

Executive Summary - Village of Dansville Dissolution/Coterminous Feasibility Study

November, 2010

Executive Summary - Village of Dansville Dissolution/Coterminous Feasibility Study

November, 2010

Prepared for:
Village of Dansville and the Town of North Dansville

Prepared By:
Charles Zettek, Jr. & Scott F. Sittig
Project Co-Directors

1 South Washington Street
Suite 400
Rochester, NY 14614
585.325.6360

90 State Street
Suite 1436
Albany, NY 12207
518.482.6422



TABLE OF CONTENTS

Table of Contents	ii
Executive Summary	1
Committee Recommendation	2
Steps to Consider in Planning for a Joint Charter Commission Process	3
Appendices to the Executive Summary.....	5
Appendix A.....	5
Overview of the plan elements necessary for the continuation of services in a new city.....	5
Appendix B.....	9

EXECUTIVE SUMMARY

In the fall of 2009, The Village of Dansville and Town of North Dansville jointly embraced the need to explore options for cutting taxes and possibly restructuring local government. The two governments applied for and received a Local Government Efficiency grant from New York State to study the fiscal, service and tax impact of shared service opportunities, up to and including full consolidation of the two municipalities. The Village and Town then formed a study committee comprised of 10 people with an additional five advisors to serve as the primary group to oversee the project and make recommendations to the two boards regarding the outcome of the study. The Village, as lead agency, with the approval of the Town and full study committee, hired the Center for Governmental Research, Inc. (CGR) to facilitate the process and analyze data for the study committee to review. The ultimate goal was to inform the municipal boards and the public regarding the options available to the community.

The project was initiated in January of 2010. The committee met monthly between January and October with some additional meetings in certain months. The additional meetings included two public hearings and one joint town and village board meeting. The meetings progressed from the development of an initial *Baseline Report* to a formal survey of the community ultimately culminating in the development of a full *Consolidation Options and Impacts Report*. The baseline analysis provided a detailed understanding of the services that currently exist in the community and how each service is provided in each municipality. The survey was designed as another means to engage the public and help shape the committee's understanding of how the public would like to proceed. Both of those tools informed the development of options. Options were considered for sharing individual services on a service by service basis as well as fully consolidating both municipalities into one. All reports and material learned by the study committee were placed on a public website open to all interested citizens during the entire process (www.cgr.org/dansville).

The committee learned through the analysis that there are several options available for the community that would either lower taxes or restructure the governments. It became apparent, however, that very few options would yield a large enough tax decrease to justify the potential change and/or loss in service. Currently, there are only a few services that remain unconsolidated within the community and none of the options that were reviewed seemed like win-win situations for both Town and Village residents. The committee felt it was critical that both Village and Town Outside Village residents be included in any change process. In addition, the committee agreed that it was critical that both sets of taxpayers (Village and Town Outside of Village) should benefit by any changes, not just Village taxpayers, if at all possible. Finally, the committee was also aware of the potential for a citizen lead campaign to dissolve the Village that could work counter to both of these critical factors. With these factors in mind and understanding that the elected leaders were being asked to "do something" by their constituents, the committee ultimately determined that pursuing a viable model for full consolidation of the two municipalities would provide the best option for change that would most benefit the entire community.

COMMITTEE RECOMMENDATION

As a result of extensive research and 10 months of analysis, the Dissolution/Co-Terminus Study Committee voted to recommend that the Village of Dansville and Town of North Dansville should jointly pursue the development of a city charter resulting in a full consolidation of the two municipalities. Several considerations influenced the final vote of the committee in favor of pursuing city status. The primary factors were:

- Dansville's location in the southern part of Livingston County makes it difficult to participate in regional investments in infrastructure (such as water/sewer) and/or share in the economic advantages of being in closer proximity to the major metropolitan areas closer to Rochester;
- The rebranding of Dansville and North Dansville into the City of Dansville may encourage economic development within the community;
- City status allows for a reduction of two layers of governments into one;
- City status is a form of consolidation that will qualify for the New York State Aid and Incentive to Municipalities (AIM) incentive. In addition, cities are eligible for higher amounts of AIM per capita due to state statute;
- The decision to pursue city status can be made by both Town and Village voters which will allow for all citizens to participate and vote in the process;
- Not only will Village residents experience property tax savings, but city status is the only option that allows Town Outside of Village residents to either hold property taxes at current rates or also experience a tax decrease;
- City status allows for creation of service and/or tax zones that could replicate current village and town service differences, which will minimize cost/tax shifts;
- City status will allow for the Village and Town courts to become the responsibility of New York State thus alleviating some cost currently charged to local property tax payers;
- City status could allow for more voices (actual representatives from the community) on the County Board of Supervisors even though their combined vote would carry the same weight as the vote of the current Town of North Dansville; and
- City status would allow for the pre-emption of sales tax generated within the border of the new city should it be advantageous to do so.

