

Metro Council Committee on Annexation



December 7, 2015

Topic: Special Service Districts

Special Service Districts Discussion

- How did we get here?
 - In 2003, the old city of Louisville and Jefferson County combined to form a city-county government.
 - Merger created a moratorium on suburban cities like Middletown, Shively, Jeffersonton and St. Matthews from annexing any new area for 12 years.
 - The ban officially ended in January of 2015.

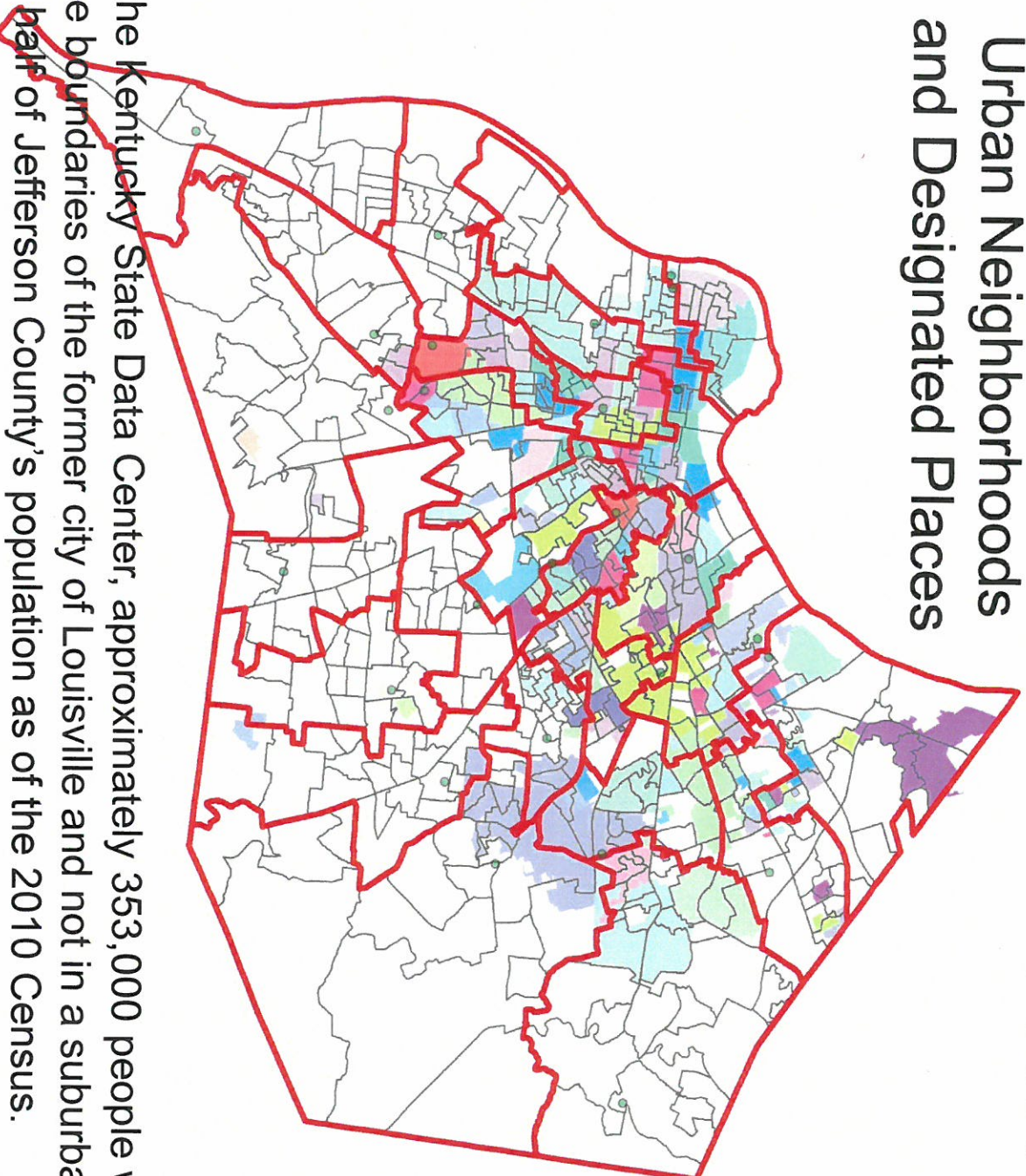
Special Service Districts Discussion



In 2014, the Council was charged with evaluating a number of annexations including Springwood Lane and Beckley Woods.

Special Service Districts Discussion

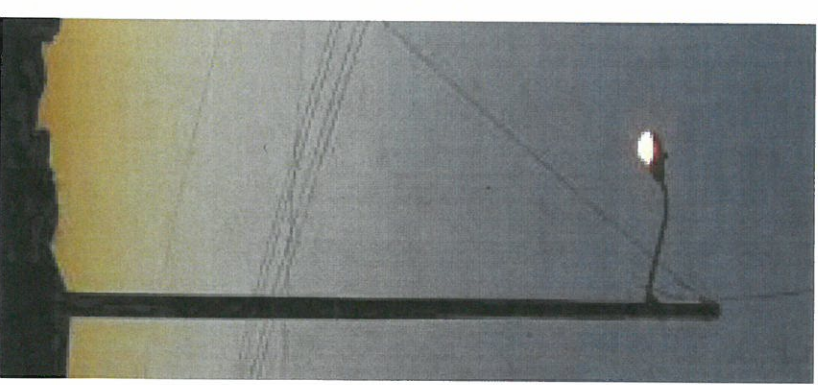
Urban Neighborhoods and Designated Places



According to the Kentucky State Data Center, approximately 353,000 people who live outside the boundaries of the former city of Louisville and not in a suburban city represent half of Jefferson County's population as of the 2010 Census.

Special Service Districts Discussion

- Unless they are part of a homeowners' association, these residents are on their own for garbage, recycling, junk pickup and streetlights – services that other homeowners get by paying additional property taxes, either to Metro government (those in the old city of Louisville) or to a suburban city.



What are the Options?

- Since merger, all of the real estate taxes for properties in the former unincorporated Jefferson County are paid to metro government.
- Everyone believes suburban homeowners should get city-like services as long as they are willing to pay for them.
- Who should receive the taxes and provide the services?

Special Service Districts Discussion

Kentucky Revised Statutes

- Multiple Options via Statute
- KRS 67C.145 – Service Districts
 - Begins with petition signed by majority of registered voters as of last general election
 - Include any service that may be provided by Metro, option of multiple services
 - May not effect a change that would adversely affect the powers or functions of Metro
 - Requirements that strengthen transparency



Special Service Districts Discussion

KRS 65A.020 passed in July 2015

- Central Registry with online access
- Uniform reporting
- Must file annual financial reports
- Follow a Code of Ethics
- Oversight from the State's Department of Local Government

Special Service Districts Discussion

Ongoing Considerations

- Refine the criteria for how a special district is created
- Growing interest from unincorporated areas in creating special services
- Evaluate funding sources
- Create an Ordinance to act as a blue print
- Engage the Center for Neighborhoods
 - Develop guidelines
 - Create procedures
 - Technical assistance

Special Service Districts Discussion

Where Do We Go From Here?

- Draft an Ordinance
- Process driven by public interest
- How to handle inquiries
- Provide handout for groups outlining key factors that would indicate potential success in establishing a Special Service District