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**Sent:** Tuesday, June 29, 2021 5:09 PM

**To:** clerk <clerk@miamicountyks.org>; Tyler Vaughan <tvaughan@miamicountyks.org>; Phil Dixon <pdixon@miamicountyks.org>; Rob Roberts <rroberts@miamicountyks.org>; George Pretz <GPretz@miamicountyks.org>

**Subject:** Rebuttal to comments made during the June 23 meeting



**\*\*This email originated from outside of County of Miami\*\***

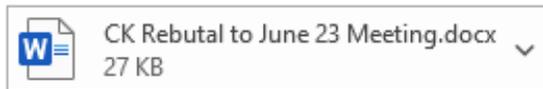
Good afternoon, Commissioners,

Please find the attached letter containing my rebuttal to the information contained in the opposition packet presented to the commissioners at the June 23 meeting as well as some of the oral comments delivered at that meeting.

Thank you for your time and attention, take care,  
Charlie Koch

Charlie Koch CFP<sup>®</sup>, MBA, CPWA<sup>®</sup>

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Charlie Koch

June,27 2021

27449 W. 215th St.

Golden, KS 66???

Dear Miami County Commissioners,

I'm writing this letter in rebuttal to the testimony given in opposition to the incorporation of Golden, KS at the June 23 public meeting. I directly rebutted the 8 points in the opposition petition in my June 10 letter, submitted during the initial public comment period. In this letter, I will rebut the arguments made during the June 23 public hearing by Mr. Domoney and the few others who spoke in opposition. I'll also rebut the additional material included in the opposition packet that was distributed to the commissioners.

In the Declaration of Independence, Thomas Jefferson wrote, "Governments are instituted among Men, deriving their just Powers from the Consent of the Governed." The Petition to incorporate Golden had approximately 300 signatures from well informed people who are passionate about forming the new city. Their passion was made apparent at the June 23 meeting by the sheer volume of people who came to the meeting to speak in support of Golden and the sea of bright gold shirts in the audience. Those who spoke in opposition of Golden reported approximately 100 signatures, a fraction of those who signed in support. Of those, at least 12 don't own land or live within the proposed city limits of Golden, at least 8 don't even live in the area (OP, Leawood, Lenexa, Olathe). Several people didn't even bother to fill in their full address and I'm fairly sure that at least some of signatures are from the children of landowners. Clearly there are far more people who consent to be governed by Golden than those who oppose it.

I have also spoke with several people who said they signed the opposition petition after being confronted by Tom Bach in their driveway with claims that their taxes would double if Golden is allowed to incorporate as in current county taxes x 2. After discussing what the actual estimated costs to run the city are likely to be, they expressed regret in signing. In addition, some of the properties that were shaded in green in the opposition packet are owned by people who signed the petition to incorporate Golden. One thing the opposition packet doesn't define is the criteria by which someone would be considered opposed to the incorporation of Golden and subsequently have their property colored in green on the map. Obviously, the few people who came to the June 23 meeting to speak in opposition would fall into that category but was someone who expressed to Tom Bach that they didn't want their taxes to double after hearing his claims that they would be categorized the same?

The arguments and concerns expressed by those who spoke in opposition could be categorized into four broad categories including property rights, increased property taxes for those living in Golden, Golden would prevent Miami County from benefiting from taxes generated by industrial development and being generally opposed to the idea of having their property being included in a city. I'll address each of these areas in the text below.

### **Property Rights**

In his oral comments, Mr. Domoney expressed the number of acres owned by the group of people that he claimed to represent vs the total acreage within the proposed City of Golden. It seemed strange to me that he would use acres as a unit of measurement to make this argument because property rights are granted to people, not to acres. A person who owns 80 acres does not have 8x the property rights of a person who owns 10 acres. Every property owner has the same rights to their property as any other property owner.

