

**Annexation Task Force Meeting**  
**April 26, 2017, 5:30 p.m.**  
**Carnegie Town Hall – Council Chambers**

**Meeting Summary**

- Councilor Kiley, as the meeting facilitator, began the meeting at 5:30 p.m. with opening remarks. As he had at the first meeting, he reviewed the purpose of the task force, the protocol of the meetings, and the fact that meeting information may be found on the City’s website. A show of hands indicated that at least half of the audience in the council chambers were not in attendance at the first meeting. The overflow room was full of attendees as well, and it was later learned from city staff in that room that the percentage of showing of hands was similar. Councilor Kiley also mentioned that the meeting was being streamed via the web in real-time with video available online after the meetings.
- The first item of business was a brief website demonstration by Urban Planner Albert Schmidt. Albert showed several ways of accessing the annexation task force webpage, 1) through a link on the main page of [www.siouxfalls.org](http://www.siouxfalls.org), 2) by typing in [www.siouxfalls.org/annexation](http://www.siouxfalls.org/annexation), 3) through the Planning and Building services main page under “Trending Topics”, 4) through the annexation page of the Planning Department, and 5) by using a search engine and typing in the words “Sioux Falls Annexation”. After explaining how to access the webpage Albert demonstrated the different areas of the page including, the area to submit comments and questions, the area for anyone to sign-up to receive email notifications, the bulleted list of the task force goals, the scheduled meetings and agendas, the current and past meeting handouts, the original list of topics to be discussed at the meetings, the list of task force members, the list of task force support staff, and press releases. **The website was accessed directly during this presentation for as a visual aid.**
- Assistant City Attorney Danny Brown reviewed the laws related to assessments. He began his presentation by pointing out two minor corrections on his handout and stated that the handout posted on the Annexation Task Force webpage are the correct versions. Danny provided details on the purpose of special assessments and the limitations local governments have when imposing assessments. He shared details on what the obligations of the city are in regard to services when a property is annexed and that services need to be substantially equivalent to what the rest of the city is currently receiving. A required study will determine what improvements will be necessary and when, including the estimated costs for those improvements. Information on property owner rights for protest and opportunities for public comments were discussed as well. Danny then provided information on the interest rate ordinance for assessments. It was questioned whether state law requires a minimum interest rate. He indicated that more research would need to be done to determine if that is the case or not. Danny completed his presentation with a review of some of the opportunities property owners have to wavier or reduce assessment amounts based on

specific conditions or qualifying factors. **The handout, “State Statutes – Special Assessments” and the slide presentation “4-26-17 Presentation” can be found via the Task Force webpage under Meeting Information: April 26.**

- Urban Planner Albert Schmidt presented on financial impacts from annexation. The presentation touched on the areas of property tax changes, costs for infrastructure improvements, and annual maintenance fees. A property owner may experience a tax increase of approximately 26%. This was calculated using an average of all of the various townships’ and school districts’ levies, along with the median Sioux Falls home value. Albert then explained the rural service district process. The main goal of that program is to keep the tax amount the same after annexation as it was prior to annexation as long as the land use does not change. Albert continued with details of all the various costs associated with infrastructure improvements, such as streets, curb and gutter, sidewalks, storm sewer, sanitary sewer, and water service lines. The estimates he shared were conservative and strictly to provide a rough estimate for potential costs. Albert then reviewed the two annual fees for street maintenance and storm water which are assessed to every property owner in the city. Based on the current rates, an estimate for an acre of land is approximately \$180 per year. **“Properties in the Rural Service District”, “City Ordinance – Chapter 37”, “Chapter 9-21A”, and “2016 Sioux Falls Area Levy Rates Before and After Annexation” were used as handouts. The slide presentation, “4-26-17 Presentation” was used as the visual for this presentation. All items can be found via the Task Force webpage under Meeting Information: April 26.**
- Councilor Kiley consulted with the Task Force members on future meeting dates and times. There was consensus that the next three meetings would take place at the same time and location as the current meeting. The days and times include, Thursday, May 18, 2017; Wednesday, June 14, 2017; and Monday, July 10<sup>th</sup>, 2017. In addition, the topic for the next meeting would be better limited to only Topic 7 to make sure ample time is provided for questions and discussion.
- Public Input was the last agenda item. There were questions and comments about conducting a cost benefit analysis to make sure the long term costs don’t outweigh the benefits. One person wanted more detail on the ways to protest an annexation. They were outlined again by Danny as, 1) collect signatures for a petition to put it to a public vote, 2) petition the City Council, or 3) challenge it in circuit court. Other questions posed were related to the specific cost estimates for roads, sewer, streets, interest rates, etc. Still others expressed concern about getting notified of future meetings through email or mailings. The contractual nature and flexibility of pre-annexation agreements was briefly discussed by Danny in response to a question. One person asked about rural water disconnect fees. They wanted to know whose responsibility it was to pay for any disconnect fees. Additional comments were made about wanting to remain unincorporated due to the belief that annexation would reduce the value of properties. It was also stated that costs should be higher if a property is adjacent to commercial development vs. residential. The group would like to see a detailed list of the benefits of annexing into the city and what services the property owners are

getting that they do not pay for. A comment was made that the number of citizens on the Task Force should be expanded to better represent all of the subdivisions that are in the list for potential annexation.

- The meeting was closed at approximately 8:00 p.m.