Incorporation Study Committee
Findings Presentation

Presented to the

Town of Salem Board and Electors

06/29/15

“Every speaker has a mouth,
an arrangement rather neat.
Sometimes it’s filled with wisdom,
sometimes it’s filled with feet.”

– Robert Orben (speechwriter and comedian)

We will be discussing…

- How we got here
- How the committee got started
- The committee's approach
- What and with whom the committee consulted
- The findings and report

How We Got Here

Lots of talk for a long time

- How much of a threat are Paddock Lake, Silver Lake, and Twin Lakes to Salem's borders?
- What's the difference between a town and village?
- What would being a village cost us?
- How will it cost to make the change?

Elector's Motion

- At 2014 Annual Electors Meeting, a motion was approved to study incorporation

"MOTION BY Elector Kyle Christensen, second by Tim Squier to request that the Town Board form a committee to investigate the possibility of incorporation."

- from minutes of 2014 Annual Electors Meeting

The Team

Team Name	Town of Salem Incorporation Study Committee (emphasis on *"STUDY"*!)
Committee	• Carrie Fisher • Darren Hull • Geraldine Myers-Witkowski (resigned) • John Roberts • Melanie Rudd • Mike Ullstrup (chairman) • James Woodke

Objectives

- Determine the differences of the town form of municipal government versus the village form based on state statute and regulation
- Determine how well the Town of Salem satisfies those statutes and regulations
- Understand the costs associated with each

The committee’s approach

A "Re-engineering" Approach

Understand where we are…

"Current State"

Determine where we (may) want to go…

"Future Possibilities"

Determine how to get <u>from</u> where we are <u>to</u> where we (may) want to go…

"Making the Change"

Organizations and documents consulted

- Town of Somers
- Village of Bristol: Randy Kerkman
- Village of Bloomfield: Ken Munroe
- Department of Natural Resources
- Towns Association
- Department of Administration: Erich Schmidtke & Renee Powers
- Kenosha County Sheriff: Dave Beth
- Kenosha County Planning & Development: Andy Buehler
- Kenosha County GIS: Al Brokmeier
- Town of Menasha
- Paddock Lake/Salem Cooperative Plan
- Salem Utility District: Brad Zaulke
- Southeast Wisconsin Regional Planning Council
- State Statutes
- Salem Highway Dept: Mike Murdoch
- Salem Fire & Rescue: Mike Slover
- Salem Building Inspection: Jack Rowland
- Salem Town Clerk: Cindi Ernest
- Salem Town Treasurer: Kris Lamb
- Salem Town Assessor: Rocco Vita
- State Representative to the Assembly (Staff)
- Community Library Board Member: Gail Peckler-Dziki
- Community Library Director: LeeAnn Briese
- League of Wisconsin Municipalities: Claire Silverman, Legal Counsel

What we developed / what we will present

- The final report includes…
  - 135 pages of PowerPoint slides in PDF format
  - ALL findings and detail
  - A “zip” folder of source documents
  - Will all be available on the town website
- This presentation will be only…
  - Descriptions of what we did
  - Analyses
  - Summaries
- Our objective was to provide TRUTH

“One half of knowing what you want is knowing what you must give up before you get it.”

