



December 3, 2014

OUTLINE OF PROPOSED LEGISLATION

County Community Preservation and Form of Government

Initial Concepts

The following is an outline of the basic elements of a legislative initiative for SLCo to present to the Utah Legislature in 2015. The initial concepts presented are the result of a discussion held by the Legislative and Islands Subcommittees of SLCo's Community Preservation Committee.

-2015 AMENDMENTS-

1. November 2015 election.

- a. The bill will provide that an election be held in November 2015 to permit voters to decide the future of governance in unincorporated SLCo.
- b. The election will be conducted in only unincorporated areas; in the existing townships the ballot will ask voters whether they want to be in a city or in an enhanced township. There will not be a 'No' option on this part of the ballot.
- c. The form of the enhanced township governing body will not be on this ballot, but will be uniform, established by statute.
- d. After Nov 2015, if a new township is created pursuant to 17-27a-306 (Granite and Big Cottonwood for example) it will automatically achieve enhanced township status.
- e. The ballot will include a question for the non-township unincorporated areas (defined by population to include only the valley floor) to either remain at status quo or to annex to a city, based on the various cities' annexation master plans.
- f. The bill will establish in the Salt Lake County Council the power to resolve election and ballot issues, such as overlapping annexation master plans and other questions.
- g. This election will be treated as a binding popular determination of public intent to either annex or remain unincorporated and therefore it will justify limitations on existing annexation processes.

2. Boundary Protection.

- a. The bill will establish boundary protection for SLCo enhanced townships, eliminating city annexation and incorporation, similar to that of other municipalities under current law.

3. Revisions to township governance and status.

- a. The bill will redefine the nature of township governing power and status, to include greater self-governance, local control, and direct representation in setting budgets and

fiscal management, creating a 'metro township', a new form of local government, a municipal corporation and body corporate and politic of the State.

- b. The 2015 bill will refer to the new entity as a 'township' – for purposes of this outline, it is temporarily referred to as an 'enhanced township'. The bill will rename townships in other counties as 'district planning commissions' in 17-27a-306 and will delete reference to first class county townships from section 306.
- c. The bill will create elected township legislative bodies to govern enhanced township affairs, provide for an elected township council chair who is a voting member of the township council, state that the township executive director or manager functions will be provided by the county, through the Municipal Services District, and will give to the township legislative body control over enhanced township ordinances and municipal services.
 - i. The enhanced township law will make reference to a form of government similar to the city council form of municipal government in Title 10.
 - ii. Based on population, larger enhanced townships of over 5,000, such as Millcreek, will have a governing body of 5 members. Smaller enhanced townships with populations less than 5,000, like Copperton, would have a governing body of 3 members. The size and make-up of the council will be established in statute.
 - iii. Council members in a township with 5 members will be elected by district, with the district boundaries established by the county council. Council members in a township with 3 members will be elected at large.
 - iv. Vacancies on the council will be filled in accordance with current statute.
- d. The enhanced township's governing powers include the following:
 - i. The enhanced township legislative body may enact all local ordinances, including land use, business regs, animal control, buildings, general health and safety, traffic, and all other police power ordinances. A township council shall have the option to decide not to enact township ordinances, in which case the existing county ordinances shall apply in that township.
 - ii. The enhanced township may not impose any property tax, sales tax or utility franchise tax, but will have access to sales tax revenues through SLCo and the Municipal Services District.
 - iii. An enhanced township will have authority to annex unincorporated areas not located in another township.
 - iv. The township governing body has voting representation, through its chair, on the Municipal Services District board of trustees.
 - v. The Municipal Services District's board of trustees sets the enhanced townships' municipal services budget. The enhanced township will have the authority to create assessment areas.

4. Creation process for an enhanced township.

- a. Creating an enhanced township, including procedures and timelines and the election of township officials, shall be based on the election conducted in 2015. The election of township council members will be conducted in Nov 2016, to take office in January

2017. The statute will provide for staggered terms and for the future election of township officers on the municipal election year cycle (odd-numbered years).

