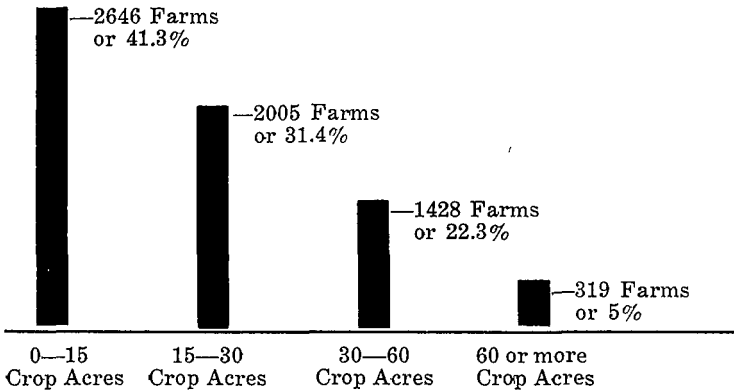
Graph No. 2 shows how the average farm is now used. There are 22.4 acres crop land or 26.3%. There are still 62.8 acres of undeveloped land. Some of this, of course, is used for pasture. This accounts for 73.7%.

### Farms Classified By Crop Acres

Another picture of the farm situation in the country is shown in Graph No. 3. The farms have been classified into groups according to the number of crop acres per farm. As per graph 3 it is seen that 2,646 farms or 41.3% of all the farms have from nothing up to 15 crop acres per farm. 2,005 farms of 31.4% have 15 to 30 crop acres, 1,428 farms or 22.3% have from

30 to 60 crop acres, and 319 farms or 5 % have 60 crop acres and over. It is generally conceded by farmers throughout Northeastern Minnesota that for general farming most commonly followed in this area a farm must have 30 crop acres or more to enable the farm family to make a living entirely from farming.

GRAPH III. — FARMS CLASSIFIED BY CROP ACRES  
(6,398 Farms)



Graph III. shows that 72.7 % of all the farms in the county have less than 30 crop acres. This means that the operators of these farms must secure income from outside sources. If outside work is available the family may be entirely self-supporting. When outside labor is not available, many of these families must be dependent on some sort of public assistance. During the past several years many townships in Northeastern Minnesota have spent from one to ten times as much for welfare as has been collected in the township through taxes for all purposes. This is apparently one of the most urgent problems in Northeastern Minnesota and some effort to correct it is justified.

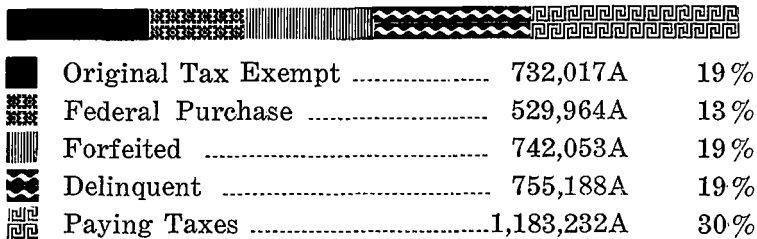
It is very probable that many of the operators of these small farms will continue as part-time farmers and will depend on earning some part of their living through outside employment. Others will continue to develop their farms to a point where the farms will provide sufficient income for family living and expenses. While there seems to be no long-time national need for increased farm production, yet it would seem that definite community effort is needed to enable present owners of many of these small farms to develop their farms to an extent that will provide a farm unit of sufficient productive capacity to support a family. The urgent need for this is apparent when one realizes the immense amount of money that is now being expended for war effort and the probable dislocation of many millions of people after the war. From a long-time outlook, it would seem that every individual family possible should so arrange its own affairs that the family will have a maximum of security independent of

Government or State Agencies. While farms do not offer great opportunity for accumulating wealth rapidly, a fair sized, fairly productive farm unit does offer rather substantial assurance of reasonable security with at least plenty of wholesome food and comfortable shelter.

### Tax Status Of Land

GRAPH IV. — TAX STATUS OF RURAL LAND,  
ST. LOUIS COUNTY—1941

3,942,454 Acres



The total land area of this county is 4,034,352 acres. Cities and villages occupy 91,898 acres leaving 3,942,454 acres of rural land. Of this rural land, 732,017 acres or 18.6% are tax exempt land that has never been on the tax rolls. This is made up of 505,476 acres of State trust fund lands and 226,541 acres of U. S. Public Domain or government land that has never been homesteaded.

During recent years the U. S. Forest Service has purchased 529,964 acres or 13.4% in the Superior National Forest. This land pays no taxes.

In 1936 and subsequent years 742,053 acres or 18.8% has forfeited for taxes. This land has been taken off the tax rolls.

### Land On Tax Rolls

The balance of the land 1,938,420 acres or 49.2% is still on the tax rolls. Of this 755,188 acres or 19.2% is delinquent leaving 1,183,232 or 30% of all rural land on which taxes were paid in 1941.

### Public Land

The above graph shows that 2,004,134 acres of land in St. Louis County are now in public ownership. This is a little more than 50% of all land in the county. Land now delinquent represents 19.2%. Much of this will forfeit and go back to public ownership. It seems reasonable to assume that within a few years 60 to 65% of all land in the county will be in public ownership. It is important that all this public land be handled so as to bring the greatest public good.



The more than 50 % now in public ownership may be divided into three classes, as follows :

1. State Trust Fund Lands .....	505,476 Acres
2. U. S. Lands in Superior National Forest	
a. Public Domain .....	226,541
b. Federal Purchases.....	529,964
3. Tax Forfeited Land .....	742,053 Acres
Total .....	<u>2,004,034 Acres</u>

### How Those Public Lands Are Managed

1. State Trust Fund lands are owned by the state and administered by the state. They pay no taxes. Income from the sale or lease of this land or from the sale of any products therefrom goes to the state. All receipts from this land are added to the state permanent Trust Fund. This fund is now more than \$100,000,000. State Trust Funds are invested by the state and income from such investments is distributed yearly to all school districts in proportion to school attendance. Local income from state trust fund lands is the annual state apportioned receipts of school plus any local advantage there may be to local people from leasing the land or from purchasing timber stumpage and earning an income through harvesting and manufacturing the timber into salable products.

#### 2. Superior National Forest

These lands, 756,505 acres, are owned by the Federal Government and pay no taxes. They are managed by the U. S. Forest Service for growing timber and for recreation and to preserve at least a part of the area in a primitive state. The State of Minnesota has set aside some of the more remote areas within the forest as State Game Refuges. Land in this forest was purchased by the government primarily for conservation uses. This land was at one time on the tax rolls and some of it paid local taxes. Much of it however, was delinquent at the time of the purchase and would have been allowed to forfeit if the government had not purchased it. Considerable sums of money were paid the county for back taxes when the land was purchased. So up to date it is probable that local taxing units have in the whole profited by these purchases. Likewise local people have profited by federal expenditures in this forest for development work and for administration.

At present the government owns less than half of the land within the boundaries of the forest. Of the rest a part is state trust fund land, part tax forfeited land and part private land.

## **Income From Superior National Forest**

While the 756,505 acres of U. S. Government land in the Superior National Forest pay no taxes, 25% of all gross income derived by the Government from the sale of timber, leases, permits, etc., is paid into the county treasury. While this payment is only a few cents per acre yet the net return to the county is considerable because there is practically no local expenses to the county for public service. Local people also profit from this federal forest through its attraction as a recreational area, also from labor provided in development work, and from the purchase and harvesting of timber.

### **3. Tax Forfeited Lands**

The 742,953 acres of tax forfeited land pay no taxes now. County Commissioners and Town Boards are responsible for handling this land. Some of the better land salable for farming will be sold and put back on tax rolls. The amount of forfeited land is likely to increase from year to year as lands now delinquent forfeit. Most of this land will be handled for many years as conservation land.

Local public revenue from tax forfeited land will come from the sale of land, sale of timber, leases of hay stumpage, camp sites, etc. While the gross income will be small, the net income is likely to be much more than it has been in the past when a small income was received from taxes and a large expense required in public services. Other indirect income from this tax forfeited land will be wages by local people in harvesting timber, servicing tourists, campers, hunters, etc.

## **Trends In Tax Factors In St. Louis County**

Many things have happened during the past few years in the tax situation of St. Louis County and throughout Northeastern Minnesota. The more people that understand what has happened and is happening, the greater chance there is that modifications in raising and in spending tax revenue will be made that will change the direction of some of these trends and put each tax unit on a much sounder basis. This is an exceedingly complicated problem, which requires a lot of study, a lot of good hard business sense, and a full realization that in the long run we can have only such public services as can be paid for without raising taxes to a point where they actually confiscate a major part of the values in property. The figures below, showing the trends in tax factors, indicate that if past practices are continued, we may be in the position of having "killed the goose that lays the golden egg."

### Trends In Tax Factors In St. Louis County

Total Acres of Land .....	4,034,352
Tax Exempt Land, 1930 .....	761,839

#### Acres On Tax Roll

1930.....	3,272,513 A
1941.....	1,937,362 A—Decrease 39.3%

#### Total Assessed Value

1930.....	\$317,500,669
1941.....	217,846,246—Decrease 31.4%

#### Taxes Levied

1930.....	\$22,281,046
1941.....	19,284,104—Decrease 15.7%

#### Taxes Collected

1930.....	\$21,969,261
1940.....	19,645,360—Decrease 10.6%.