- Sidney Howard, author & screenwriter

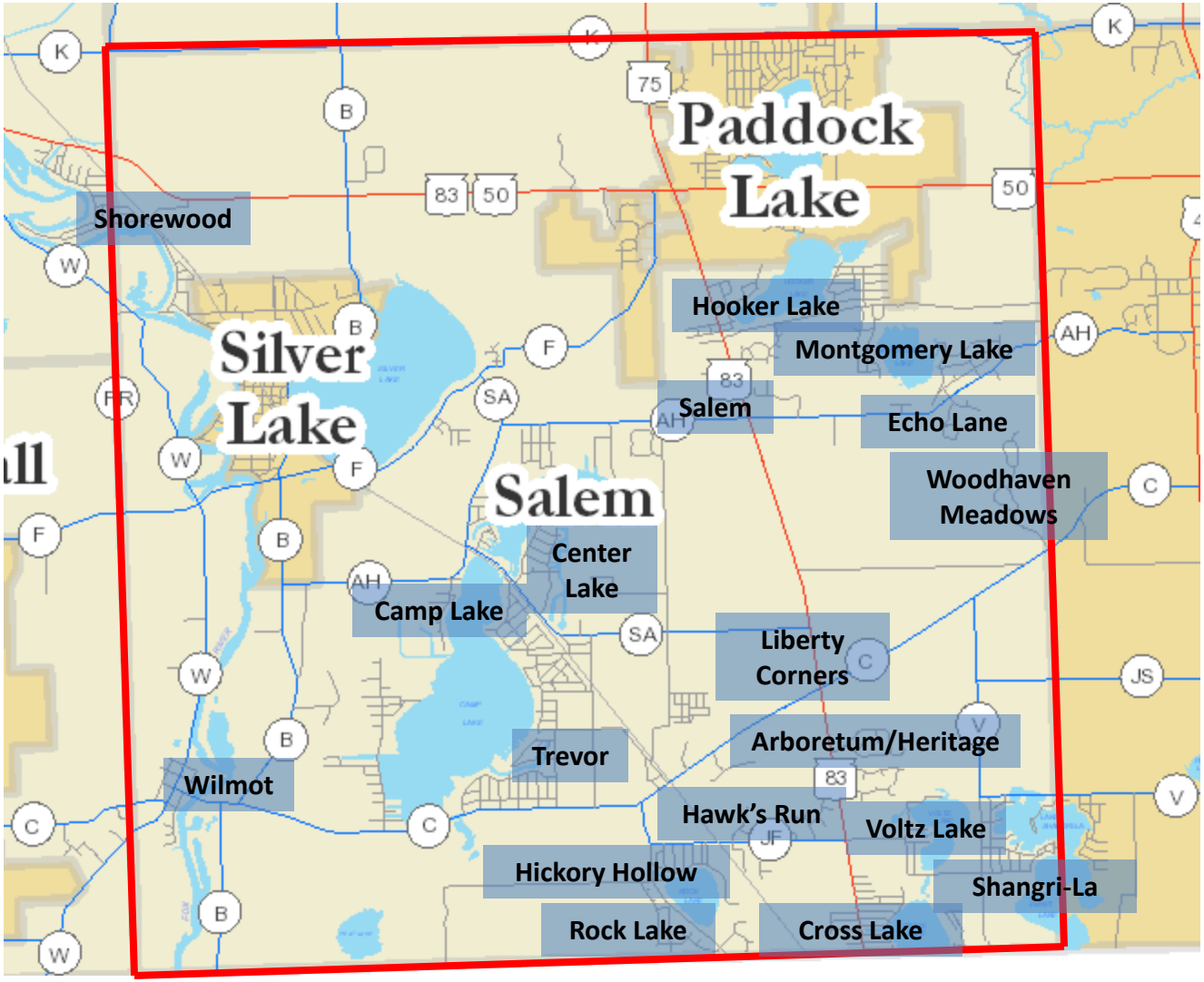
Current State Analysis

A study of the functions and services that the Town of Salem presently provides including service levels, their determinants, and the ensuing costs

3-Pronged Approach

- Top-Down: Study of State Statutes
- Bottom-Up: Interviewing Department Heads
- Follow-the-Money: Analysis of the Town of Salem budget

Town of Salem Hamlets and Communities



And just what is a “hamlet”?

- Area that contains a small cluster of houses, a church, or local businesses such as a store or tavern.
- Administered by the town or municipality in which they exist.
- Serves as useful local reference to specific places and are important references and sometimes included in vital records.
- Does not have any governmental function but most are recognized for the common usage and are marked with official green informational highway signs listing the place name with the word 'Unincorporated' underneath.

- from Wisconsin Blue Book 2011 – 2012

Functions & Services Provided by Salem

- Highway
- Fire & Rescue
- Sewer & Storm Water
- Clerk
- Treasurer
- Building Inspection
- Property Valuation
- Zoning
- Library
- Public Safety
- Municipal Court
- Town Governance and Administration
- Parks
- Garbage & Recycling

Current State

TOS Services: Public Safety

Example

Service	Description	Comments	Who Determines Service Level
Enforce town ordinances		• Per State, no difference between "police" and "public safety" • All officers are "certified law enforcement officers" • Can arrest and charge with a crime • Can testify in court as a sworn law enforcement officer • Public safety policies of Salem are in place like any other policies in county • Have access to state computer files for tickets, DUI, sex offender, probation • Town has evidence lockers	• Per statute, a town MAY provide law enforcement by creating its own police force or join with another municipality • Town board on scope of jurisdiction • State on certification criteria and definitions • No state mandate for type of vehicle but state does have certain equipment requirements • TOS vehicles equipped with basics
Enforce traffic ordinances	• Town , county, and state roads		
Handle quality-of-life issues	• Disputes between neighbors • Barking dogs • Sidewalk shoveling • Property Maintenance • License premises checks • Burning violations • Extra attention to town-owned property and parks		
Lake patrol		• Water patrol sponsored by DNR • All expenses turned into DNR (labor, gas, etc), reimbursed at 70%	

Summary of Costs of Services (FY 2015)

Functions / Services	Budget (000)	Notes
Highway	$ 959	
Fire & Rescue	$ 1,266	
Clerk	$ 119	
Treasurer	$ 59	
Building Inspection	$ 161	
Property Valuation	$ 159	
Zoning	$ 3	
Public Safety	$ 144	
Municipal Court	$ 21	
Town Governance / Administration	$ 617	
Parks	$ 96	
Total	**$ 3,604**	**Part of Town Levy**
Sewer & Storm Water	$ 6,326	Fee supported
Library	$ 339	Separate levy
Garbage & Recycling	$ 1,061	Separate levy

See Appendix for reconciliation to levy

Local Mill Rates, 2013-14 (*comparison only*)

County	Municipality		Mill Rate
Kenosha	Town	Paris	$ (4.13)
Kenosha	Town	Randall	$ 1.98
Kenosha	Town	Wheatland	$ 2.28
Kenosha	Village	Bristol	$ 3.29
Kenosha	Town	Salem	$ 3.75
Kenosha	Village	Pleasant Prairie	$ 4.46
Kenosha	Town	Somers	$ 4.92
Kenosha	Village	Twin Lakes	$ 5.15
Kenosha	Village	Silver Lake	$ 6.22
Kenosha	Village	Paddock Lake	$ 7.23
Racine	City	Burlington	$ 8.70
Walworth	Village	Genoa City	$ 9.78
Kenosha	City	Kenosha	$ 12.03

Source: Wisconsin Taxpayers Alliance, www.wistax.org

And what exactly is a mill rate?

This is what the town board proposes and the residents approve. The Town always gets what's levied – regardless of property values!

$$\frac{\textbf{Municipality Tax Levy}}{\textbf{Municipality Property Value}} = \textbf{Municipality Mill Rate}$$

This is the value of all of the property in the town based on the last valuation.

This is the calculated number that is multiplied with the value of an individual property value to determine the property owner's town taxes.

This is Salem's 2014/2015 mill rate calculation

See "zip folder" for reconciliation to expenses

This is what the town board proposed in November, 2014 and the residents in attendance at the meeting approved.

$$\frac{\$3{,}428{,}415}{\$940{,}628{,}800} \times \$1{,}000 = \$3.64 \text{ / } \$1{,}000 \text{ of property value}$$

This is the value of all of the property in the town based on the last valuation.

