

**STAGE 4:
REPORT TO THE BOCC ON THE VIABILITY OF EACH GOVERNANCE OPTION**

I. SUMMARY:

In Stage 4 the Governance Options identified in Stage 1 are measured against the concerns, needs and desires recorded by the survey responses and comments of residents of the Green Valley Area (GVA).

In addition attention is paid to the extent to which each Governance Option would be expected to effect how the cost of public improvements, programs and services are borne “locally” or by County taxpayers at-large.

The BOCC has already seen a summary of the GVA survey responses and comments. For this writer the survey results are unsurprising: a relatively high level of satisfaction for the more basic public services, law enforcement, fire and EMS; some drop-off in degree of satisfaction for what are more often associated with developed or developing areas, such as sidewalks, bridges, parks and recreation, and also roads and sewer and water service; and willingness to pay for and personal priorities tended to match up with the degree of satisfaction/dissatisfaction.

Some importance was shown for aspects of development that reflect a sense of community – what the GVA is and what it should be, for example: more infrastructure, improved quality of development, land use compatibility, growing the tax base and increasing the number of shops and services.

Set out in the following section are the criteria used in evaluating each of the Governance Options.

At the request of the BOCC this writer will make his recommendations as to the most appropriate Option(s).

II. EVALUATION CRITERIA:

Five criteria were identified for use in evaluating/measuring the extent to which each of the Governance Options presented a viable approach for the GVA.

Those criteria were not assigned any priority or weight. Their selection and application are the judgment of this writer alone. The criteria are:

1. Internalize Public Costs. Does the Option effectively internalize costs of public improvements, programs and services? Does it place the cost burden primarily upon those who most directly receive the benefits of the public improvements, programs and services?

2. Responsive to Expressed Needs/Desires. Is the Option responsive to the survey responses and comments of GVA residents? Does it provide an effective means whereby the needs/desires/concerns of GVA residents can be addressed?
3. Authority and Decision Making. Does the Option provide broad or limited governing authority, and does it place final decision making power locally or retain it at the County level?
4. Economics. Is the Option economically viable? How would the cost of governance be borne? Is the Option affordable for those who will foot the bill?
5. Initiation of the Option. Can the Option be initiated by action of the BOCC?

III. ANALYSIS OF EACH GOVERNANCE OPTION:

The effort here is to look to each of the seven Stage 1 Governance Options with the five criteria in mind.

It is acknowledged that reasonable minds can differ as to how each Option matches each criteria. For the most part this analysis is a judgment call, and the following is the best judgment of this writer, given objectively with no predisposition as to what should be the “best” outcome.

A. Annexation

1. Internalize? Yes. The GVA would likely be treated like any neighborhood in Manhattan, with some infrastructure, program and service costs being borne locally via benefit districts (e.g., street and sidewalk assessments) and other costs paid city-at-large, with GVA properties contributing.
2. Responsive? To some extent. Many survey responses and comments requested more or increased infrastructure, programs and services, all of which are possible via Manhattan. However, (a) GVA would be but one of many neighborhoods in Manhattan, all of which compete for limited dollars, and (b) those residents who commented in opposition to annexation or to any further urbanization which would lead to a loss of identity or community would likely oppose annexation.
3. Authority/Decision Making? Annexation results in governance by a city having broad powers of self-government. Of course annexation does not remove the GVA from Pottawatomie County, and the County would continue to provide its services to the residents of GVA, including law enforcement, the district court, appraiser, treasurer, register of deeds, county clerk, elections and public health, just as it provides those services to the residents of Wamego, Westmoreland and other cities. However most requests for new

public improvements, programs and services would likely be made to the City of Manhattan and not to the County.

4. Economics? Annexation makes GVA property a part of Manhattan's tax base. In 2018 the City's mill levy was 48.357. Property would continue to be subject to the County's mill levy, which in 2018 was 29.983.
5. Initiation? The BOCC plays a role in annexation only when a city requests its approval via K.S.A. 12-521 or 12-520c ("island" annexations). Annexations of the GVA by Manhattan would likely be unilateral under K.S.A. 12-520. Only a city or a property owner can initiate an annexation.

Comments re: Annexation:

Manhattan has many arguments, pro and con, for annexation. That City could view annexation of GVA as a positive opportunity or as a necessary step to influence growth and development in the GVA.

- GVA is already perceived by many as part of the Manhattan urban area. Annexation would just formalize the relationship.
- Even though almost all single-family dwellings require more public expense than they generate in property taxes, GVA has a high assessed valuation and would add significantly to Manhattan's tax base, and its population.
- Manhattan may see the Highway 24 corridor as either an opportunity for economic development, or as future competition to existing commercial and industrial business in Manhattan. Either viewpoint lends itself to annexation.
- While state law makes most annexations costly and time-consuming, unilateral annexations of platted lands touching on the city's limits can be done relatively quickly, without landowner consent or BOCC approval.