#### Tax Rates

1930.....	72.07 mills
1941.....	88.52 mills—Increase 22.8%

### Changes in Assessed Value by Classes of Property

Year	Iron Ore	Unplatted Land	Cities and Villages	Personal Property	Total
1930 .....	\$207,750,935	\$8,333,200	\$72,333,557	\$29,082,977	\$317,500,669
1941 .....	150,110,638	4,977,869	45,134,976	17,622,763	217,846,246
Decrease .....	57,640,297	3,355,331	27,198,581	11,460,214	99,654,423
Decrease %	27.7%	40.3%	37.6%	39.4%	31%

Considering the decrease in assessed valuation of \$99,655,-423, the amount and percentages of this total decrease in the different classes of property are as follows:

	Decrease in Assessed Valuation 1930-1941	Percent of Total Decrease
Iron Ore .....	\$57,640,297	57.8
Unplatted Land .....	3,355,331	3.4
Cities and Villages .....	27,198,581	27.3
Personal Property .....	11,460,214	11.5
Total .....	\$99,654,423	100.0

Note—The decrease in assessed valuation as shown above may be interpreted as a fair warning. St. Louis County public finances have been built around the immense iron ore industry. A few more decades at the present rate of extraction will make serious inroads on high grade ore resources. New methods of utilizing low grade ore may bring this vast potential resource into use. However, the above facts point out very definitely one of the problems involved in long time planning in the county.

## Distribution of Tax Dollar

Government Unit	1930	1941	Per Cent Change
State .....	7.9 Cents	9.6 Cents	Increase 21.5%
County General .....	16.0 Cents	15.1 Cents	Decrease 5.6%
County Welfare .....	1.5 Cents	10.2 Cents	Increase 580.0%
Towns, Cities & Villages	35.5 Cents	32.8 Cents	Decrease 7.6%
Schools .....	39.1 Cents	32.3 Cents	Decrease 17.4%

The preceding tables have brought out the following facts in regard to the tax structure in St. Louis County as a whole:-

1. There has been less physical property to tax—acres on the tax roll have decreased almost 40%.
2. Due to the fact that there has been less property to tax and to the fact that in many instances the rate of assessment per acre or unit has decreased there has been a decrease in the total assessed valuation of the county of better than 31%.
3. Taxing units have been able to cut their total levies on the whole about 16%, but this cut was only about half as great as the cut in total valuation of the county—
4. Therefore it has been necessary to raise the total average tax rate of the county almost 23%.

Since assessed values are supposed to be equalized between the various taxing districts—town boards equalize individual valuations in the township, county boards equalize values between townships, and the Minnesota Tax Commission equalizes values between counties—the greatest cause for differences in taxes on the same kind of property is the difference between tax rates in the different taxing districts.

In order to enable property owners to easily compare the tax rates on their property for 1930 and 1941 and to compare the tax rates in their taxing districts with those of other taxing districts in the county, the following tables will be useful.

The map on pages 24 and 25 shows the boundaries of all townships and school districts referred to in these tables.

## Detail of State and County Tax Rate

1930—1941

		1941	
	1930 Mills	Homestead Mills	Non Home- stead Mills
State Tax .....	5.70	.24	9.00
County Tax			
Welfare .....	1.08	9.0	9.0
General County .....	11.52	13.4	13.4
Total .....	12.6	22.4	22.4
County School* .....	1.8	1.8	1.8
County Library† .....	none	.33	.33
Total State and County .....	20.1	24.77	33.53

\* Levied on all property in the county and returned to the school districts on a per pupil basis. Operates similar to State aid in that the wealthier districts pay more into this tax than they receive from this tax.

† Levied only in the village of Franklin and townships, not levied in other cities and villages.

## Comparison of Tax Rates 1930 and 1941

		1930				1941			
Cities	School Dist.	St. & Co. Rate	City Rate	School Dist. Rate	Total Rate	St. & Co. Rate	City Rate	School Dist. Rate	Total Rate
Duluth	Ind.	20.05*	25.55	31.3	76.9	32.87†	42.824	36.606	112.3
Chisholm	27	20.1	38.72	12.68	71.5	33.2	53.5	13.2	99.9
Chisholm	40	20.1	38.72	22.98	81.8	33.2	53.5	26.7	113.4
Ely	12	20.1	38.20	46.40	104.7	33.2	40.0	61.5	134.7
Eveleth	39	20.1	57.20	38.0	115.3	33.2	59.4	44.5	137.1
Eveleth	21	20.1	57.20	18.1	95.4	33.2	59.4	22.8	115.4
Fraser	40	20.1	1.32	22.98	44.4	33.2	2.1	26.7	62.0
Tower	9	20.1	98.60	76.2	194.9	33.2	56.1	77.4	166.7
Virginia	22	20.1	26.10	26.4	72.6	33.2	50.7	26.5	110.4
Biwabik	18	20.1	32.00	42.5	94.6	33.2	46.4	36.6	116.2
Biwabik	24	20.1	32.00	22.7	74.8	33.2	46.4	20.3	99.9
Weighted average rate for Cities					80.2	114.7			

\* In 1930 the state rate for teachers retirement of .05 mills was not levied in the city of Duluth.

† In 1941 the state rate for teachers retirement was .36 mills. Only .03 mills was levied in the city of Duluth.

‡ State rate is rate on non-homestead property for 1941.

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Villages									
Aurora	13	20.1	48.5	31.7	100.3	33.2	50.8	11.9	95.9
Brookston	U	20.1	20.0	67.2	107.3	33.2	20.0	143.0*	196.2
Buhl	35	20.1	34.8	60.0	114.9	33.2	17.7	20.0	70.9
Cook	U	20.1	14.2	67.2	101.5	33.2	57.3	143.0*	233.5
Floodwood	19	20.1	25.0	50.4	95.5	33.2	31.5	111.9	176.6
Franklin	22	20.1	2.8	26.4	49.3	33.53	3.77	26.5	63.8
Gilbert	18	20.1	31.0	42.5	93.6	33.2	52.6	36.6	122.4
Hibbing	27	20.1	27.42	12.68	60.2	33.2	15.9	13.2	62.3
Iron Junction	U	20.1	20.0	67.2	107.3	33.2	20.0	143.0*	196.2
Kinney	35	20.1	55.8	60.0	135.9	33.2	44.4	20.0	97.6
Leonidas	21	20.1	7.1	18.1	45.3	33.2	14.2	22.8	70.2
McKinley	18	20.1	44.3	42.5	106.9	33.2	35.6	36.6	105.4
Meadowlands	50	20.1	20.0	64.6	104.7	33.2	27.9	95.5*	156.6
Mesabe	13	20.1	144.1	31.7	195.9	33.2	20.0	11.9	65.1

\* Rate on non-agricultural property.

Non-homestead rate used for state and county rate for 1941.

If your property is "homestead" property the total rate is 8.76 mills less than the total shown.

1930						1941				
Villages	School Dist.	St. & Co. Rate	Village Rate	School Rate	Total Rate	St. & Co. Rate	Village Rate	School Rate	Total Rate	
Mountain Iron	21	20.1	24.3	18.1	62.5	33.2	21.0	22.8	77.0	
Mountain Iron	U	20.1	24.3	67.2	111.6	33.2	21.0	128.0	182.2	
Orr*	U	20.1	28.4	67.2	115.7	33.2	20.0	143.0	196.2	
Proctor	1	20.1	23.8	42.1	86.0	33.2	42.9	42.0	118.1	
Winton	12	20.1	20.0	46.4	86.5	33.2	35.6	61.5	130.3	
Weighted average rate for Villages					65.2					
* Town of Leiding 1930										

Townships	School Dist.	St. & Co. Rate	Town Rate	School Rate	Total Rate	St. & Co. Rate	Town Rate	School Rate	Total Rate
Alango	U	20.1	12.4	67.2	99.7	33.53	30.97	128.0	192.5
Alborn 33-1930	U-1941	20.1	26.0	112.2	158.3	33.53	25.97	128.0	187.5
Alden	U	20.1	28.3	67.2	115.6	33.53	35.17	128.0	196.7
Angora	U	20.1	26.0	67.2	113.3	33.53	27.07	128.0	188.6
Argo	83	20.1	2.9	21.1	44.1	33.53	19.27	37.2	90.0
Argo	U	20.1	2.9	67.2	90.2	33.53	19.27	128.0	180.8
Arrowhead	26	20.1	15.3	39.3	74.7	33.53	23.77	49.1	106.4
Arrowhead S. L. 74-1930	U-1941	20.1	15.3	110.1	145.5	33.53	23.77	128.0	185.3
Arrowhead	U	20.1	15.3	67.2	102.6	33.53	23.77	128.0	185.3
Ault 51-1930	U-1941	20.1	26.4	40.0	86.5	33.53	30.97	128.0	192.5
Ault	U	20.1	26.4	67.2	113.7	33.53	30.97	128.0	192.5
Balkan	27	20.1	12.22	12.68	45.0	33.53	17.07	13.2	63.8
Balkan	40	20.1	12.22	22.98	55.3	33.53	17.07	26.7	77.3
Bassett	S. L. to 70	20.1	41.5	81.5	143.1	33.53	89.87	279.5	402.9
Bassett	U	20.1	41.5	67.2	128.8	33.53	89.87	128.0	251.4
Beatty	U	20.1	17.3	67.2	104.6	33.53	28.17	128.0	189.7
Biwabik	18	20.1	17.04	42.5	80.0	33.53	17.07	36.6	87.2
Biwabik	24	20.1	17.04	22.7	60.2	33.53	17.07	20.3	70.9
Breitung	9	20.1	17.5	76.2	113.8	33.53	25.67	77.4	136.6
Brevator S. L. to 78 1930	U. 1941	20.1	19.1	74.4	113.6	33.53	22.67	128.0	184.2
Canosia	10	20.1	17.0	53.4	90.5	33.53	24.67	63.0	121.2