This is the calculated number that is multiplied with the value of an individual property value to determine the property owner's town taxes.

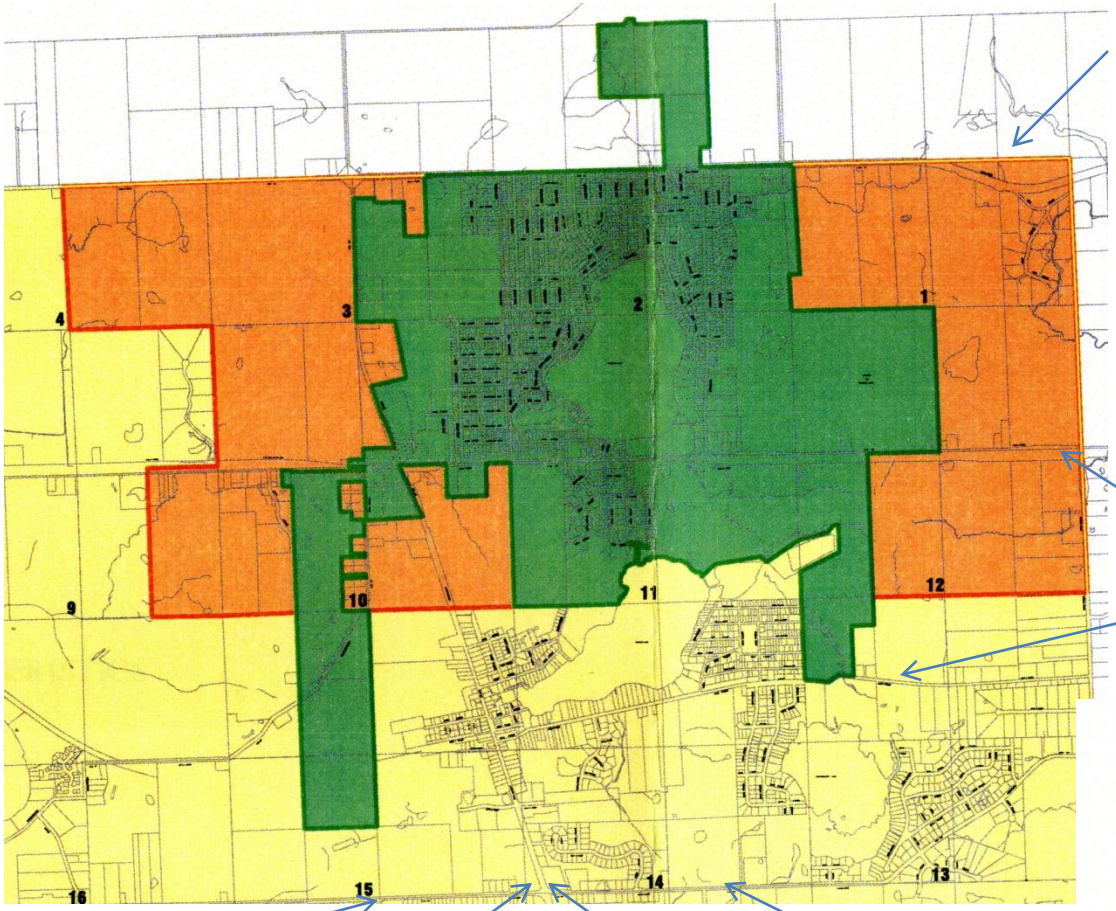
Other Issues

- Boundary Agreements
- Limits on Board Power
- Risks to Towns & Annexation

Boundary Agreements: Paddock Lake

- Approved October, 2007
- Salem got…
  - End of Extra-Territorial Zoning of Paddock Lake over Salem
  - Paddock Lake won't accept any petitions for annexation from Salem landowners
- Paddock Lake got…
  - Sewer agreement
  - Guaranteed annexation of the "Village Growth Area" (see next slide)
  - ***<u>This annexation happens regardless of any incorporation of Salem</u>***
- In effect for 20 years from date of DOA approval (VOPL/TOS Cooperative Plan, paragraph 7.01)…or October 2027

Paddock Lake Growth Area



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CURRENT Assessed value of Growth Area = **$ 19,192,800**

Revenue to Town @ 2014/5 mill rate of $3.64 = **$ 69,862** will be lost to Town … ***AT CURRENT RATES AND VALUES***

WI 50

83rd/84th Street

LEGEND

VILLAGE OF PADDOCK LAKE

TOWN OF SALEM

VILLAGE OF PADDOCK LAKE GROWTH AREA

256th Avenue

Salem School

WI 83

CTH AH

Town of SALEM Est. 1842

Other Boundary Agreements

- An agreement is in place with the Village of Bristol that maintains the existing boundaries
- No boundary agreement exists with the Village of Silver Lake
- No boundary agreement exists with the Village of Twin Lakes (not contiguous)

Limits on Board

	Town
Levy Approval	By electors at special electors meeting
Planning and Zoning	County has final approval
Public Safety	Sheriff is responsible for law enforcement
Board Salaries	Approved by electors

Risk to towns

- As a town, Salem is at risk of having parts of its territory annexed by neighboring villages.
  - Paddock Lake
  - Silver Lake
  - Bristol
  - Twin Lakes (but not now contiguous)
- Wisconsin provides for 6 methods of annexation…