It has been the intent of the committee throughout the study process to research options that not only streamline government operations but also allows a consolidated Dansville to maintain both the identity and character of its urban core and the much more rural identity and character of the Town. We believe our recommendation achieves this goal. The outline of issues contained in this summary are a reflection of our work and should form the foundation for a future charter commission should they begin the process to develop a new city charter.

STEPS TO CONSIDER IN PLANNING FOR A JOINT CHARTER COMMISSION PROCESS

In addition to providing our final recommendation, the committee also compiled an overview of the process involved in forming a charter commission to include in this final summary. The following 11 steps constitute major/key decisions and action items that should be included in a process to form a charter commission. If the two boards agree to pursue city status, dates should be added to these steps to allow for a clear understanding of what must be accomplished leading up to a public referendum (see step 8).

- 1) (Month 1) Village Board and Town Council separately vote to pass a local law to create a Joint Charter Commission and enter into an intermunicipal agreement. Each governing body would have to propose the law, hold a public hearing, and pass the local law in order for the Commission process to begin. The Commission's mission would be to research issues related to forming a city and then draft a new charter for the consolidated city.

The Village and Town also jointly apply for a state grant from the Local Government Efficiency (LGE) grant program. Grant funds could be used to help pay for legal services for the development of the new charter by the Joint Charter Commission and the development of draft legislation for approval by the NYS Legislature. Grant applications are awarded on a non-competitive basis and are accepted by the state on a rolling basis.

Note: The Joint Charter Commission would not be held to the statutory authority of a city charter commission under the NYS Municipal Home Rule Law because it would not have the authority under this law to put a charter forward on the ballot. We recommend, however, that the Joint Charter Commission follow the same procedures as outlined in the Municipal Home Rule Law, which is a key reason we call for an intermunicipal agreement that would spell out this requirement.

- 2) (Month 2) The Council and Board establish the interview committee that will determine who serves on the Commission. The interview committee would consist of the Town Supervisor and Village Mayor, plus two Town Council representatives selected by the Town and two Village Board representatives selected by the Village.

At the same time as the interview committee is established, the Council and Board advertise in their official newspapers and by media releases that residents who are age 18 or older and are not elected or appointed officials or spouses of elected or appointed officials, may apply during the next 30 days to be considered for the Commission. The information advertised would include a description of the Commission and duties of its members.

- 3) (Month 3) After the application period ends, the interview committee selects, from among the applicants, four Town residents and four Village residents to comprise the Joint Charter Commission.
- 4) (Month 4) The Village and Town enter into an intermunicipal agreement appointing the Commission members. The work of the Commission commences immediately thereafter.
- 5) (Months 5-12) Allow up to 8 months for the eight-member Joint Charter Commission to complete work on the new charter for the consolidated city.
- 6) Allowing for several months of review by the two boards, the boards will need to accept the charter. At that point, the existing Village Board and Town Council request from the NYS Legislature the authority to vote on consolidating the Village and Town by placing the new charter on the ballot at the next regularly scheduled general election.
- 7) The Village Board and the Town Council hold the required public hearings on the proposed new charter.
- 8) (Next Regular General Election) The Village and Town hold separate votes. In order to pass, approval of the charter requires a majority in the Village and a majority in the Town (whole Town).
- 9) (Next Calendar Year) If the charter is passed by voters in the Village and the Town, the next calendar year becomes the transition year for planning the actual implementation of the merger. That means the two governments would take the necessary steps to merge operations per the new charter and identify whatever other agreements would be necessary to incorporate other entities into the new single government (e.g., laws and codes would be reviewed so they could be integrated to meet the needs of each service zone.)
- 10) (General Election in Implementation Year) At the next regularly scheduled general election, the electorate will vote for the new consolidated City of Dansville council, per the adopted charter.
- 11) January 1, of the calendar year following the election of a city council, the new Dansville begins.