1930

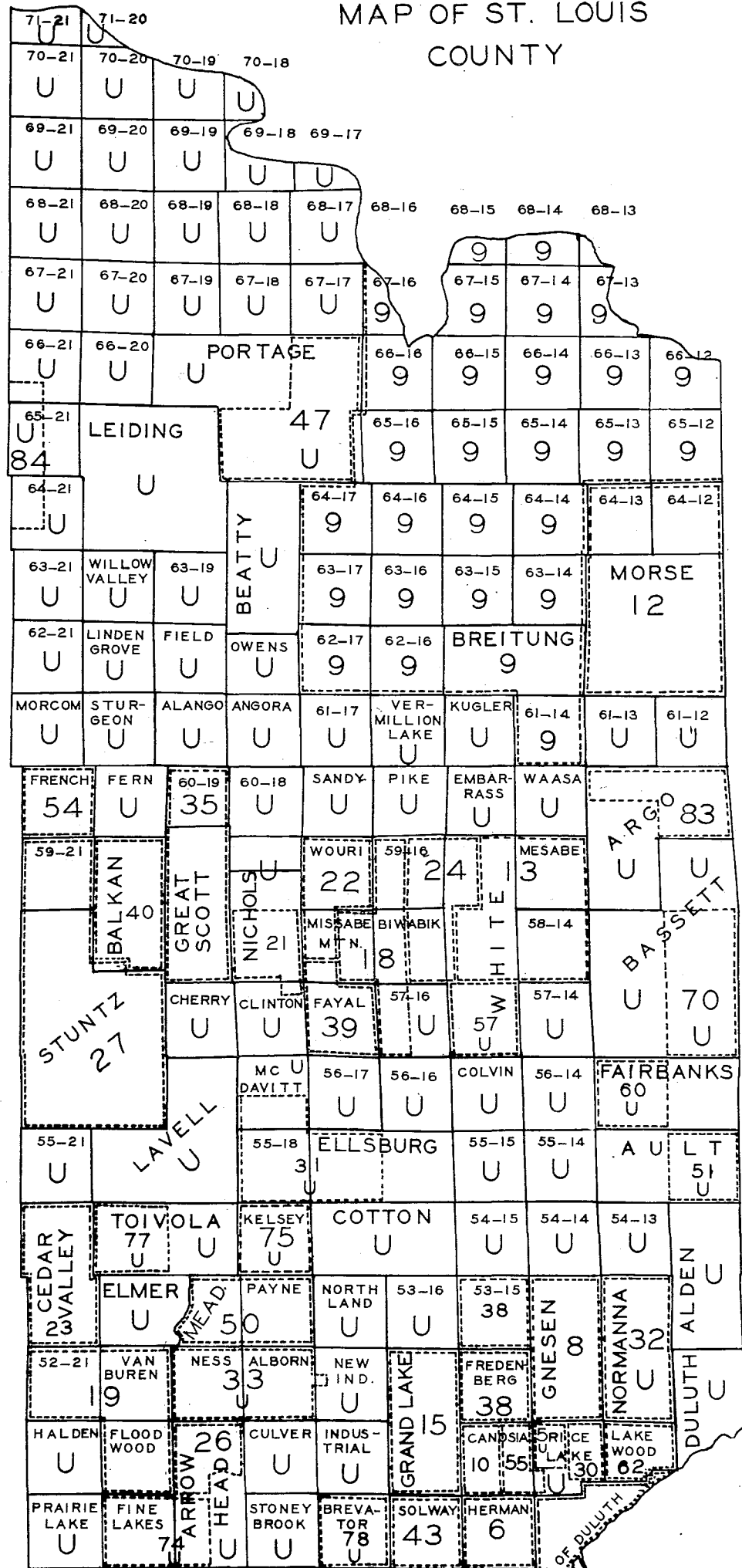
1941

Townships	School Dist.	St. & Co. Rate	Town Rate	School Rate	Total Rate	St. & Co. Rate	Town Rate	School Rate	Total Rate
Canosia	55	20.1	17.0	64.9	102.0	33.53	24.67	66.7	124.9
Cedar Valley	23	20.1	30.9	62.9	113.9	33.53	36.07	50.8	120.4
Cherry	U	20.1	11.2	67.2	98.5	33.53	15.97	128.0	177.5
Clinton	U	20.1	16.4	67.2	103.7	33.53	18.27	128.0	179.8
Clinton	21	20.1	16.4	18.1	54.6	33.53	18.27	22.8	74.6
Colvin	U	20.1	30.2	67.2	117.5	33.53	32.27	128.0	193.8
Cotton	U	20.1	37.6	67.2	123.9	33.53	60.97	128.0	222.5
Culver	U	20.1	36.1	67.2	123.4	33.53	25.97	128.0	187.5
Duluth	U	20.1	21.9	67.2	109.2	33.53	25.07	128.0	186.6
Ellsburg 31-1930	U-1941	20.1	27.8	43.4	91.3	33.53	25.97	128.0	187.5
Ellsburg	U	20.1	27.8	67.2	115.1	33.53	25.97	128.0	187.5
Elmer	U	20.1	24.7	67.2	112.0	33.53	30.27	128.0	191.8
Embarrass	U	20.1	36.2	67.2	123.5	33.53	46.17	128.0	207.7
Fairbanks 60-1930	U-1941	20.1	39.1	30.0	89.2	33.53	72.87	128.0	234.4
Fairbanks	U	20.1	39.1	67.2	126.4	33.53	72.87	128.0	234.4
Fayal	39	20.1	17.0	38.0	75.1	33.53	26.97	44.5	105.0
Fern	U	20.1	47.1	67.2	134.4	33.53	139.97	128.0	301.5
Field	U	20.1	4.3	67.2	91.6	33.53	15.97	128.0	177.5
Fine Lakes S. L. to 74-1930	U-1941	20.1	29.0	110.1	159.2	33.53	53.27	128.0	214.8
Floodwood	19	20.1	34.5	50.4	105.0	33.53	36.07	96.9	166.5
Fredenberg	38	20.1	21.7	25.0	66.8	33.53	20.57	35.0	89.1
French	54	20.1	23.7	37.1	80.9	33.53	24.67	58.8	117.0
Gnesen	8	20.1	20.2	57.5	97.8	33.53	22.57	95.9	152.0
Grand Lake	15	20.1	19.4	48.0	87.5	33.53	19.47	39.9	92.9
Great Scott	35	20.1	69.8	60.0	149.9	33.53	82.37	20.0	135.9
Halden	U	20.1	22.0	67.02	109.3	33.53	29.27	128.0	190.8
Herman	6	20.1	16.4	31.3	67.8	33.53	13.67	39.0	86.2
Industrial	U	20.1	22.2	67.2	109.5	33.53	20.87	128.0	182.4
Kelsey S. L. to 75-1930	U-1941	20.1	23.4	78.8	122.3	33.53	32.17	128.0	193.7
Kugler	U	20.1	15.2	67.2	102.5	33.53	23.27	128.0	184.8
Lakewood	62	20.1	11.34	68.76	100.2	33.53	19.87	75.7	129.1
Lavell	U	20.1	30.7	67.2	118.0	33.53	35.47	128.0	197.0
Leiding	U	20.1	23.4	67.2	115.7	33.53	49.67	128.0	211.2
Linden Grove	U	20.1	9.6	67.2	96.9	33.53	5.97	128.0	167.5
McDavitt 31-1930	U-1941	20.1	20.0	43.4	83.5	33.53	37.77	128.0	199.3
McDavitt	U	20.1	20.0	67.2	107.3	33.53	37.77	128.0	199.3
Meadowlands	50	20.1	23.0	64.6	107.7	33.53	20.27	80.5	134.3
Mesabe	13	20.1	20.7	31.7	72.5	33.53	20.17	11.9	65.6
Midway	1	20.1	12.5	42.1	74.7	33.53	19.77	42.0	95.3



		1930				1941			
Townships	School Dist.	St. & Co. Rate	Town Rate	School Rate	Total Rate	St. & Co. Rate	Town Rate	School Rate	Total Rate
Midway	7	20.1	12.5	46.5	79.1	33.53	19.77	35.0	88.3
Missabe Mtn.	18	20.1	38.6	42.5	101.2	33.53	27.97	36.6	98.1
Missabe Mtn.	22	20.1	38.6	26.4	85.1	33.53	27.97	26.5	88.0
Missabe Mtn.	39	20.1	38.6	38.0	96.7	33.53	27.97	44.5	106.0
Morcom	U	20.1	17.2	67.2	104.5	33.53	32.67	128.0	194.2
Morse	12	20.1	31.1	46.4	97.6	33.53	44.67	61.5	139.7
Ness S. L. to 33-1930	U-1941	20.1	17.3	112.2	149.6	33.53	34.87	128.0	196.4
New Ind. S. L. to 33-1930	U-1941	20.1	21.9	112.2	154.2	33.53	25.97	128.0	187.5
New Ind.	U	20.1	21.9	67.2	109.2	33.53	25.97	128.0	187.5
Nichols	21	20.1	26.2	18.1	64.4	33.53	26.27	22.8	82.6
Nichols	U	20.1	26.2	67.2	113.5	33.53	26.27	128.0	187.8
Normanna	32	20.1	30.7	40.0	90.8	33.53	50.27	131.2	215.0
Northland	U	20.1	22.3	67.2	109.6	33.53	28.67	128.0	190.2
Owens	U	20.1	12.0	67.2	99.3	33.53	19.77	128.0	181.3
Payne	50	20.1	8.1	64.6	92.8	33.53	22.57	80.5	136.6
Pike	U	20.1	21.9	67.2	109.2	33.53	22.17	128.0	183.7
Portage	9	20.1	29.1	76.2	125.4	33.53	34.67	77.4	145.6
Portage S. L. 47-1930	U-1941	20.1	29.1	77.1	126.3	33.53	34.67	128.0	196.2
Portage	U	20.1	29.1	67.2	116.4	33.53	34.67	128.0	196.2
Prairie Lake	U	20.1	34.7	67.2	122.0	33.53	31.27	128.0	192.8
Rice Lake S. L. to 5-1930	U-1941	20.1	17.8	72.1	110.0	33.53	17.97	128.0	179.5
Rice Lake	30	20.1	17.8	45.8	83.7	33.53	17.97	45.0	96.5
Rice Lake	55	20.1	17.8	64.9	102.8	33.53	17.97	66.7	118.2
Rice Lake	U	20.1	17.8	67.2	105.1	33.53	17.97	128.0	179.5
Sandy	U	20.1	28.4	67.2	115.7	33.53	25.97	128.0	187.5
Solway	43	20.1	20.4	30.0	70.5	33.53	23.77	62.8	120.1
Stoney Brook	U	20.1	19.8	67.2	107.1	33.53	24.57	128.0	186.1
Stuntz	27	20.1	17.02	12.68	49.8	33.53	13.07	13.2	59.8
Sturgeon	U	20.1	21.6	67.2	108.9	33.53	34.77	128.0	196.3
Toivola	U	20.1	34.9	67.2	122.2	33.53	30.47	128.0	192.0
Toivola S. L. to 77-1930	U-1941	20.1	34.9	98.6	153.6	33.53	30.47	128.0	192.0
Van Buren	19	20.1	31.2	50.4	101.7	33.53	29.27	96.9	159.7
Vermillion Lake	U	20.1	21.1	67.2	108.4	33.53	22.17	128.0	183.7
Waasa	U	20.1	26.0	67.2	113.3	33.53	37.27	128.0	198.8
White	13	20.1	17.0	31.7	68.8	33.53	17.07	11.9	62.5
White	24	20.1	17.0	22.7	59.8	33.53	17.07	20.3	70.9
White 57-1930	U-1941	20.1	17.0	72.7	109.8	33.53	17.07	128.0	178.6
Willow Valley	U	20.1	16.9	67.2	104.2	33.53	22.77	128.0	184.3
Wouri	22	20.1	30.0	26.4	76.5	33.53	20.97	26.5	81.0
Weighted Average Rate for Townships					63.07	66.3			