- b. In the event a township votes to become a city in the Nov 2015 election, the bill will set out the incorporation process that follows after the election. The Nov 2015 election would be treated as the election to incorporate under 10-2-111, with the city government set as a 5-member council form, election of city officers held in Nov 2016, and the city deemed incorporated on Jan 1, 2017. If the new city opts to not be included in the Municipal Services District, the city must engage a contractor to perform a feasibility study and if the study shows that the new city violates the 105% rule, the city must pay the excess revenues, beyond the 105% amount, to the Municipal Services District for 10 years.

5. Governance of the Municipal Services District.

- a. SB216 already establishes the Municipal Services District board, for 2015, as the SLCo Council acting as the district's board of trustees (in a legislative capacity) and the County Mayor acting as district executive. This form of governance is intended to be temporary and the 2015 bill will provide for a change in the Municipal Services District governing body to be effective on January 1, 2017.
- b. The Municipal Services District will have a separation of powers form of government, as defined by the traditional distinctions between executive branch and legislative branch powers, similar to the State and Federal governments.
- c. The 2015 bill will establish that the 2017 Municipal Services District legislative body would be set at one representative from each enhanced township, one representative from any newly incorporated city that does not opt out of the District, and two representatives chosen from members of the county council. The county mayor will serve as the District executive. The city manager for all the townships and for the Municipal Service District will be a district employee, appointed by the county mayor and council. The 2015 bill will establish that voting will be weighted by population for the Municipal Services District board of trustees.
- d. The bill will amend the law to permit a municipality to annex to the Municipal Services District by city council resolution, with appropriate funding from the city's sales or property tax flowing to the District, as determined by the Municipal Services District's board of trustees, which will also have discretion to decline city annexation.
- e. In the event a city becomes a member of the Municipal Services District, the membership of the District Board of Trustees will remain an odd number by increasing or decreasing county council representation to either one or two members.
- f. All administrative and operational functions and staff services (including accounting, legal, purchasing, and so forth) for the enhanced townships are provided by the Municipal Services District, not the township itself. Except for the township council and planning commission, the townships will not have any employees.

6. **Annexations initiated by cities, based on providing municipal services (Section 10-2-418).**
 - a. **OPTION 1.** A bill would alter the city annexation process to require more resident input at the beginning of the process, would either prohibit a city-initiated annexation by providing municipal services or would more carefully define what is meant by “providing municipal services,” and would lower the proportion of protests needed to stop an annexation to 25%.
 - b. **OPTION 2.** Repeal 10-2-418.

-NO LEGISLATION NEEDED-

No legislation is needed for defining municipal services.

New legislation will not be needed to define the nature of the public works services provided to the townships by the Municipal Services District.

-FUTURE LEGISLATION (Post 2015)-

Later legislation is needed after 2015 for funding the Municipal Services District.

Under current law, SLCo will transfer its sales tax or other revenue sources to the Municipal Services District by interlocal agreement. Any municipal services provided to municipalities can be paid based on a contract between the city and the District or the service provider. In a future bill, the District will need authority to levy property tax and to control sales tax. For a city annexing into the Municipal Services District, the bill would determine what amounts of city sales or property tax revenues would transfer to the District.

-REQUIRED ACTION BY SALT LAKE COUNTY (Resolution)-

Create the Municipal Services District by county council resolution.

1. Final decisions regarding municipal services in the unincorporated area and document drafting will be presented to the county council in December.
2. The Municipal Services District will be created by county council resolution.
3. SLCo will transfer sales tax revenues to the District by interlocal agreement and the District will forward those funds to a service provider: either SLCo Public Works Department, an operational arm of the District created as part of the initial creation resolution, a provider set up separately at a later date, or another contractor.
4. The resolution will create an advisory committee to assist the District’s board of trustees. Membership on the advisory board would include community council representatives and other members as determined advisable by the county council.