6 Methods of Annexation in Wisconsin

Method	Who Initiates	Who Approves	Additionally
3) Referendum (66.0217(7))	Petition to city or village for referendum signed by… • 20% of electors of affected territory sign petition, AND, • Owners of 50% of the real property in affected territory	• Dept of Administration • Board of city or village • **Referendum of petitioning territory**	• City or village must pay to the territory's town an amount equal to the property taxes that the town would have received in … 's … y
4) City or Village Initiated Referendum (66.0219)	2/3 of city or village board declare intention to circuit court to annex territory	1.Circuit court • Dismiss if petition by… • Majority of electors, OR, • Owners of more than ½ of assessed value of territory • Town may be heard **2.Majority of electors in territory in referendum**	• City or village must pay to the territory's town an amount equal to the property taxes that the town would have received • Territory must be in same county as city or village unless board of of the territory's town and county approve

Other 4 methods
- Unanimous Approval
- One-half Approval
- Town Islands
- City-, Village-owned Territory

Estimation of Annexation Risk

Annexation Method	Paddock Lake	Silver Lake	Bristol	Twin Lakes	Comment
Referendum Requested by a Salem Territory	Low (mil rate)	Low (mil rate)	Low	Low (mil rate)	Bristol could be pursued if Paddock Lake comes in
City or Village Initiated Referendum	High	Medium	Low (I-94 focus)	Low	
Comment	Agreement until 2027	Own issues but gets mentioned	Agreement	Distance	

Current State Summary

- The Town of Salem provides functions and services that meet and in most cases exceed State statute and regulation
- Salem provides functions and services that exceed adjacent villages.
- Salem's mill rate is one of the lower ones in the area
- The risks to Salem's borders will grow over time
- The county board still controls planning and development decisions
  - Could affect development in TIF district

“I look to the future because that's where I'm going to spend the rest of my life.”

- George Burns

Future Possibilities

A study of the potential governance paths forward for the Town of Salem.

Wisconsin Municipality Options

- In addition to towns, Wisconsin statutes establishes 2 other forms of municipalities
  - Villages
  - Cities

Village vs City

- Powers between the two are similar
- Differences are more in organization

City	Village
Mayor • Elected at large • Only votes in case of tie • Veto power • Officer of the peace: may suppress riotous or disorderly conduct in public areas	Village President • Elected at large • May vote • No veto power • Officer of the peace: may suppress riotous or disorderly conduct in public areas

Common Council
• Made up of alderman
• Each represents the electors in aldermanic districts
• NOT officers of the peace since 1983
	Board of Trustees
	• Made up of trustees
	• Usually voted at large but 2 villages have districts
	  • Howard (Green Bay)
	  • Germantown (Milwaukee)
	• Officers of the peace

Cities are required to have an official newspaper	Villages not required to have an official newspaper but may need to publish certain items in a newspaper

What is "home rule"?

- Constitutional amendment of 1924 permits cities and villages to determine their local affairs and government, subject only to other provisions of the Wisconsin Constitution and to legislative enactments of statewide concern that uniformly affect every city and village.
  - (Wisconsin Legislative Reference Bureau, http://legis.wisconsin.gov/lrb/pubs/consthi/04consthiIV3.htm)
- In other words, cities and villages can do anything they want <u>unless prohibited</u> by the State
- Towns can only do what is <u>permitted</u> by the State

Other forms considered by State

- Charter towns
  - Last attempt by legislature failed in 2007
- Urban towns
  - Last attempt by legislature failed in 2001

Difficulty in passage of these forms is with the larger representation of villages and cities in the legislature

Options for Salem

Options	Considerations
Stay as is	• Border / annexation risks • County controls zoning & development
City	• No farms, but could be pursued
Village	•Tends to be the preference in area
Variations •Urban towns •Charter towns	• Currently, no law permitting either

- **Village form will be assumed although city form is possible**
- **Implications are essentially the same**

What Changes with Incorporation

Service/Function	Change from Town to Village
Highway	**Responsible for street signs**
Fire & Rescue	**Must create fire commission**
Utility District	Nothing
Clerk	Nothing
Treasurer	Nothing
Building Inspection	Nothing
Property Valuation	Nothing
Zoning	**Responsibility for zoning and land use**
Library	Nothing
Public Safety	**Need a full-time police force & police commission (Requirement for villages over 5,000)**
Municipal Court	Nothing
Town Gov. / Admin.	**2 additional board members (at incorporation)**
Parks	Nothing
Garbage	Nothing

Need for Police…
Kenosha County Sheriff Shared Services

- Financial impact (based on 2014 Village of Bristol actual expenditure)…
  - **$411,896 for full-time police coverage furnished through Kenosha County Sheriff**
    - (see appendix for math)
  - Left the current Public Safety budget as is
    - Negotiating / savings opportunity

Need for Planning & Zoning Functions

Future Possibilities

Landowner Needs

- Re-zone
- Variance
- Addition to existing structure
- New residential structure and/or accessory
- Conditional Use Permit
- Temporary Use Permit
- Building Permit
- Land division
- Shoreland Permit
- Comprehensive ("2035") Plan Amendment