# MAP OF ST. LOUIS COUNTY



\_\_\_\_\_ TOWN BOUNDARY  
 - - - - - SCHOOL DISTRICT BOUNDARY  
 U UNORGANIZED SCHOOL DISTRICT



1930						1941				
Unorganized Townships	School Dist.	St. & Co. Rate	Town Rate	School Rate	Total Rate	St. & Co. Rate	Town Rate	School Rate	Total Rate	
Unorg. with roads	9	20.1	10.0	76.2	106.3	33.53	9.97	77.4	120.9	
Unorg. without roads	9	20.1	0.0	76.2	96.3	33.53	0.	77.4	110.93	
Unorg. Road Levy	U	20.1	10.0	67.2	97.3	33.53	9.97	128.0	171.5	
Unorg. without Road Levy U		20.1	0.0	67.2	87.3	33.53	0.	128.0	161.53	
T. 64 Rgs. 12 & 13	12	20.1	10.0	46.4	76.5	33.53	9.97	61.5	105.0	
T. 58 R. 14	13	20.1	10.0	31.7	61.8	33.53	9.97	11.9	55.4	
W½ T. 57 & 59 R. 16	18	20.1	10.0	42.5	72.6	33.53	9.97	36.6	80.1	
T. 52 R. 21	19	20.1	10.0	50.4	80.5	33.53	9.97	96.9	140.4	
T. 58½ R. 17	22	20.1	0.0	26.4	46.5	33.53	9.97	26.5	70.0	
E½ T. 59 R. 16	24	20.1	10.0	22.7	52.8	33.53	9.97	20.3	63.8	
T. 59 R. 21	27	20.1	9.92	12.7	42.7	33.53	9.97	13.2	56.7	
T. 55 R. 18 31-1930	U-1941	20.1	10.0	43.4	73.5	33.53	9.97	128.0	171.5	
Sec. 1 to 30 inc. 60-19	35	20.1	10.0	60.0	90.1	33.53	9.97	20.0	63.5	
T. 53 R., 38-1930	U-1941	20.1	10.0	25.0	55.1	33.53	9.97	128.0	171.5	
Weighted Average rate for Unorganized Townships					91.1					
Weighted Average Rate for County					72.066					

Unorg. townships without road levy S. D. No. 9 - 1930  
65-12, 66-12, 65-13, 66-13, 67-13, 68-13, 63-14, 64-14, 65-14, 66-14, 67-14, 68-14, 66-15, 67-15, 68-15, 64-16, 66-16.

Unorg. townships without road levy S. D. No. 9 - 1941  
65-12, 66-12, 66-13, 67-13, 68-13, 64-14, 66-14, 67-14, 68-14, 64-15, 66-15, 67-15, 68-15, 64-16.

Unorg. townships without road levy S. D. No. U - 1930  
68-17, 69-17, 67-18, 68-18, 69-18, 70-18, 67-19, 68-19, 69-19, 70-19, 69-20, 70-20, 71-20, 71-21.

Unorg. townships without road levy S. D. No. U - 1941  
68-17, 69-17, 67-18, 68-18, 69-18, 70-18, 67-19, 68-19, 69-19, 70-19, 67-20, 69-20, 70-20, 71-20, 70-21, 71-21.

## School District Data

1941-1942

School Year

RECEIPTS						
School District	Assessed Val.	School Tax Rate	Total	From State Aid	From Local Tax	From Other
1. Proctor .....	\$ 172,153	42.0	\$ 139,521	\$100,610	\$ 38,261	\$ 650*
6. Hermantown ....	183,218	59.0	46,441	27,086	18,714	641*
9. Tower .....	1,421,671	77.4	173,990	14,958	119,256	39,776
12. Ely .....	6,034,433	61.5	433,802	33,522	393,562	6,718
13. Aurora .....	8,281,242	11.9	128,787	13,496	113,922	1,369
18. Gilbert .....	5,669,908	36.6	243,483	22,980	218,253	2,250
19. Floodwood .....	144,303	111.9	54,452	29,697	16,821	7,934
21. Mtn. Iron .....	8,841,640	22.8	240,956	20,097	218,986	1,873
22. Virginia .....	26,626,844	26.5	862,384	56,860	756,516	49,008
24. Biwabik .....	3,911,286	20.3	103,793	6,554	96,758	481
27. Hibbing .....	71,548,860	13.2	1,164,612	119,535	1,014,764	30,313*
30. Arnold .....	56,371	60.0	15,635	7,943	7,245	447
35. Buhl .....	7,231,293	20.0	191,565	13,550	175,418	2,597
39. Eveleth .....	9,126,208	44.5	545,754	39,265	501,454	5,035
40. Chisholm .....	18,362,534	26.7	651,381	42,701	604,406	4,274*
50. Meadowlands ....	108,282	80.6	27,029	14,211	12,555	263
62. Lakewood .....	78,588	90.7	23,350	13,057	10,216	77
Dul. Duluth .....	47,298,244	38.4	2,505,100	342,705	2,013,196	149,199*
7. Midway .....	55,367	35.0	10,104	6,376	3,728	
8. Gnesen .....	132,231	95.0	12,425	3,757	8,109	559
10. Canosia .....	68,738	51.0	5,446	1,611	3,830	5
15. Grand Lake .....	138,284	39.9	12,453	3,666	5,963	2,824
23. Cedar Valley ....	28,491	50.8	7,646	4,300	3,346	
26. Arrowhead .....	6,113	49.1	693	529	164	
32. Normanna (Disorg.) .....		131.2	8,115	1,608	6,504	3
38. Fredenberg .....	97,290	35.0	3,665	574	3,031	60
43. Solway .....	71,413	80.3	11,145	6,129	4,860	165
54. French .....	69,627	58.8	4,152	726	3,366	60*
55. Canosia .....	31,501	66.7	3,388	1,612	1,776	
83. Argo .....	59,143	37.2	3,525	835	2,690	
Unorg. Unorg. ....	1,959,278	128.0	636,731	294,561	301,272	40,898
84 .....	1,722					
Total .....	\$217,846,246		\$ 8,271,523	\$1,245,102	6,678,942	\$347,479

\* These school districts received money from the sale of bonds and certificates of indebtedness.

1. \$401.    6. \$15,013.    27. \$565,897.    40. \$589,982.    Dul. \$1,386,500.    54. \$3,200.

### School District Data

School	Total Orders Issued	Building and Equipment Expenses	Debt Service Expenses	Maintenance Expense				Total Enroll- ment	Cost per Pupil
				Total	Teacher's Salary	Trans- portation	Other		
1	\$ 140,109	\$ 21,142	\$ 17,677	\$ 101,290	\$ 62,489	\$ 2,365	\$ 36,436	1,084	\$ 93
6	52,219	7,541	7,593	37,085	15,149	8,533	13,403	470	79
9	127,742	14,235	15,312	98,195	41,810	7,424	48,961	471	208
12	409,793	33,566	53,904	322,323	176,178	13,945	132,200	1,630	198
13	163,409	17,632	4,996	140,781	58,314	8,092	74,375	409	344
18	280,737	13,263	30,838	236,636	78,018	21,313	137,305	660	358
19	61,944	2,189	8,843	50,912	27,719	8,056	15,137	424	120
21	251,520	22,030	11,444	218,046	97,860	20,046	100,140	823	265
22	867,047	56,267	.....	810,780	432,747	35,376	342,657	2,772	292
24	102,051	11,405	4,308	86,338	34,179	4,060	48,099	272	317
27	1,696,417	109,469	659,057	927,891	500,167	85,803	341,921	5,013	185
30	16,708	2,895	2,581	11,232	5,270	2,124	3,838	153	73
35	251,197	62,934	9,775	178,488	64,381	16,225	97,882	575	310
39	512,165	78,960	1,370	431,835	243,331	12,636	175,868	1,931	224
40	1,241,026	80,907	723,275	436,844	209,285	26,855	200,704	1,832	238
50	28,509	916	3,981	23,612	12,551	4,140	6,921	197	120
62	20,778	1,785	62	18,931	11,615	2,424	4,891	215	88
Dul.	2,156,855	132,014	132,588	1,892,253	1,414,750	20,324	457,179	18,455	103
7	10,011	908	1,713	7,390	2,888	2,970	1,532	79	94
8	7,870	151	.....	7,719	2,081	3,790	1,848	85	91
10	5,678	358	.....	5,320	1,688	1,905	1,727	35	152
15	13,508	3,739	.....	9,769	2,683	4,623	2,463	86	114
23	8,451	714	787	6,950	3,052	2,617	1,281	62	112
26	644	44	.....	600	189†	341	70	*	
32	7,349	292	855	6,202	1,730	2,816	1,656	43	144
38	3,545	585	6	2,954	745	887	1,322	13	227
43	10,973	46	160	10,767	3,474	4,878	2,415	112	96
54	6,959	4,092	.....	2,867	900	1,037	930	24	119
55	3,755	397	.....	3,358	1,170	1,071	1,117	21	160
83	3,350	333	60	2,957	810	1,770	377	5	591
Un.	694,348	77,181	42,394	574,773	232,996	173,399	168,378	3,979	144
Total	\$9,156,667	\$757,990	\$1,733,579	\$6,665,098	\$3,740,220	\$501,845	\$2,423,033	41,930	\$159

\* Children transported, enrollment not given.

