RESOLUTION ROCK COUNTY BOARD OF SUPERVISORS

County Board Staff Committee **INITIATED BY**

County Board Staff Committee SUBMITTED BY

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Josh Smith DRAFTED BY

January 17, 2018 DATE DRAFTED

Opposing Town of Beloit Incorporation

WHEREAS, Chapter 66, Wisconsin Statutes, prescribes the process towns must follow if they wish to 1 incorporate; and 2

WHEREAS, the Town of Beloit has circulated a petition among its residents to incorporate and has filed this incorporation petition in Rock County Circuit Court; and

WHEREAS, Rock County currently receives public utility shared revenue from the State of Wisconsin based largely on the generating capacity of the Alliant Energy Riverside Plant; and

WHEREAS, the statutory formula provides 2/3 of this funding to the County and 1/3 of this funding to the Town of Beloit; and

WHEREAS, if the Town of Beloit were to incorporate into a village, the statutory formula would provide 1/3 of this funding to the County and 2/3 of this funding to the new village, resulting in reduced future funding for the County; and

WHEREAS, after the Riverside Plant completes its expansion, which is currently scheduled for 2021, Rock County would receive approximately \$1.1 million less in public utility shared revenue if the Town were incorporated than it would receive if the Town were not incorporated; and

WHEREAS, the metropolitan community and all the residents of Rock County would benefit by having this additional amount of funding available for the many services it provides, including ensuring public safety through the Sheriff's Office, 911 Communications Center, District Attorney's Office, and the Court system; improving the health and well-being of residents through Public Health, Human Services, and Veterans Services; and addressing critical issues such as the opioid epidemic, groundwater contamination, transportation infrastructure, evidence-based criminal justice system initiatives, and public health rankings; and

WHEREAS, the greater good is served if the County's 161,000 residents are able to share in these resources and services rather than only the Town's 7,000 residents; and

NOW, THEREFORE, BE IT RESOLVED that the Rock County Board of Supervisors duly assembled this 25th day of January, 2018, does hereby oppose the Town of Beloit's incorporation petition and directs that this resolution be shared with the state-appointed Incorporation Review Board at the appropriate time.

Opposing Town of Beloit Incorporation Page 2

Respectfully submitted:

COUNTY BOARD STAFF COMMITTEE

J. Russell Podzilni, Chair

Sandra Kraft, Vice Chair U

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Eva Arnold

<u>/ X o ...</u> Henry Brill

Betty Jo/Bussie

Mary Mawhinney

Louis Peer

Alan Sweeney

Terry Thomas

ADMINISTRATIVE NOTE:

The statutory process for the Town of Beloit to incorporate does not provide a formal role for Rock County. However, in the ongoing discussion in our community about this issue, I believe it is important that the County Board have the opportunity not only to take a position, but also to educate the public on the important work the County does and could continue to do with the funding that could be transferred to the Town of Beloit through incorporation.

Josh Smith

County Administrator

FISCAL NOTE:

If the Town of Beloit were to incorporate, Rock County's public utility shared payments would be reduced by approximately \$1.1 million. The decrease in revenue would have a significant impact on County services and initiatives addressing critical issues.

Sherry Oja

Finance Director

LEGAL NOTE:

The County Board is permitted to take a position on municipal incorporation within the County's geographic boundaries in accordance with Wis. Stats § 66.0203.

Richard Greenlee

Corporation Counsel

Executive Summary

Opposing Town of Beloit Incorporation

The Town of Beloit has circulated a petition among its residents to incorporate into a village and has submitted the petition to the Rock County Circuit Court. The Town of Beloit proposes to incorporate the area east of Afton Road (CTH D) and name itself the Village of Riverside.

Under Chapter 66, Wis. Stats., a town must complete several steps in order to incorporate into a village. Now that the petition is in front of the Circuit Court, the Circuit Court must determine whether certain minimal statutory criteria for incorporation are met. If it meets these criteria, the Circuit Court would refer the petition to the state-appointed Incorporation Review Board, which will determine whether additional statutory criteria are met, including:

- whether the proposed village is "reasonably homogenous and compact";
- whether the proposed village meets housing density or assessed value requirements, including whether the proposed village has the potential for substantial development within 3 years; and
- whether incorporation is in the "public interest" as determined by:
 - o sufficient tax revenue to defray the cost of services;
 - o the level of services to be provided, including as compared to the City of Beloit;
 - o the impact on the remainder of the Town of Beloit that will not be incorporated; and
 - o the impact on the metropolitan community, including the effect on future government services in the village and surrounding areas. For this criteria to be met, there "shall be an express finding that the proposed incorporation will not substantially hinder the solution of government problems affecting the metropolitan community."

If requested by a jurisdiction that has standing, as defined in statutes, a hearing will be held by the Incorporation Review Board, at which time the public may present testimony regarding the potential effects of incorporation. If approved by the Incorporation Review Board, a referendum for or against incorporation would be held in the area of the proposed new village.

One consequence of the Town of Beloit's incorporation is that the percentages of Public Utility Shared Revenue provided to the County and the Town, based largely on the generating capacity of the Alliant Energy Riverside Plant, would be reversed. Currently, the County receives 2/3 of this funding, while the Town receives 1/3. Under State law, if the Town incorporates into a village it would receive 2/3 of this funding, while the County would receive 1/3. Rock County current receives \$1.74 million, while the Town of Beloit receives \$1.07 million. After expansion of the Alliant Energy Riverside Plant, scheduled for 2021, an incorporated Village of Riverside would receive \$2.95 million, while the County would receive \$1.87 million. This represents annual foregone revenue to Rock County of \$1.08 million due to the Town's incorporation.

High-priority challenges currently facing Rock County include addressing the opioid epidemic, groundwater contamination, transportation infrastructure, evidence-based criminal justice system initiatives, public health rankings, and a variety of other public safety and human services issues. Given these issues, the metropolitan community and all Rock County residents would be better served if more of this funding was available for Rock County's 161,000 residents and not only for the Town of Beloit's 7,000 residents.