APPENDICES TO THE EXECUTIVE SUMMARY

This summary also includes several appendices. Appendix A provides a summary overview of the major categories that were examined through the process and that a charter commission would have to address were the Village and Town to dissolve in order to form a new city. These are presented at a high level of analysis with the understanding that the charter commission will necessarily fill in details pertinent at the time the documents are formalized. While it is not as comprehensive as a dissolution plan, it does provide a framework that outlines both the committee's thinking and a foundation for further research and planning. Appendix B presents draft language for a resolution and local law to establish a Joint Charter Commission. Appendix B also includes a proposed intermunicipal agreement to officially appoint Commission members and describe their mission.

The appendices are based on models that have been developed for other communities, but have not been reviewed or finalized by legal counsel. The committee recommends that the Village and Town obtain review and necessary modification by legal counsel prior to implementing these recommendations.

Appendix A

Overview of the plan elements necessary for the continuation of services in a new city

What follows is an outline of what the committee thinks is likely to happen to Village and Town operations, costs and obligations if the two governments are merged into a city. However, the actual final determination of what would happen if a city was created will be made by the proposed city charter, if approved by the voters.

General Government Services – All executive and legislative functions of the Village and Town governments would be eliminated. General fund administrative services provided by the Village and Town Hall would be absorbed by the new city and charged on a citywide basis. These types of services might include animal control, engineering, auditor, payroll, attorneys, insurance, etc. This could result in some cost shifts between current Village and TOV residents. A charter commission will offer solutions for a form of government, size and type of representation, and the general structure of the new government. Elections will be held at some point for the office of mayor and city council.

Court – New York State would assume responsibility for all Village and Town court activity. Salaries for both the justices and court clerk will become the burden of New York State. Court revenue currently flowing to the Village and Town would decrease but violations of city ordinance would still be revenue to the new city.

Code Enforcement – The current code enforcement function (personnel and associated costs) would transfer to the city. Essentially no change in the function.

Assessment – Assessment would be a city function with essentially little change in the current townwide operation.

Police – If the Village dissolved, the police department would dissolve with it. Provision could be made under a number of different scenarios to continue dedicated police service in the area of the former Village. The range of options includes forming a tax/service zone covering the former Village to allow either the current police or the County Sheriff under special contract to assume direct responsibility for the area. There could also be a citywide police department should the community decide that was in their best interest. Whether the police department remains or coverage is provided by the County Sheriff will have to be determined during the course of the charter commission process. The Study Committee did recognize through survey results that the current Village residents do like dedicated police coverage.

Fire and EMS Services – The Village fire department will likely become a city fire department. The portion of the current Town fire protection district within the boundary of the Town of North Dansville will likely be incorporated into the new city. The current Dansville fire companies could continue to provide coverage as independent contracted fire companies. Any companies not independently incorporated could seek incorporation status. All fire related equipment would transfer to the city. The ambulance service would be largely unaffected and would contract with the city for the provision of EMS service in the city limits.

Public Works Services – All current services such as mowing, snow plowing/sanding, summer street maintenance services, brush pickup, parks maintenance, sidewalk snow plowing, meter reading etc. could be provided by merged DPW and Highway department. Current Village and Town personnel would likely be hired as needed to accommodate the work load for the entire Town. Costs may increase for this operation due to current pay differentials unless there were less personnel overall. Costs might also increase as State highways (excluding I-390) may become the responsibility of the city DPW subject to discussions with the State at the time the city is formed.

Buildings and Other Assets – The ownership of all buildings and assets such as vehicles, equipment and property, will transfer to the City of Dansville to be utilized as required to provide services. Village and Town Hall are one and the same but rent being paid by the Village to the Town would cease. Operations within the Village and Town Hall would continue as operations in a city hall. It is likely that both DPW and Highway garages would be retained in the short term until it was determined if a merged/larger facility would be beneficial to the joint operation.