† Tuition.

## Public Debts of St. Louis County

Total public debts of all taxing units in St. Louis County on December 31, 1941, were \$19,696,153.00. While this is a large amount of money it is relatively small compared to the total assessed value of \$217,846,246. Each individual piece of property in the county is covered by a lien of \$13.00 for each \$1000.00 of its assessed value for the county debt alone. Such property may also have a lien against it for one or more other taxing units.

To show how the following debt tables may be used by any individual in the county to find his own obligation for public debts, we may take the first township on the list, Alango.

A property owner in Alango Township whose property has an assessed value of \$1000.00 will have the following liens against his property:

Lien for county debt .....	\$ 13.00
Lien for township debt .....	59.00
Lien for unorganized school district debt ....	338.00
Total .....	<u>\$410.00</u>

If ones property is assessed for more or less than \$1000.00, the amount of the total lien against his property will likewise be more or less in proportion.

A property owner in Herman Township will have the following liens against his property per \$1000.00 of assessed value:

Lien for county debt .....	\$ 13.00
Lien for township debt .....	0.00
Lien for school district debt .....	251.00
Total .....	<u>\$264.00</u>

The following tables show total debt, assessed value of all property in each taxing unit and debt per \$1000.00 of assessed value for the county, for townships, for cities and villages, and for school districts.

For area covered by each school district see map pages 24 and 25.

### Debt Facts for Various Taxing Units in St. Louis County December 1, 1941

#### A. County Debts—

County Debt .....	\$ 2,821,861
Total Assesed Value .....	217,846,246
Debt for \$1000, Assessed Value .....	13.00

### Townships That Have Debts

Township	Debt Dec. 31, 1941	Total	
		Assessed Value	Debt per \$1000 Assessed Value
Alango .....	\$ 700.00	\$ 11,790.00	\$ 59.00
Alden .....	159.00	20,543.00	8.00
Argo .....	3,365.00	64,013.00	52.00
Ault .....	37.00	10,063.00	4.00
Balkan .....	95,930.00	4,482,852.00	21.00
Bassett .....	196.00	17,236.00	11.00
Beatty .....	1,460.00	38,118.00	38.00
Biwabik .....	51,000.00	1,843,745.00	28.00
Breitung .....	2,545.00	1,069,654.00	2.00
Cedar Valley .....	751.00	28,491.00	26.00
Cotton .....	3,600.00	63,720.00	57.00
Elmer .....	145.00	18,581.00	7.00
Embarrass .....	800.00	23,675.00	33.00
Fairbanks .....	131.00	13,086.00	10.00
Fayal .....	16,173.00	1,011,365.00	16.00
Fern .....	600.00	3,890.00	154.00
Fine Lakes .....	1,637.00	15,826.00	106.00
Floodwood .....	485.00	39,879.00	12.00
Great Scott .....	13,500.00	129,968.00	104.00
Kelsey .....	1,302.00	44,196.00	30.00
Leidung .....	2,029.00	40,569.00	50.00
Midway .....	20.00	11,694.00	1.00
Morse .....	19,815.00	111,935.00	177.00
Ness .....	360.00	22,631.00	15.00
Normanna .....	2,407.00	47,410.00	51.00
Prairie Lake .....	383.00	13,180.00	29.00
Stuntz .....	533,000.00	20,970,454.00	25.00
Sturgeon .....	263.00	11,470.00	23.00
Waasa .....	1,500.00	18,455.00	81.00
White .....	210,000.00	9,767,941.00	22.00
Total Township Debt.....		\$964,343.00	

### School Districts That Have Debts

School District	Debt Dec. 31, 1941	Total	
		Assessed Value	Debt per \$1000 Assessed Value
Duluth .....	\$1,884,912.00	\$47,298,244.00	\$ 40.00
Proctor ..... 1	100,881.00	172,153.00	586.00
Hermantown ..... 6	45,963.00	183,218.00	251.00
Gnesen ..... 8	7,800.00	132,231.00	59.00
Tower Sanden ..... 9	191,000.00	1,421,671.00	134.00
Canosia-Pike Lake.. 10	3,000.00	68,738.00	44.00
Ely ..... 12	283,756.00	6,034,433.00	47.00
Aurora ..... 13	87,643.00	8,281,242.00	11.00
Grand Lake ..... 15	22,000.00	138,284.00	159.00
Gilbert ..... 18	399,902.00	5,669,908.00	71.00
Floodwood ..... 19	83,170.00	144,303.00	576.00
Mt. Iron ..... 21	156,391.00	8,841,640.00	18.00
Cedar Valley ..... 23	8,722.00	28,491.00	306.00
Hibbing ..... 27	129,798.00	71,548,860.00	2.00
Arnold ..... 30	15,000.00	56,371.00	266.00
Buhl ..... 35	283,959.00	7,231,293.00	39.00
Chisholm ..... 40	1,160,000.00	18,362,534.00	63.00
Solway ..... 43	11,517.00	71,413.00	161.00
Meadowlands ..... 50	17,000.00	108,282.00	157.00
French ..... 54	5,600.00	69,627.00	80.00
Canosia-Rice Lake 55	8,275.00	31,501.00	263.00
Lakewood ..... 62	7,411.00	78,558.00	94.00
Ind. School (66-21) 84	729.00	1,722.00	423.00
Unorganized .....	662,539.00	1,959,278.00	338.00

### School Districts That Have Debts (Continued)

Disorganized Districts				
Normanna .....	32	\$ 6,250.00	\$ 47,410.00	\$132.00
Bassett .....	70	4,200.00	5,566.00	*755.00
Ness-New Ind. ....	33	*10,000.00		
Portgage (Buyck) ..	47	*500.00		
Fine Lakes-				
Arrowhead .....	74	*1,000.00		
Total School District Debt ....\$5,599,168.00				

\* No levy is made by the county for these at the present time. Payments on these bonds are made by the unorganized district from receipts of the income tax based on the number of pupils from these districts.

### Cities And Villages That Have Debts

City or Village	Debt. Dec. 31, 1941	Total Assessed Value	Debt per \$1000 Assessed Value
Biwabik .....	\$ 66,000.00	\$ 1,805,809.00	\$ 36.00
Chisholm .....	1,226,860.00	10,014,519.00	123.00
Duluth .....	6,018,607.00	47,298,244.00	127.00
Ely .....	445,000.00	5,875,354.00	8.00
Eveleth .....	645,000.00	8,118,687.00	79.00
Tower .....	11,168.00	100,630.00	111.00
Virginia .....	474,000.00	16,939,798.00	28.00
Aurora .....	50,582.00	619,824.00	82.00
Buhl .....	46,000.00	6,324,718.00	7.00
Cook .....	10,300.00	43,170.00	239.00
Floodwood .....	45,190.00	43,454.00	1,040.00
Gilbert .....	355,037.00	3,218,622.00	110.00
Hibbing .....	533,000.00	49,231,118.00	11.00
Kinney .....	55,150.00	753,120.00	73.00
Meadowlands .....	2,500.00	19,076.00	131.00
McKinley .....	13,500.00	396,293.00	34.00
Mt. Iron .....	265,163.00	7,094,722.00	37.00
Proctor .....	45,493.00	160,459.00	284.00
Winton .....	2,231.00	10,566.00	211.00
Total City and Village Debt .....	\$10,310,781.00		

### OTHER MATERIAL DISCUSSED AT EDUCATIONAL MEETINGS

#### State Laws Promote Handling Land

When land is forfeited for taxes and becomes public property, some public agency must be authorized by law to handle it. In St. Louis County 90% ownership is held by local taxing units. See page 9.

Because of this large local ownership, management of the land is delegated largely to local officials.

#### County Commissioners and Township Boards Are Responsible

Chapter 328, Minnesota Session Laws of 1939, provides among other things that.....All land forfeited to the



State *in trust* shall be classified by the COUNTY BOARD of the county in which such lands lie, as conservation or non-conservation land. Such land may be reclassified from time to time as the county board may deem necessary or desirable.

It provides further that if any such lands are located within the boundaries of any organized township—the classification or reclassification shall first be approved by the TOWN BOARD of such township in so far as the lands located therein are concerned.

### **Lands Classified as Conservation May NOT BE SOLD**

Lands classified as conservation lands, unless reclassified as non-conservation, or sold to a governmental subdivision of the state, will be held under the supervision of the county board.