County P&D Dept

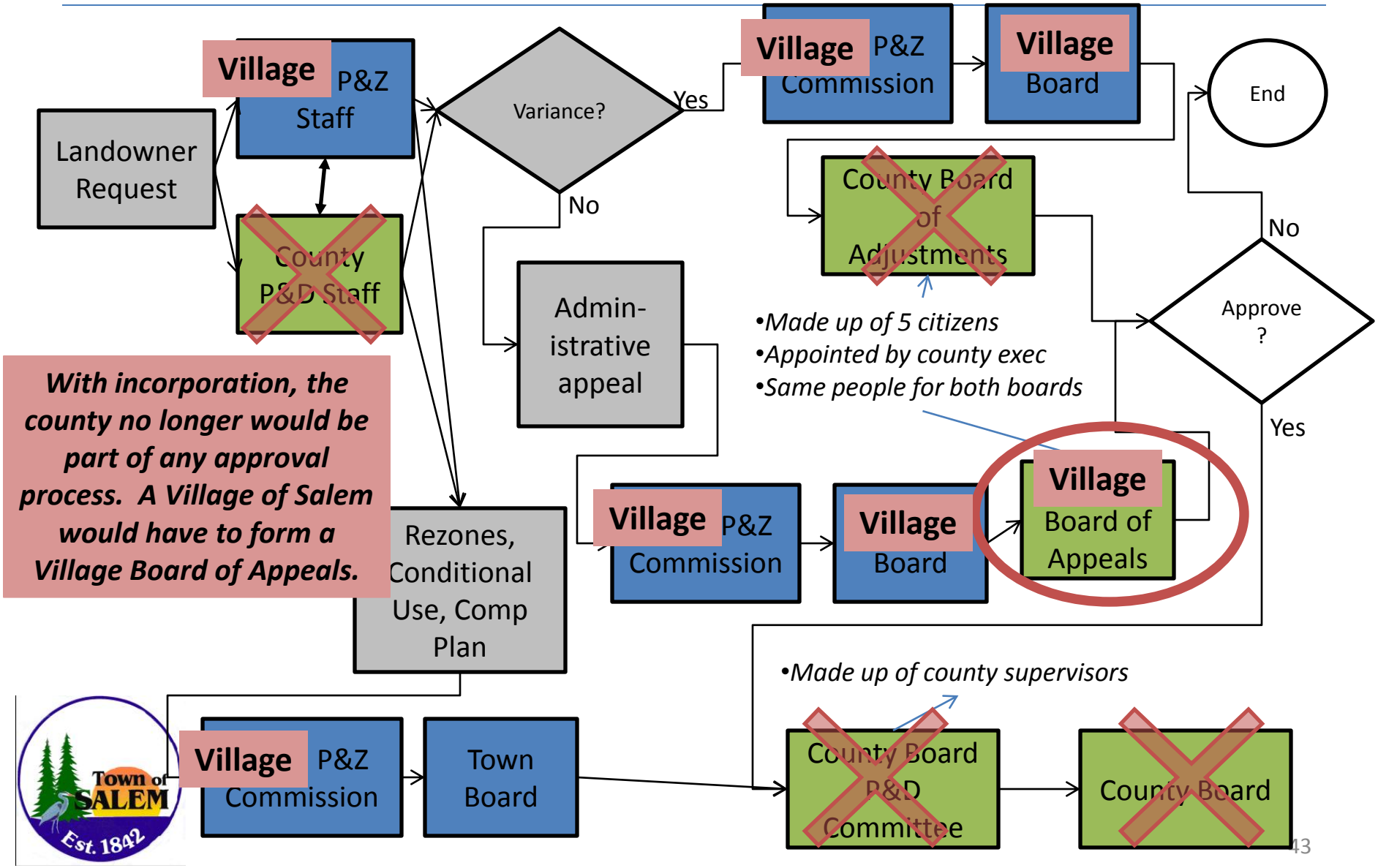
- Set-backs and code verification
- Site-plan Review
- Conditional Use
- Zoning Permit
- Zoning Compliance (co
- Variance and Re-zoning
- Shoreland Permit
- Temporary Use Permit
- Plat & Certified Survey Map
- Comprehensive Plan Amendments ("2035")
- Buildability letters
- Zoning verification letters
- Floodplain verification letters
- Wetland delineation processing
- Stormwater review

These functions would become the responsibility of a Village of Salem

Town of SALEM Est. 1842

Need for Planning & Zoning Processes

Future Possibilities



With incorporation, the county no longer would be part of any approval process. A Village of Salem would have to form a Village Board of Appeals.

Need for Planning and Zoning… Files Taken from County

Town of Salem property files held at Kenosha County. With incorporation, they would be moved to a Village of Salem

Need for Planning and Zoning…

Costs

- The functions of planning zoning can be outsourced to the county
- Would provide same level of full-time service that Salem receives today
- Can take advantage of county efforts at providing more services online.
- Assuming a **$30,000** cost based on Village of Somers experience

Governance Changes
Need for Additional Board Members

- The Town of Salem has **5** board members…
  - 1 town chairman
  - 4 board members
- Wisconsin requires villages to have **7** board members (at incorporation)…
  - 1 village president
  - 6 trustees
- Financial impact (assuming current compensation)…
  - **$18,748** total annually for 2 additional board members
    - (see appendix for math)

Note about DNR

- Per Tim Andryk, DNR Chief Legal Consul
  - In 25 years, he does not remember where a Town vs Village was treated differently for grants or regulations.
  - Generally treated in the same category…just a municipality

Limits on Board

	Town	Village	Ways to Check Village Board
Levy Approval	By electors at special electors meeting	By village board	• Trustee elections
Planning and Zoning	County has final approval	Village board considers all requests, county not involved	• Outsource P&Z functions to county to help prevent circumventing of processes • Trustee elections
Public Safety	Sheriff is responsible for law enforcement	Village board must establish full-time police force	• Outsource policing to sheriff • Sheriff is ultimate authority anyway • Trustee elections
Board Salaries	Approved by electors	Approved by board	• Trustee elections

Note: even with outsourcing, the village board is still responsible and can "un-outsource" at any time

Village Cost Assumptions: **CAUTIONS**

- Cost and levy assumptions are **WORST CASE**
  - No savings opportunities in Public Safety costs
  - Full 7-seat board of trustees
  - **ALL** additional village costs are added to levy
  - No change in property values from 2014
    - But does include loss of value of Paddock Lake Growth Area
  - Assumes a straight conversion from "town" to "village"
    - Reality could be very different and could occur in a variety of ways (see "Making the Change" section)