Impact on Employees - The elected positions of Village Mayor, Town Supervisor, Village Trustee and Town Councilperson will be eliminated. The positions of Village and Town justice and court clerk will also be eliminated. The Village Administrator position would be eliminated. It is not clear whether the FTE position associated with the current administrator would continue in the city under different title. Other administrative personnel would likely be retained but likely under different title/class. Personnel with the water and sewer funds (including the billing clerk) would likely be retained and become city employees. DPW streets personnel would likely be merged with the Town Highway Department with no loss in FTE. The assessor will be retained as a city employee and the code enforcement officer will transfer to the city. A new

slate of city council members would be elected (in number to be determined) as would a new mayor.

Impact on Retirees – Obligations to retirees of the Village or Town would likely remain an outstanding obligation to former taxpayers within each respective municipality in future city budgets. (Similar to debt)

Local Laws and Ordinances – All local laws, ordinances and codes associated with the Village and Town will remain enforceable by the city unless the charter delineates a different plan. Since the two codes are largely similar, the code books could be merged with little conflict and all laws could continue to be enforced under the management of the city council.

Revenue – New York State will likely offer a revenue incentive to consolidate. The incentive could be as large as \$370,000 annually in addition to the base AIM that both communities currently receive. Cities also typically receive a slightly higher State Aid payment due to their status and thus a new city may see a further increase in State Aid due to the change. CHIPS revenue and state mortgage tax revenue will continue as Town revenues. Utilities gross receipts tax will also continue as a city tax.

Debt – Debt associated with the general fund in the Village at the time of dissolution will remain chargeable to only former Village residents until it is retired. Water or sewer users will maintain responsibility for any current or future debt associated with the water or sewer system. Debt associated with the Town will remain the responsibility of the Town residents until it is retired.

Financial Impacts of Consolidation - Maximum potential savings in fully consolidating the Village and Town is slightly more than \$200,000 (if police services are retained at their current levels). However, this represents aggressive restructuring in addition to the obvious staff reductions (I.e. Mayor, Trustee, Justices, etc.) Maximum savings represents a per capita savings of \$45 per Village resident or \$235 per Town resident. In total, this value is approximately 4% of the combined Town and Village budgets (all funds). Depending on what the city charter proposes, savings might be less than the maximum shown with the possibility that there would be no “net savings”.

Property tax savings for Village property owners will be realized upon implementation using the assumptions for the “town and village into city” status option identified in the *Consolidation Options and Impacts* report. The combined property tax rate for current Village taxpayers (blended – all funds) would decrease from \$15.68 per \$1,000 of assessed value to \$10.67 per \$1,000 of assessed value, for a reduction of 32%, while Town outside of Village residents would experience an increase of \$1.29 per \$1,000 or 28%. However, with the possible inclusion of sales tax, the rates would change considerably. Village residents could experience a savings of close to \$9.54/\$1,000 while TOV residents may experience a savings of \$3.24/\$1,000.

Dual Taxing Zones – Cities in New York State are allowed to craft boundaries that allow properties to be taxed on a differential basis depending on the service provided. It would be a good solution for our community to have dual zones whereby certain services could be offered to those in the more urban and densely populated areas (such as are

currently provided to Village residents) while those outside this area could served and taxed at lower levels.

Water and Sewer – Both functions would transfer to the city and become city operations managed by the city council. Current personnel associated with each department would be likely retained. All expenses (including debt) would continue to be borne by current water/sewer users.

Schools – Due to the geographic size and student population of the Dansville Central School District, it is likely that no substantial changes would occur to the current school system. Items for further consideration will include busing requirements, debt and taxing limits and district designation as either a central school or city school.

Appendix B

#(Bill Number) - 20xx (Year)

DRAFT

PROPOSED RESOLUTION TO ADOPT A LOCAL LAW TO ESTABLISH A JOINT CHARTER COMMISSION

Motion of Councilperson

WHEREAS, the Village of Dansville and the Town of North Dansville have received grant funding from the Local Government Efficiency grant program, have been engaged in a Shared Services and Consolidation Study and have received a recommendation from the Study Committee recommending the creation of a Joint Charter Commission to develop a new City of Dansville Charter for the consolidation of the Village of Dansville and the Town of North Dansville; and

WHEREAS, it is the desire of the Dansville Village Board to have a Joint Charter Commission with the Town of North Dansville to draft a proposed new City of Dansville Charter that contemplates a consolidation of the existing Village of Dansville and Town of North Dansville; and