Any parcels of land to be sold shall first be appraised by county commissioners and such parcels may be reappraised when deemed necessary, provided, value of land and any standing timber thereon shall be separately determined and provided further, that before any parcel of land is sold the appraised value of timber thereon, if any, shall first have been approved by the Commissioner of Conservation. The law provides that the land may be sold at not less than appraised price and offered at auction and sold to the highest bidder. Land may be sold on terms determined by county commissioners. If sold on terms, at least 10% shall be cash and the balance in not to exceed ten years with interest at 4% on unpaid balance. No timber may be removed until full appraised value of such timber has been paid.

### **Timber and Hay Stumpage MAY BE SOLD**

The County Auditor may sell hay stumpage on tax forfeited land and may lease conservation and non-conservation lands *as directed by the county board* and may sell dead, down, and mature timber on any tract that may be designated by Conservation Commissioner. The Auditor shall apply proceeds of such sale of hay stumpage, lease of land, or sale of timber in the same manner as if the parcel had been sold.

### **How Income From Land Shall Be Distributed**

The net proceeds from the sale or rental of any parcel of land or from the sale of any products therefrom shall be apportioned by the County Auditor to the taxing districts interested therein, as follows:

(a) Such portion as may be required to discharge any special assessment chargeable against such parcel for drainage or other purposes, whether due or deferred at the time of forfeiture, shall be apportioned to the municipal subdivision entitled thereto.

(b) Such portion of the remainder as may have been there-

to fore-levied on said parcel of land for any bond issue of the School District, Township, City, Village, or County wherein said parcel of land is situated shall be apportioned to said municipal subdivisions in the proportion of their respective interest.

(c) Any balance remaining shall be apportioned as follows: State 10%; County 30%; Township, Village or City 20%; and School District 40%.

### **What Shall Be Done With Tax Forfeited Land**

One of the most common beliefs, when large acreages of land are forfeited or otherwise taken off the tax rolls, is that the proper procedure is to sell the land and get it back on the tax rolls. *There are several very good reasons why this is not the right answer.*

1. After many years of experience in farming in North-eastern Minnesota, settlers now on the land realize that much of the land in this part of the state is not suitable for farming. While there is much good farm land as demonstrated by the fact that many thousands of farmers have good farms and are doing well on them, there is still much swamp land, hilly, rough, or stony land, and much land that is so sandy and light that it is not profitable to farm. There is also much land so isolated from roads and schools that settlement at present is not desirable.

2. St. Louis County has been in the process of development for about 50 years. In this 50 years 13.5% of all land in the county has been occupied as farm land. This means that if settlement can continue in the future at the same rate as in the past, it would take about 300 years to completely settle the county.

3. Another reason why it is impossible to sell a lot of this cut-over timber land is that there are evidently enough farms already developed in the United States to furnish all of the farm products normally needed. This is evidenced by the fact that during the last 20 years there has been a decrease in value of about 60% on farm land generally throughout the United States. It costs considerable in labor and money to clear much of the land in Northeastern Minnesota. In many cases the cost of clearing, under present labor conditions, is more than the land is worth after it is cleared.

4. Another reason that makes it difficult to sell a lot of *wild land* is that many partially or wholly developed farms in this area can be purchased for less than the cost of improvements now on the land.

### **Results of Haphazard Settlement**

In the past people have been allowed, and in fact encouraged to settle on land anywhere in Northeastern Minnesota without regard to quality of soil or location. As a result, settle-

ment is scattered. Some of the handicaps of scattered settlement are not only the personal inconveniences of settlers in being far from neighbors and markets, but it adds greatly to the normal cost for road and school services. For example, in a well-settled Southern Minnesota community, 3 to 5 settlers will be found on a mile of road. In Northeastern Minnesota settlement probably does not average more than one settler per mile. In many instances several miles of additional road are required for one isolated settler and school costs, particularly where transportation is provided, are excessively high.

Now that control of land has been placed in the hands of local people who are most directly interested in and affected by the handling of land and in view of the fact that it is not probable that much of this wild land can be sold for farming purposes in the near future. It would seem the part of wisdom for local people who know much about their community, due to past experience, to so classify and handle their land, that only good land for farming will be offered for sale and only when this land is so located that taxpayers of the community can afford to furnish road and school service.

### **Two Guides in Classifying Land**

There are at least two practical questions each township committee may well ask before recommending the sale of a tract of land for farming. (1) Is this land good enough, soil, location, and cost of clearing considered, so we would want one of our own sons to buy it and attempt to develop it into a farm? (2) Is this land so located that we as taxpayers are willing to furnish the purchaser road and school service?

### **TRENDS IN PUBLIC WELFARE COSTS**

Time and other factors have made it impractical to get full welfare statistics for St. Louis County for this land use study. Such figures are important in such a study, because welfare costs represent one of the major items of public expense in the county.

Costs for welfare have risen immensely in the last decade. First, because of greater need caused by the general business collapse of 1929 and the depression following.

Second, because of a growing sense of responsibility of those who have for those who have not.

Third, because of a belief by many public officials and others that the liberal distribution of public funds was one way to bring about a redistribution of wealth, increase purchasing power, and thereby hasten recovery.

An indication of this increase in welfare expense in St. Louis County is shown by the following figures:

Approximate cost of welfare—1930.....\$ 342,901.00

Approximate cost of welfare—1941..... 5,554,811.00\*

In 1930 the full cost for welfare was met locally. In 1941, local expenditures were about \$1,960,616.00 and the balance of the \$5,554,811.00 expended came from State and Federal funds.  
\* Not full cost, see table on page ??.

### Relation of Welfare Expense to Total Tax Collections

In many counties in Northeastern Minnesota welfare expenses equal or exceed total tax collections. In some counties four times as much is spent for welfare as is collected in taxes for all purposes.

Figures for St. Louis County, 1941:

Total assessed value .....	\$217,846,246.00
Total taxes collected.....	19,284,104.00
Expended for welfare.....	5,554,811.00*

Welfare expenditures equal to 28% of tax collections.

Because of the large tax valuation in St. Louis County due to iron ore (See figures p. 17) total tax collections are much more than total welfare expenses.

\* Not full cost, see table on page 36.

In the rural areas of the county where taxes are raised mainly on land and other farm property, welfare expense in 1941, range from approximately as much to three and four times as much as total tax collections.

For example, in the rural area in the South half of the county outside of the cities of Duluth and Proctor, there was expended for welfare in 1940 a total of \$541,151, and total taxes collected were \$158,875. Expenditures for welfare alone were more than three times as much as total local tax collections for all purposes.

In the Virginia welfare district from November 1, 1940, to November 1, 1941, outside of the four mining townships, total welfare expenditures were \$345,677, while tax collections in 1941 on the 1940 levy were \$283,044, or 82% of welfare expenditure. This better showing in the Virginia district as compared to the rural area in South St. Louis County is due largely to the increased demand for labor and materials due to defense spending.

The following figures are by no means complete. They are presented, however, to give a partial view of trends and expenditures for welfare in the county in recent years.

## Trends in Welfare—St. Louis County

### 1938 to 1941

Cases—

Year	Dir. Relief	Old Age Assistance	A.D.C.	Aid to Blind	W.P.A.	Total
1938	424	4,955	645	73	7,818	18,915
1939	7,244	5,178	865	93	6,488	19,868
1940	6,261	4,721	1,012	100	4,713	16,807
1941	4,399	4,505	1,018	99	3,747	13,768

Costs—

1938	\$1,682,176	\$1,255,231	\$293,512	\$23,360	\$5,366,275*	\$8,620,554
1939	2,309,009	1,342,963	397,923	28,382	4,453,363*	8,531,640
1940	1,955,679	1,238,864	437,283	33,326	3,235,003*	6,900,155
1941	1,322,549	1,192,012	435,294	33,015	2,571,941*	5,554,811

\* Estimated.

Other welfare expenditures not included above are:

- War Veterans Relief
- Civilian Conservation Corps
- Surplus Commodities
- Local State & Federal Administration Costs
- Farm Security Grants
- National Youth Administration

### Downward Trend in 1942

Largely because of war activities and more opportunities for employment quite a material decrease in expenditures for Direct Relief and W. P. A. are apparent in 1942. The following table comparing expenditures for January to May, 1942, with the same months in 1941 is presented.

### Comparison of Welfare First Five Months

January to May, inclusive, 1941-1942

Average cases—

Year	Dir. Relief	Old Age Assistance	A.D.C.	Aid to Blind	W.P.A.	Total
1941	5,360	4,529	1,064	100	4,623	15,676
1942	3,708	4,525	987	100	2,406	11,726
1941						
Total Cost	\$703,130	\$495,861	\$190,446	\$13,788	\$1,322,178	\$2,725,403
5 Months						
1942	\$496,586	\$507,574	\$175,095	\$13,716	\$688,116	\$1,881,087
Decrease						
cases	1,652	4	77	0	2,217	3,950
Per cent	31%	.08%	7%	0	48%	25%
Decrease						
cost	\$206,544	\$ 11,713*	\$ 15,351	\$ 72	\$634,062	\$ 844,316
Per cent	29.3%	2.4%*	8%	.5%	48%	31%

\* Decrease

The very material drop in WPA and Direct Relief cases is encouraging. The slight increase in Old Age Assistance and slight drop in Aid for Dependent Children seems to indicate a continuing need for this type of public assistance.

## **What of the Future**

Present war expenditures mounting public debt and the likely difficulties of economic adjustments when the present war is over indicate some very perplexing problems in public finance. No one can see very far ahead or can foresee how the problems will be met. However, a safe guess is that communities and individuals who put their own houses in the best possible order through their own efforts now will be in a safer position for whatever the future offers.

### **Need for More Community Responsibility**

The job of finding a way to provide for those unable to provide for themselves without an unbearable burden on the rest of the people is one of the most urgent problems for the present and future as well. There is probably no group more directly affected by what is finally done than local community groups.

The present welfare set up has been handled largely as an emergency measure to take care of a serious problem at a very critical time. It is fair to state that most of the urgent needs of thousands in distress have been met generously.