Village Costs & Levy (FY 2015) ($000)

Category	Current Budget	Add'l for Village	Total Village
Unaffected Functions	$2,840		$2,840
Affected Functions			
•Zoning	$3	$30	$33
•Public Safety	$144	$412	$556
•Town Gov. / Admin.	$617	$19	$636
Total	**$3,604**	**$461**	**$4,065**
Levy *(SEE "CAUTIONS")*	$3,428	***$461***	$3,889

Adjusted Property Value (FY 2015) ($000)

Property Value, Current	$940,629
- VoPL Growth Area Value	$19,193
= Adjusted Salem Value	$921,436

New Mill Rate and Tax (FY 2015)

Category	Current Budget	Add'l for Village	Total Village
Levy ***(SEE "CAUTIONS")***	$3,428	***$461***	$3,889
Property Value, Current ($000)	$940,629	$940,629	$940,629
- VoPL Growth Area Value ($000)	$19,193	$19,193	$19,193
= Adjusted Salem Value ($000)	$921,436	$921,436	$921,436
Mill Rate, Current	**$3.64**	**$0.49**	**$4.13**
Mill Rate, Less VoPL Growth Area	**$3.72**	**$0.50**	**$4.22**

Tax on $200K home, Current	***$729***	***$98***	***$827***
Tax on $200K home, Adjusted	***$744***	***$100***	***$844***

Would there be additional Shared Revenue?

- In general, no
- Utility Aid would be impacted as some utility aid components pay Villages and Cities more than what is allocated to Towns
  - Example: the allocation of some payments include the Village/City getting 2/3 and County 1/3, and Towns getting 1/3 and Counties 2/3
- See Appendix for email from Department of Revenue

Analysis: Stay As Town

Strengths	Weaknesses

• Functions and services meet and in most cases exceed State statute and regulation – incorporating will add little ability to provide more
• Electors much more involved
• Salem's mill rate is one of the lower ones in the area
	• Length of time to get zoning approvals from County
	  • Could affect development in TIF district
	• Territory can be annexed away by neighboring villages.
	  • Results in less property value and higher mill rate

Analysis: Become Village

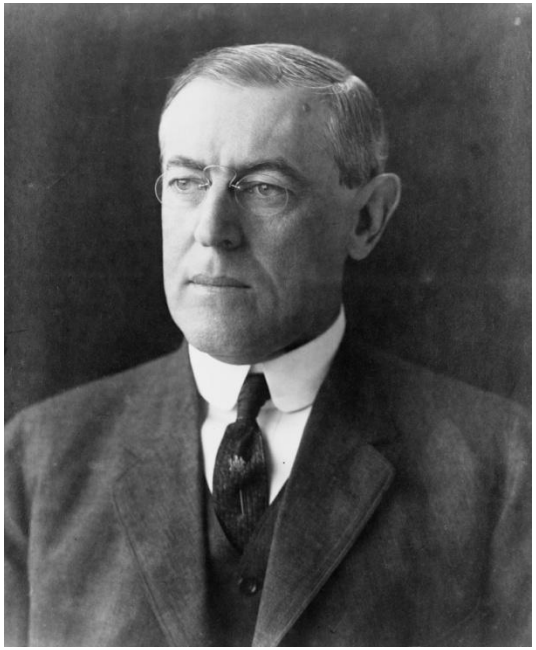
Strengths	Weaknesses
• Borders are secure • Investors/Developers may be more interested to deal with a village rather than a town because zoning and permitting would be faster with a village rather than having to go through both town and county • Can take full advantage of "home rule"	• Electors are no longer part of governance. With electors no longer in control of levy, no check on board on tax increases • With County no longer involved in zoning and development decisions, village board alone controls decisions and relationships with developers, could lead to cronyism and corruption

Future Possibilities Summary

- The village and city forms of governance both are options if the town wishes to incorporate
- If incorporated, Salem would need to add…
  - Responsibility for a full-time police force ($411K)
  - Responsibility for planning and zoning ($30K)
  - 2 more board members ($19K)
- Borders would be secure
- Planning and zoning would be under Salem control
  - A consideration with new business park
- Only checks on a village board are elections
  - No electors' annual meeting
  - No levy approval by electors

“If you want to make enemies, try to change something.“

- Woodrow Wilson



Making the Change

The process to go from where we are to where we might want to be

To become incorporated, there are 3 ways to do so…

- Incorporation
  - Salem could follow a traditional incorporation process
- Annexation
  - Salem could petition a neighboring village to be annexed
- Boundary Agreements
  - Salem could enter a boundary agreement with a neighboring village that would eventually call for the annexation of the entire town into that village

Method 1: Incorporation Process

- Petition signed by area residents
- Circuit court review
- Incorporation Review Board review
- Potential involvement of neighboring municipalities who may support or oppose the proposed incorporation
- Potential referendum vote by residents
- Incorporation certificate from the Secretary of State's Office, if the above steps in the process are met

Incorporation Feasibility

Standard	Definition	Considerations
Compactness and homogeneity (There are different density requirements for villages and the different classes of cities)	Urban and cohesive	<u>Homogeneity</u> • Town of Summit approach: "Lake Country" • Rename/brand as "Village of Salem <u>Lakes</u>" • "Communities of Salem" • Blue signs • Consolidated Fire and Rescue • Highway budget priorities across all of town • Sewer provided across entire town • Town-wide events • Christmas, Easter, PumpkinDaze • Townhall and highway buildings used as activity centers for entire town <u>Compactness</u> • Large areas of farm land (low density) in northwest and east central area of town • But, area of lakes and undevelopable land (e.g., lakes) NOT included in density calculations