WHEREAS, the Joint Charter Commission, is to have equal representation from both municipalities, and shall consist of eight members and that four members shall be residents from the Village of Dansville and four members shall be residents of the Town of North Dansville; and

WHEREAS, the general process Charter Commission review is outlined in Chapter 36 and 37 in the Municipal Home Rule Law; and

WHEREAS, Local Law No. X of the Year 20XX entitled “A LOCAL LAW TO ESTABLISH A JOINT CHARTER COMMISSION TO STUDY AND DRAFT A NEW CITY OF DANSVILLE CHARTER” was introduced before the Village Board of the Village of Dansville, New York on XXXX; and

WHEREAS, the Village Board held a Public Hearing on said proposed Local Law on XXXX;

NOW THEREFORE, BE IT RESOLVED, by the Village Board of the Village of Dansville that Local Law No. X of Year 20XX is hereby adopted creating a Joint Charter Commission to study and draft a new City of Dansville Charter.

Seconded by

LOCAL LAW NO. X OF THE YEAR 20XX

DRAFT

CITY OF DANSVILLE

PROPOSED LOCAL LAW TO ESTABLISH A JOINT CHARTER COMMISSION TO STUDY AND DRAFT A NEW CITY OF DANSVILLE CHARTER

BE IT ENACTED by the Village Board of the Village of Dansville, New York, as follows:

SECTION 1. ESTABLISHMENT OF COMMISSION

A Commission to study and to draft a new City of Dansville Charter is hereby established. It is recognized that the Joint Commission will generally follow the process and guidelines as outlined in Charter 36 and 37 in the Municipal Home Rule Law but not necessarily be limited to said procedures.

SECTION 2. PURPOSE

The purpose of the Commission is to promote and develop a new City of Dansville Charter reflective of the efforts and recommendations set forth by the Dissolution/Co-Terminus Study Committee. It is in the best interest of the Village of Dansville and the Town of North Dansville to make local government more efficient while maintaining high quality services for residents.

SECTION 3. FUNDING

In accordance with the purposes set forth herein the parties will subsequently apply to the New York State Department of State 20XX-20XX (fiscal year) Local Government Efficiency Grant Program for a High Priority Planning Grant to assist with the legal fees and other costs associated with the City Charter development. Any additional or funded costs will be borne by the Village and Town on the basis of taxable assessed valuation, or further grant applications will be pursued jointly by the Village and Town.

SECTION 4. INTERMUNICIPAL AGREEMENT

In accordance with purposes set forth herein the parties will subsequently enter into an intermunicipal agreement in accordance with section 5-G of the General Municipal Law.

SECTION 5. APPOINTMENT OF COMMISSION MEMBERS

The Village Board and Town Council shall appoint an Interview Committee consisting of six elected officials including the Village Mayor, Town Supervisor, two Village Board members and two Town Council members. The Interview Committee shall advertise in the official newspaper for residents interested in serving as members of the Joint Charter Commission and then conduct interviews of all interested residents to select a total of eight Commission members, four residents must reside in the Town of North Dansville and four residents must reside in the Village of Dansville. The appointment of such members shall be done jointly by the Village Board and Town Council by entering into an intermunicipal agreement outlining the mission, purpose and guidelines as set forth for the Joint Charter Commission.

SECTION 6. COMPLETION DATE

The members of the Commission shall complete and forward a recommended draft City of Dansville Charter to both the Village of Dansville Board and the Town of North Dansville Council as set forth in the intermunicipal agreement.

SECTION 7. NEW YORK STATE LEGISLATIVE AUTHORITY

Upon receipt of the draft City of Dansville Charter, both the Village of Dansville Board and the Town of North Dansville Council shall consider adopting resolutions requesting authority from the New York State Legislature to permit the Village of Dansville and the Town of North Dansville in Livingston County to hold a referendum to determine whether the Village and the Town should merge and to expand the boundaries of such Village to encompass the Town upon passage of such referendum.

SECTION 8. REFERENDUM FOR MERGER

Should the New York State Legislature authorize a referendum to determine whether the Village and the Town should merge, both the Village of Dansville Board and the Town of North Dansville Council shall consider putting forth to qualified voters under the provisions of the Election and Municipal Home Rule Law, a proposition to merge the Village of Dansville and Town of North Dansville.