### **Criticism Is Easy**

1. Direction as to policies and methods have come mostly from Washington and State officials, often entirely unfamiliar with local conditions and needs.
2. Local people and officials have not been sufficiently used and consulted.
3. Costs of supervision have been much higher than need be if more local information concerning those in need had been used.
4. Much of the welfare funds have been spent in ways leading to break down of morale and self-confidence of recipients rather than to building up such qualities.
5. The aim has been to help people rather than to help people to help themselves.

Whether or not these criticisms are justified is a matter of personal opinion. However, since indications are that a considerable part of the present welfare expense must continue rather indefinitely, it would seem advisable to take stock at this time and try to see that the job be well done in the future.

It seems reasonable to assume that after the present war is over and adjustments must be made from a war to a peace economy, there will again be difficulties of unemployment and related problems. The Federal Government will have an immense debt, and because of lower national income will collect less revenue.

While Federal aids may continue it is safer to assume that they will be less and that local finances will have to bear a greater portion of welfare costs.

### **Greater Local Participation Desirable**

Welfare is largely a local problem and local effort in conjunction with state and federal agencies is most likely to find right answers.

St. Louis County has plenty of low priced land that will produce food and many other contributions to family living. It has low cost fuel and building materials. It has natural resources capable of furnishing much employment for those able and willing to work. These resources coupled with a reasonable amount of human energy will provide most of the major needs of all local people. The job is to find away to utilize all these resources to the best advantage. This is a real challenge to local, county, and township groups. How may the needy in the county be best cared for, contribute what they are able to contribute themselves, receive from the more fortunate what they cannot provide for themselves, and still not be an unnecessary burden on those who are struggling to make their own way?

It would seem that there must be some relationship between this problem of human need and the intelligent use of the thousands of acres of land now in only partial use.

### **Relation of Public Expenditures to Property Value**

In land use planning in Northeastern Minnesota, a great deal of emphasis is placed on road and school costs, because these two items usually require considerably more than half of all local taxes. Everyone wants schools and roads and realizes that they cost something. Farmers particularly, are interested, because a farm on a good road and with good school facilities is much more desirable than if these facilities are poor or lacking. However, where much of the land is unoccupied and where settlement is scattered, costs for these services may be so great that taxes required to pay for them may, in some cases, entirely confiscate the value of the land.

One of the important objectives in land use planning is to avoid scattered settlement and thus reduce road and school costs per settler. To try and bring out clearly what an extra mile of road may mean in annual costs, the following estimates were secured from your county officials.

Your county engineer estimates that the cost of construction of a mile of fair type county road is from \$4,000 to \$5,000 and that average maintenance cost is about \$165 per year per mile. The chief clerk of unorganized school district estimates a cost of 49 cents per mile per day for operating a school bus over a mile of stub road. These figures are summarized as follows.

### Estimated Annual Cost of Services Per Mile of Road:

Interest on Construction Costs .....	\$150
Average Annual Maintenance .....	165
School Bus Service .....	85
	<hr/>
Total .....	\$400

The above estimates make it clear that if careful planning will save the construction of even one mile of road or can save the annual cost of maintaining a mile of road, and can also save the cost of running a school bus over a mile of road four times per day for a school year, the total saving is very much worth while. The importance of this saving is still further emphasized if the following facts are considered.

*An unnecessary tax of \$50 levied annually on any piece of property decreases the value of that property at least \$1000.*

The above seems at first like a rather extravagant statement. It is based on the following reasoning. Assume there is a farm in your community for which you or some nearby farmer would be willing to pay \$100 annual rent. Assume also that the normal taxes on this farm are \$50 per year. The owner of the farm would receive \$100 yearly in rent and would pay \$50 yearly in taxes. His net income from the farm after paying taxes would be \$50, which is equal to 5% interest on \$1000. The farm would be worth \$1000 to its owner as income earning property. Or some person with \$1000 to invest would willingly pay \$1000 for the farm if he could reasonably expect conditions would continue about the same.

Assume again that something happens to change these conditions. Excessive road or school costs or other extravagant expenditures of public funds may result in raising taxes on this farm to \$100 per year.

The owner may still receive the \$100 per year in rent. He must use \$100 to pay taxes or lose his farm through forfeiture. His net income from the farm will be *nothing*. The value of the farm to him as income producing property will be *nothing*. Likewise, no investor will want to buy the farm. The \$50 excess tax in this case has reduced the real value of the farm \$1000.

If we refer to the above table showing average annual cost for public services for one mile of road, we will see that such cost may reduce the value of property taxed to pay these costs by several thousand dollars. Likewise, if this unnecessary expense can be saved, property values in the same area will be increased several thousand dollars.

### Work of Township Land Use Committees

At each of the 67 local meetings held in the county, statistical material for the county presented on pages 12 to 31 in this report were explained and discussed. Also similar statistics



for the townships and school districts represented. In addition the following subjects were discussed: See pages 31 to 39.

1. Laws relating to tax forfeiture and land classification.
2. What shall be done with tax forfeited land?
3. Results of haphazard settlement.
4. Two guides for classifying land.
5. Relation of public expenditures to property values.

Following these meetings, each township group selected a committee and requested this committee to further study the matter presented, and as a first move for improvement in the local institution, to carefully classify all land in their township. In organized townships, the committee selected included two or more members of the township board. In unorganized townships a committee was selected from representative citizens of the townships who knew most about the land, the uses to which it was best adapted, and other matters of community value and interest.

These various township committees met at a later date and all of them completed classification of land in their townships.

Each township classified land into six classes indicating their judgment as to the best use of each class of land under present conditions. It is the opinion of those who worked with these township committees that a fairly accurate and very useful job of land classification has been done.

### County Land Classification Map

Based on these various township classifications, a county map has been made, which shows the classification of land for the whole county. This map is too cumbersome and too costly to reproduce to include in this report. Copies are on file in the Land Commissioner's Office and also in the County Agent's Office. Each county commissioner will have maps showing the classification of land in his district. Each township committee will have a copy of a township plat showing the classification of land in their township. For this report the following graph and explanation has been prepared, which shows the total acreage and percentage of land placed in each class for the county as a whole.

GRAPH V. CLASSIFICATION OF LAND ST. LOUIS COUNTY



#### Explanation of Graph

Class 1: Land in farms and recommended for farm use .....	637,721	15.8 %
Class 2: Wild land recommended for sale for farms .....	173,047	4.3 %

Class 3: Land in farms, but of questionable value for farming .....	33,441	.8 of 1 %
Class 4: Wild land questionable for farming and recommended for sale only to adjoining land owners .....	133,330	3.3 %
Class 5: Land now in farms, but because of poor quality of soil or location, unfit for farming .....	10,442	.3 of 1 %
Class 6: Wild land best suited for the present for conservation .....	2,954,473	73.2 %
Class 7: Land in towns, cities and villages not classified .....	91,898	2.3 %
Total .....	4,034,352	100.0 %

### Discussion of Land Classification

The fact that local people throughout St. Louis County, considered all the factors involved in the best use of land, have designated 73.2% of all the land in the county as best used for the present at least, for conservation purposes is rather a startling fact. It is particularly startling to those who have felt that most of the land in St. Louis County would eventually be used for farms after the timber was removed. This classification indicates that settlers in the various townships who have had experience in clearing land and growing crops under the varying seasonal conditions, have come to the conclusion that approximately three-fourths of all the land in St. Louis County cannot be successfully used for agriculture under present conditions. Much logical reasoning has helped these settlers to arrive at this conclusion.

### Plenty of Land for Further Farm Development

It will be noted from the above graph and explanation that about 175,000 acres of wild land have been designated, quality of land and location considered, as suitable now for farming. At the past rate of settlement, this additional wild land will supply future needs for from ten to twenty years.

The committees have also designated about the same amount as questionable which is available for purchase by adjoining land owners. These two classes of land are likely to supply all legitimate demand for 20 or 30 years.

When these two classes of land are in use for farming, plenty of other land can be made available by reclassification.

### Other Recommendations by Township Committees

There is much more to a land use study than to merely classify land. Other factors such as taxation, welfare, further development of farms with small crop acreage, zoning, the handling of timber land, relocation of poorly located settlers, etc., are all important. No one knows the best answers to these problems.

Only by study and discussion can suitable and generally satisfactory answers be found. Some consideration was given to these subjects but not nearly enough. Some of the township committees considered and made recommendations on some of these subjects. Other committees had time only to classify land and made no further recommendations. These recommendations are summarized below.

It is safer to consider these recommendations rather as suggestions by a limited number of interested committees rather than as definite conclusions representing a majority opinion after full and careful consideration.

### Handling Conservation Land

About three-fourths of all land in the county has been classified as best used for conservation for some time to come. Most of this land is now in public ownership. Some is still privately owned. Our present tax system is such that it discourages private ownership of timber land. This is because most of our cut-over land does not reproduce timber fast enough to enable the owner to pay taxes and gain anything by holding the land. Owners are likely to pay taxes until present stands of timber are cut; then quit paying and allow land to forfeit to public ownership. It is naturally important to place definite responsibility for handling this land with some public agency.

The question was asked each township committee: "*What public agency in your judgment should handle conservation land?*" Because conditions vary greatly in different sections of the county, different answers were given. The following is a summary of township committee recommendations:

- 10 Townships Recommended Federal Management
- 25 Townships Recommended State Management
- 9 Townships Recommended Township Management
- 3 Townships Recommended County Management

It may seem strange, but it is probably true that all of these committees are correct for their own localities.

The Federal Forest Service is already established in the Superior National Forest, and can likely manage that area as well or better than any other agency. The State Department of Conservation can no doubt manage efficiently other large tracts of land covering two or more townships. They have appropriations for fire fighting. They have trained personnel and the lookout towers, and other equipment. They also have legal right to draft fire fighters. They are definitely responsible for handling state trust fund lands and have some legal responsibility in handling timber on tax forfeited land.