Incorporation Feasibility

Standard	Definition	Considerations

Territory beyond the core	Development of vacant territory within three years	• Per 2035 plan
		• Per trends
		  • New building permits
		• Hwy C business district
		  • TIF
		  • Metra station potential

Incorporation Feasibility

Standard	Definition	Considerations
Tax revenue	Can raise sufficient revenue to provide village services?	• Very likely
Level of services	Can any neighboring municipalities provide services better?	• Only an issue if a neighboring village offers better • Unlikely
Impact on the remainder of the town	Can any remaining town territory operate as a community?	• If only NW corner left, doubtful • Can this be attached to Brighton or Wheatland?
Impact on the metropolitan community	Will incorporation harm the larger region?	• None

Method 2: Annexation

- A territory of a town, or the entire town, could petition an adjacent city of village to annex it
- A petition to the city or village for referendum needs to be signed by…
  - 20% of electors of affected territory sign petition, AND,
  - Owners of 50% of the real property in affected territory
- Must be approved by…
  - Wisconsin Department of Administration
  - The board of the city or village

Method 3: Boundary Agreements

- Per DOA, "a chance to step outside of conventional statutes governing municipal boundaries"
  - Cooperative
  - Proactive
  - Flexibility
  - Save money
- "Limitless possibilities"…can include almost anything including…
  - Annexation
  - Detachment
  - Consolidation
  - Dissolution
  - Incorporation
  - Extraterritorial zoning
- Can cover any length of time

Example: a boundary agreement can be negotiated between two municipalities that has stipulations for shorter-term annexations and longer term consolidation/incorporation

Boundary Agreement Feasibility

Considerations

- No real standards, the features of any boundary agreement are up to the parties
- Ag land not considered in the DOA decision
- Negotiating strategy would need to be developed to address short- and long-term issues of both parties
    - Shorter term financial needs
        - Fire and rescue services and infrastructure
        - Sewer infrastructure
        - Business development
    - Boundary security
    - Mill rate guarantees
    - Inclusion of entire town in any future incorporation
    - Commercial development
        - Current business areas
        - Future potentials

Transition Considerations: Costs

Incorporation	Annexation	Boundary Agreement
• Fee to state: $25K • Attorneys for circuit court • Attorneys for possible litigation • Consultants/attorneys for prep of documents	• Attorneys • Negotiators	• Attorneys • Negotiators

Transition Considerations: Time

Incorporation	Annexation	Boundary Agreement
• Average of about 2 years • Can easily go longer depending on litigation	• Dependent on time for negotiation, board meetings and approvals, possible litigation, and referenda	• Dependent on time for negotiation, board meetings and approvals, and possible litigation • No referendum required • Just approval of the two boards

Transition Considerations: Challenges

Incorporation	Annexation	Boundary Agreement

• Litigation
• Prep for referendum
• Entire town might NOT be included in village
• Contentiousness
  • Neighbors
  • Within town
	• Cooperation required
	• Potential for neighbors to do this is unknown
	• Prep for petition signatures
		• Cooperation required
		• Potential for neighbors to do this is unknown

Costs & Process to Incorporate (Based on other local efforts)

- Bristol Incorporation

  (per Village Administrator Randy Kerkman

  - $350-400k approximate total costs
    - $25K state filing flat fee
    - $30-40K planning fees
    - Remainder were attorney fees
  - Held an initial hearing and then a public hearing every 3-4 months to which public was invited
  - Provided a lot of education, even met one-on-one with skeptics
  - Final referendum occurred in 2010
  - Attorneys were present at all 8 public meetings and then on a one-on-one basis to ease concerns

Costs & Process to Incorporate (Based on other local efforts)

- Somers Incorporation Costs

  (per Town Clerk Tim Kitzman)
  - $25K state filing flat fee
  - $37K planner and attorney fees combined
  - Police will be contracted through County Sheriff
  - Began the incorporation process in summer of 2013, final referendum April, 2015
  - Hearings
    - 2 hearings began in Madison (1 resident attended who was opposed)
    - 1 hearing at Somers town hall w/Review Board
    - 1 at the courthouse

Costs & Process to Incorporate (Based on other local efforts)

- Bloomfield Incorporation Costs
  (per Village President Ken Munroe)
  - $300K to $500K
    - $25K state filing flat fee
    - Remainder: legal fees
  - Took about 5 years
    - Major roadblocks and court fights with Genoa City and Lake Geneva
    - Boundaries were determined by Genoa City and Lake Geneva
    - Density was issue but they did have enough density to incorporate whole town
      - Genoa City and Lake Geneva stood in way