SECTION 9. EFFECTIVE DATE

The Local Law shall take effect immediately upon filing in the Office of the Secretary of State in accordance with law.

PROPOSED (DRAFT)
INTERMUNICIPAL AGREEMENT
BETWEEN
THE VILLAGE OF DANSVILLE, NEW YORK
AND
THE TOWN OF NORTH DANSVILLE, NEW YORK

WHEREAS, the Village of Dansville (hereinafter the “Village”) and the Town of North Dansville (hereinafter the “Town”) have jointly committed to study the potential of shared services and the consolidation of the two municipalities into a single entity; and

WHEREAS, on September 29, 2010 the Study Committee issued the report “Consolidation Options and Impacts for the Village of Dansville and Town of North Dansville” outlining key topics related to tiered tax zones, financial projections, governance, police and fire services, DPW – highway, water and sewer services, schools, personnel and facilities and equipment; and

WHEREAS, on October 20, 2010 the Study Committee held a public forum as part of a civic engagement process to seek community input before developing a final recommendation of what option to pursue; and

WHEREAS, on October 29, 2010 the Study Committee voted to recommend pursuing City Status; and

WHEREAS, the recommendation to the Village Board and Town Council outlines a process that each separately pass a local law establishing a Joint Charter Commission and enter into an intermunicipal agreement explaining the Joint Charter Commission’s mission for drafting a new City Charter for the consolidated City; and

WHEREAS, on XXXX XX, 20XX the Village Board of the Village of Dansville held a public hearing and on XXXX XX, 20XX adopted LOCAL LAW #-20XX entitled “A LOCAL LAW TO ESTABLISH A JOINT CHARTER COMMISSION TO STUDY AND DRAFT A NEW CITY OF DANSVILLE CHARTER”; and

WHEREAS, on XXXX XX, 20XX the Town Council of the Town of North Dansville held a public hearing and on XXXX XX, 20XX adopted LOCAL LAW #-20XX entitled “A LOCAL LAW TO ESTABLISH A JOINT CHARTER COMMISSION TO STUDY AND DRAFT A NEW CITY OF DANSVILLE CHARTER”; and

WHEREAS, on XXXX XX, 20XX the Village Board and Town Council jointly submitted an application to the Local Government Efficiency Grant Program for a High Priority Planning Grant to develop a new City Charter for the implementation of a functional consolidation of the Village of Dansville and the Town of North Dansville; and

WHEREAS, the Village Board and Town Council appointed an Interview Committee consisting of six elected officials including the Village Mayor, Town Supervisor, two Village Board members and two Town Council members; the Interview Committee advertised in the official newspaper for residents interested in serving as members of the Joint Charter Commission and then conducted interviews of all interested residents; and

NOW THEREFORE, the parties hereby agree as follows:

1. The Village Board and Town Council jointly appoint the following residents to serve as members of the Joint Charter Commission:

- 1) Town Resident

- 2) Town Resident
 - 3) Town Resident
 - 4) Town Resident
 - 5) City Resident
 - 6) City Resident
 - 7) City Resident
 - 8) City Resident
2. The mission of the Joint Charter Commission is to develop a new City of Dansville City Charter reflective of the efforts and research set forth in the *Consolidation Options and Impacts Report* developed by the Dissolution/Co-Terminous Study Committee. It is in the best interest of the Village of Dansville and the Town of North Dansville to make local government more efficient while maintaining high quality services for residents. The Charter should serve as a framework for the new form of government.
 3. It is recognized that the Joint Charter Commission will generally follow the process and guidelines as outlined in the Municipal Home Rule law but will not necessarily be limited to said procedures; and
 4. The Joint Charter Commission shall issue a draft Charter to both the Village Board and Town Council no later than XXXXXX XX, 20XX.
 5. Both the City and Town understand the importance of this effort and agree to commit any and all necessary municipal employees to cooperate with the Joint Charter Commission.
 6. Any additional funded costs will be borne by the Village and Town on the basis of taxable assessed valuation, or further grant applications will be pursued jointly by the Village and Town.

DATED: _____

THE TOWN OF NORTH DANSVILLE

By: _____
Supervisor

DATED: _____

THE VILLAGE OF DANSVILLE

By: _____
Mayor