County commissioners in cooperation with township boards are legally responsible for classification of all tax forfeited land, for the sale of agricultural land, for the sale of timber, and other products on all forfeited tax land whether classified as agricul-

tural or conservation land.

Because of this joint responsibility of State, County and Township officials in handling tax forfeited land and timber on such land, it is very important that a clear understanding and agreement be reached between these public agencies to avoid conflict and duplication of effort and to secure complete cooperation and effective management.

Taxpayers in St. Louis County have paid millions of dollars in taxes to support public service during the many years while tax delinquent lands were making no tax contribution. Tax forfeited lands are, therefore, very largely the property of local taxpayers. Millions of dollars in value in land, timber and other products are involved. Every citizen of St. Louis County has a personal interest in seeing that these vast resources are handled in ways that will insure their best use and bring the greatest long-time return to all.

### **Township or Community Forests**

There seems to be a very definite place in St. Louis County and Northeastern Minnesota for township or community forests. In many townships there are small tracts of land up to several sections in size best used for conservation purpose.

There is nothing complicated in growing timber. It just grows naturally like "topsy". The main factors in growing timber are protection from fire and trespass, and sensible harvest of the crop when ready to cut. Local interest in these areas will very largely reduce the fire hazard and will make unpopular any attempt at trespass. The State Forest Service is legally obligated to prevent or control any forest fires when it threatens state, community or private property.

Many people believe that local community groups can manage these small conservation areas located within settled communities better than can the State or Federal agencies. This matter deserves careful consideration.

### **Sale of Timber on Public Land**

Under the State law providing for classification and sale of tax forfeited land, land classified as conservation land may not be sold. If such land is reclassified later as agricultural land, it may be sold.

When land was first forfeited in Minnesota in 1936, very little consideration had been given to classifying land or controlling settlement. The belief was quite general that the best thing to do was to sell tax forfeited land as quickly as possible and get it back on the tax rolls.

Quite often someone would ask to buy a certain tract of land largely or wholly to get the timber. The county could

sell the land by classifying it as agricultural land. Or they could sell timber stumpage only and retain title to the land. If the land is sold, the purchaser may slash off the timber and then quit paying taxes, or he may decide to occupy the land and ask for school and road service, which may result in costs far in excess of the amount he can pay in taxes. To avoid such conditions, is an important objective of land classification.

Township committees were asked to make recommendation for handling timber sales on such land. *Forty-nine* committees recommend that no land that they have colored green (for conservation) be sold. They recommend selling timber stumpage only and to require cutting under good forest practices that will save as much young and growing timber as possible, so that another crop of timber may be secured in the shortest possible time.

Holding title to the land not only retains with the county authority to regulate cutting, but also avoids any request for road and school service.

The above recommendations by township committees is worthy of most careful consideration.

### **Lake Shore Property**

St. Louis County has many fine lakes. The county now has many summer homes, tourist camps and resorts. This is a good use of land and should be encouraged. Township committees colored most of this lake shore property green, meaning that this land is not suited for farming. Township committees generally approve the use of this lake shore property for summer homes and summer resorts so far as it can be profitably used. However, they recognize that scattered settlement on lake shore property may be quite as expensive to local taxpayers as scattered settlement on farm land.

Wherever enough lake shore property can be used to justify the services required, it would seem desirable for the county to offer such tax forfeited land for sale, but scattered settlement in this regard should be discouraged.

When and if zoning is undertaken, it may be desirable to establish partially restricted areas on many of the lakes where summer use and occupancy will be encouraged and fair summer time roads will be furnished, but where winter residence requiring year around roads and school services will be discouraged. This matter is at least of sufficient importance to be worthy of careful study.

### **Zoning Land**

Chapter 340, 1939 Minnesota Session Laws permits county commissioners and township boards to zone land; that is, to restrict the use to which land may be put. This places with local

officials a large measure of control over both public and private land. It gives them authority to control occupancy and use of land within reasonable limits and thus to discourage private owners or speculators from selling land for agricultural use where its occupancy and use will cause hardship to the purchaser and unreasonable cost for public services. Forty-three township committees in St. Louis County, who had opportunity to consider this question, expressed themselves as favorable to zoning.

The St. Louis Club at the annual meeting at Duluth December 5, 1941, passed a resolution favoring zoning in St. Louis County. Likewise, the steering committees for this land use study in meetings at Duluth and Virginia, endorsed zoning.

All township land use committees were called together in twelve local meetings between June 9 and June 25, 1942. At these meetings, among other things zoning was carefully discussed. At all of these meetings township committees offered and unanimously approved a motion recommending that St. Louis County be zoned. It would seem that most of the people in St. Louis County, who have given consideration to the matter, are in favor of taking this next step in proper land use, that is, to definitely zone the county. On Aug. 7, 1942, the St. Louis County Board voted to proceed to zone the county and the job is well underway.

#### **Land Exchange Law**

The 1939 Session of Minnesota Legislature passed a law authorizing exchange of land between State and Federal Governments and between private individuals and the State. This law was amended in 1941 to make it more workable. In classification of land in St. Louis County, various township committees have designated a number of farm families as poorly located; that is, they are trying to farm on land that is too poor to farm or are located so far from centers of population that they have little chance themselves and are generally a heavy expense to other taxpayers in the county. There are between 75 and 100 such families located in St. Louis County, representing about 10,000 acres of land.

Through the use of this land exchange law and other means, many of these poorly located settlers may be offered opportunities for exchanging their poorly located land for better land better located. This will mean an average saving for each one of these settlers in road and school costs of \$100 or more per year. This, of course, will have some effect in consolidating settlement. Then by directing new settlement into the desirable farming areas, where there is already considerable settlement and where roads and schools are now available, farm settlement will be consolidated and cost per farm for public service will be reduced. Settlers themselves will be benefited both by reduced taxes and the opportunity of living in better settled communities with better roads, better schools, and better opportunities for many modern conveniences, such as telephone, electric lights,

markets, etc. *Twenty* township committees expressed the belief that their townships would be benefited by use of this Land Exchange Law and the relocation of a few settlers.

### **Welfare**

As shown elsewhere in this report, welfare expenditures represent one of the major items in public expenditures. In many townships welfare costs including federal and state contributions are from one to ten times as much as total local tax collections for all purposes. This situation has been somewhat relieved by present war activity and demand for labor, timber, and mineral products. It is likely to become serious after this war is over. Many people in the county feel that welfare expenses have been much greater than they need be and still meet all legitimate needs. *Twenty-two* of the township committees recommended more local control in welfare matters. It is apparent that if this job is to be done well and not become a serious burden to taxpayers, there must be close cooperation between local, county, state and federal agencies. There is room for some very careful study and planning along this line.

### **Rehabilitation**

One of the most apparent and general problems of the county is the fact that nearly three-fourths of all farms in St. Louis County are too small in crop acres and size of farm business to provide a satisfactory living for the families living thereon. See page 13. It is evident that one of the big jobs in the county is to get these small farms further developed so that they can support in reasonable comfort the families living on them. While the development of a farm is largely the problem of the individual family living thereon, yet there are opportunities for the community and other outside agencies to help provide better conditions for development of these farms.

There seems to be a very general agreement among the rural people in St. Louis County that such welfare activities as WPA, particularly, has retarded rather than helped farm development. There seems to be general agreement that if the same amount of money or even half as much public money had been used to help the owners of these small farms to further develop their farms, rather than expend it on WPA projects, that much progress could have been made during the past few years in farm development. This subject of farm development and rehabilitation deserves most careful study. *Eighteen* township committees recommended more effort at rehabilitation in place of the old WPA program.

### **Taxation**

Since tax delinquency and tax forfeiture are very much at the root of public financial difficulties in Northeastern Minnesota,

it would seem that this very important topic of taxation is worthy of a lot of thought, study and constructive action. Most of the people who have given much thought to the question believe that one of the difficulties is that we have inherited from the past the practice of deriving a major part of local tax revenue from property taxes. This system of taxation was practical 50 or 100 years ago, but now since there are many sources of earning income other than through the use and ownership of property, these other sources of income should contribute more largely to the support of public service.

While there was little time to discuss or consider tax problems in St. Louis County during this land use study, yet a few of the committees, who had been giving thought to this matter previously, made some recommendations that at least deserve further thought and study. The most general recommendation by township committees is that the aim should be made to build up a larger tax base and thus distribute the cost of services among more people. Several suggestions were offered, as means of widening the tax base as follows:

1. Reduce or limit the present \$100 exemption on personal property.
2. Greatly reduce the present exemptions on state income taxes.
3. One township committee recommends a general retail sales tax, under the conditions that income from this sales tax shall be used to replace a part of property tax.

All of these suggestions are worthy of study.

### **St. Louis County Resources**

This study so far has largely emphasized the problems of the county. All who know the county realize that there are many available assets and that this study and the actions proposed offer to St. Louis County people and others who may come into the county a hopeful future.

Past experience has shown that farming has been and may be profitably conducted on the better land in the county, particularly on farms of reasonable size and with a reasonable number of crop acres. Good sized farms have been developed here and will continue to yield returns and support many thousands of people. Among the other resources are mining, production of timber, and tourist business. St. Louis County really has four resources, namely, mining, agriculture, tourist business and tim-



ber. That these are material sources is amply shown by the following table:

Industries Directly Dependent Upon Land Resources	Estimated Annual Income to St. Louis County People
Iron Mining .....	\$50,000,000
Agriculture .....	3,000,000
Timber .....	3,000,000
Tourist Industry .....	12,000,000

These land resource industries represent a diversity of opportunity for St. Louis County people. All of the industries, with the possible exception of iron mining, offer possibilities for expansion. Many families receive a part of their support from several sources. This diversity of large and basic industries can produce a stability of activity in the county which is impossible in a one-industry area. While St. Louis County people face many perplexing problems in land use, intelligent use of these great natural resources promise a future for all who are willing to work.