Analysis: Method of Incorporation

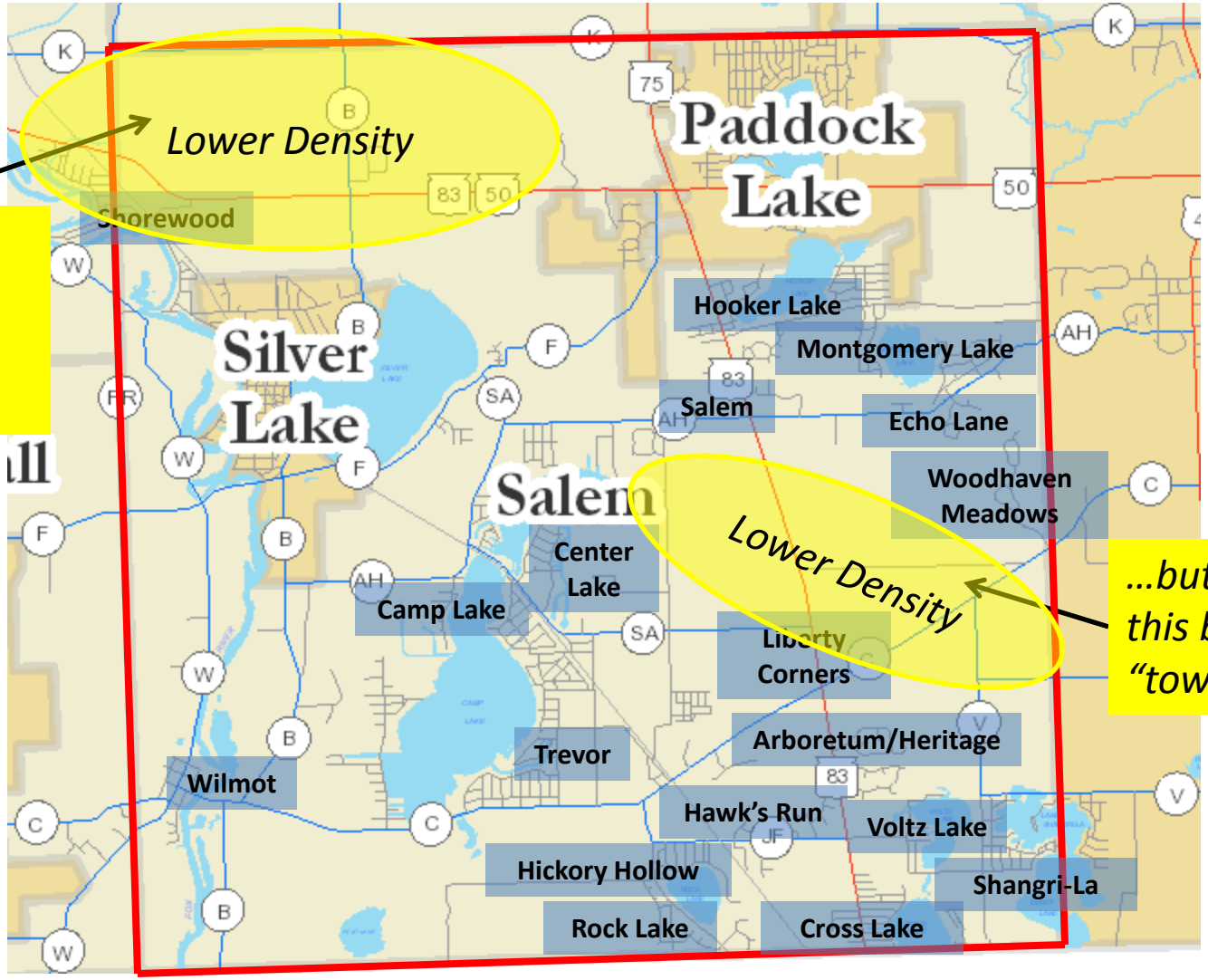
Strengths		
Incorporation	**Annexation**	**Boundary Agreement**
• Not dependent on other municipalities • Referendum required	• More cooperative • Would keep entire town together • Referendum required • Would take less time than standalone incorporation	• More cooperative • Would keep entire town together • NO referendum required • Would take less time • No real standards…can take any form

Analysis: Method of Incorporation

Weaknesses		
Incorporation	**Annexation**	**Boundary Agreement**
• Could be contentious with neighboring villages • Going to court is a requirement • Referendum required • Town could be split like Somers	• More cooperative • Would keep entire town together • Referendum required	• More cooperative • Would keep entire town together • NO referendum required

Incorporation Inclusion Risks

Could this be attached to Brighton or Wheatland?



...but would this become a "town island"?

What if entire Town is NOT included?

- Would have **TWO** municipalities
  - A Village of Salem **AND** a Town of Salem
  - Separate and distinct
  - **Both** would have to provide services
    - One could contract with the other
- Possible alternatives
  - Remaining town could be attached to adjacent town(s) with approval by DOA
  - A Village of Salem, once incorporated, could annex remaining Town of Salem…IF it hasn't been annexed by another village in the meantime
  - Residents of Town may petition to be annexed into Village

What triggers incorporation?

- Traditional incorporation process
  - Expiration of boundary agreements versus time need to incorporate
    - Paddock Lake expires in 2027
    - Litigation with Silver Lake and Paddock Lake highly likely and will lengthen the process
  - Silver Lake candidates discussed annexation options during 2015 election campaign
  - Need for quicker planning and zoning approvals
- Annexation and boundary agreements
  - Receptiveness of village boards
    - Silver Lake has new members many of whom led dissolution campaign
    - Majority of Silver Lake voted for dissolution
    - Opportunity for cost savings between Salem and Silver Lake merger
    - Paddock Lake unknown although agreements for boundaries, fire, and sewer do now exist

“If you want to do something, do it!”

- Plautus (Roman playwright)

Recommended Next Steps

The Incorporation Study Committee recommends these next steps…

1) Decide if becoming incorporated is desired at this time, understanding the following…

- Higher operational costs
  - But opportunity for savings
- Transition costs will be incurred
- A village's borders are secure
- A village controls its own planning and zoning and can react more quickly to the needs of residents and businesses
- Some of the current Town of Salem could be left behind
- Are there timing opportunities/threats that need to be considered?
- **Are we willing to start spending money and focusing resources on this effort?**

2) Work through the density question

- **<u>Avoiding leaving a part of the town out of any incorporation effort is a large concern for the committee and many others in Salem</u>**
- Determining if a regular incorporation process would indeed risk splitting the town would help decide the method of incorporation
- The town can work with the County GIS office and (to some extent) with the DOA
- Need to understand the density standards of villages and the 4 classes of cities

3) Determine the best method to incorporate

- Petition a neighboring village to annex the town…or…
- Enter into a boundary agreement that would result in an eventual annexation/attachment of the town with a neighboring village…or…
- Follow the state incorporation process

Questions / Comments