B. Incorporation

1. Internalize? Yes. The GVA, as an incorporated city, would likely bear the cost of most future public improvements, programs and services. City property owners would continue, of course, to pay County-levied property taxes, and would continue to receive County services including those listed above regarding annexation, *e.g.*, law enforcement and district court.

The incorporation of the GVA would have the same effect upon internalizing public costs as does the annexation Option.

2. Responsive? Yes. What distinguishes incorporation from annexation is that incorporation is the Option which is responsive to GVA survey answers and comments, essentially across the board. Whether the desired future of the GVA is going to be that of a fast growing urbanized area, or that of a semi-rural community the ultimate decisions would be made by the residents of the incorporated city itself.
3. Authority/Decision Making? Decisions on capital improvements, and on what municipal programs and services would be provided, and at what level, would be decisions made by GVA residents' elected city council and mayor. County programs and services would continue to be provided to those residents just as they now are to residents of Wamego, Westmoreland and any other incorporated city.
4. Economics? A new city would initially be heavily dependent upon city property taxes. While the BOCC can only consider what a petition for incorporation presents as the area to be incorporated, it is assumed the BOCC would only approve a petition that had enough assessed valuation to make a city viable, economically, to operate.
5. Initiation? No. The BOCC cannot initiate the incorporation process. It is to consider, and act on, a petition presented to the County Clerk.

C. Improvement Districts

1. Internalize? Yes, to an extent. An improvement district can construct "public works or improvements" although authority is not as broad as the County's or that given a city.
2. Responsive? Again, to the extent to which an improvement district has authority to act it can be responsive to the needs and desires set out in the survey, e.g., animal control, street lighting, parks and recreation can be undertaken by a district's board of directors.
3. Authority/Decision Making? Yes. The district is governed by a 3-member board of directors elected by the qualified electors residing in the district. Land within an improvement district can be annexed by a city.
4. Economics? A district can levy up to five mills, with a sixth mill subject to a protest petition. G.O. and revenue bonds can be issued.
5. Initiation? The BOCC can approve incorporation of a district upon submission of a sufficient petition, holding a public hearing and making a finding of advisability upon a unanimous vote of the BOCC (K.S.A. 19-270).

D. Blue Township

1. Internalize? Yes, to the extent to which townships have the authority to undertake capital projects and provide services and programs. That authority was set out at length in the Stage 1 report to the BOCC, and includes establishing libraries, parks, cemeteries and recreational facilities. Also constructing sidewalks and drainage works. While a township cannot zone or otherwise regulate the use and development of land, it can adopt building, plumbing and electrical codes.
2. Responsive? Yes, to the extent of its limited powers, Blue Township can take on a number of the services and programs GVA surveys asked for.
3. Authority/Decision Making? Governance is by the elected township officials. The BOCC cannot mandate any action by the township board.
4. Economics? Township mill levy limits are set out in statute. Blue Township levied 1.404 mills in 2018, on an assessed valuation of \$61,450,534.
5. Initiation? N/A as Blue Township exists.

E. Special Districts

1. Internalize? Yes, to the extent of the limited function of each special district created, i.e., road, recreation, library, sewer, water, fire, drainage or industrial. The County has considerable experience in establishing these types of districts. The function performed by the district is financed via property taxes levied within the district.
2. Responsive? Greater utilization of special districts is responsive to some needs of GVA.
3. Authority/Decision Making? Special districts are created by the BOCC and administered by the County.
4. Economics? Yes. Districts are self-funded via property tax levies.
5. Initiation? By the BOCC.

F. Benefits Districts

NOTE: The following assumes the County passing its own version of the General Improvement and Assessment Law now applicable to Sedgwick County (K.S.A. 19-27,181, et seq.). This would be done by exercise of Home Rule, as described in the Stage 1 memo.

1. Internalize. Virtually all public improvement costs can be assessed to property benefitted by the improvement. Those public improvements are listed in the Stage 1 memo.
2. Responsive? Yes, again only as to public improvements, not to public programs and services.
3. Authority/Decision Making? If created by Home Rule the BOCC could decide whether to retain complete County administration or delegate some responsibilities to another body.
4. Economics? The function(s) of the benefit district would be paid by assessments upon benefitted properties.
5. Initiation? The Home Rule legislation could allow for BOCC initiation of a district, or initiation upon petition approved by the BOCC.

G. Pottawatomie County Land Use Regulations

1. Internalize. Zoning and subdivision regulations allocate costs of public improvements by identifying those which are required in order to obtain development permits, *e.g.*, subdivision platting.
2. Responsive? Applicable only to costs of new development. Not applicable to public programs and services.
3. Authority/Decision Making? By the BOCC, with recommendations from the County Planning Commission.
4. Economics? Text amendments to the land use regulations could place a greater burden upon future development, subject to well-settled legal standards.
5. Initiation? By the BOCC.