I found this to be a curious unit of measurement but, it's the only unit of measurement that could give the impression that the incorporation of Golden is any where close to an equally divided issue. If Mr. Domoney spoke in terms of the number of people, he would have revealed that a vast majority of people who live in the proposed boundary actually strongly support Golden. If he had tried to appeal to the commissioners' fiscal sensibilities and used something like assessed value, he would have revealed that the large lot residential properties that many Golden supporters own are a far more valuable tax base for the county than the mostly raw acreage colored in green on the map in the opposition packet.

Nearly all of the people who spoke in opposition during the meeting on June 23 have either personally sold land to NorthPoint in the past or have family members who have sold land to NorthPoint in the past. Judging from their comments, their opposition seems to derive at least in part from their desire to retain the ability to sell to NorthPoint in the future. Presumably, their right to sell to Northpoint is the specific property right that they believe Golden will take from them. Fred Fraley stated in his testimony that the formation of Golden would preserve the property rights of its supporters while robbing him of his right to sell to NorthPoint. However, if Fred's property or any other property within Golden is developed by NorthPoint/Edgerton, property owners in a wide area around the development lose out on the actual day-to-day enjoyment of their property. What's worse is that Fred exercising his right to sell to NorthPoint/Edgerton would cause a direct decrease in the value of all residential properties in the area which would harm those individual residents and the county's tax base. In contrast, the formation of Golden doesn't detract from the enjoyment that Fred derives from his property day to day and it doesn't threaten his safety or health in the way that large scale warehouse development threatens the safety and health of families in the area. In fact, the formation of Golden could actually make Fred's property more valuable by making it more attractive for large lot residential.

Golden protects the property rights of everyone. The only deprivation of property rights that could possibly be attributed to Golden is the right to have your land annexed into Edgerton. And, as most in this area know, that isn't good for anyone except NorthPoint. It's not even good for Edgerton. Fred and everyone else in Golden would still be free to sell their property to any buyer they would like.

### **Increased Property Taxes**

The idea that Golden would cause a dramatic increase in taxes for its residents seems to be the most prolific argument from those who oppose Golden. The opposition packet included a copy of the 2021 budget for the City of Linn Valley, KS as a representation of what Golden's costs would be. The side-by-side comparison between Golden and Lynn Valley below reveals that this is not at all a representative comparison. All but one of the broad budget categories for Linn Valley are not even applicable in Golden's projected budget.

PUBLIC RESPONSE – PROPOSED INCORPORATION OF GOLDEN, KANSAS  
 06.29.2021 E-MAIL RECEIPT – KOCH, CHARLIE

	Golden	Linn Valley Proposed 2021 Budget
City Attorney	4,200	45,570
Buildings	No Buildings	32,000
Court	No Court	10,343
Fire Department	Included in Existing Taxes Paid	17,000
Office	Minimal	51,800
Planning & Zoning-Building Inspector & Codes	Contracted through county	11,000
Payroll Expenses	No Employees	452,600
Police Department	Provided by County Sheriff	39,000
Leases	No Leases	24,549
Mill Rate	3	41.176

Fontana, KS makes a much better comparison as can be seen by the comparison below. At 3 mills Golden has enough funds to cover all applicable costs associated with operating the city with enough excess funds to cover the projected cost of maintaining the city's roads.

	Golden	Fontana Proposed 2021 Budget
Salaries & Wages	No Employees	7,500
Employee Benefits	No Employees	2,100
Council & Mayor Compensation	0	4,200
Withholding and Benefits	No Employees	8,000
Repairs and Maintenance	No Buildings	500
Postage	250	250
Propane	No Buildings	1,900
Publishing Fees	600	600
Insurance	4,000	4,200
Utilities	No Buildings	4,500
Professional Services/Fees	4,000	6,000
Parks and Recreation	No Parks & Rec	3,250
General Supplies	1,100	1,100
Legal Fees	4,200	500
Transfer to Capital Improvement		2,000
Capital Outlay		13,248
Total	14,150	59,848

Assessed Value	\$14,289,320	\$1,246,333
Mill Rate	3	13.636
Projected Ad Valorem Tax Revenue	\$42,867.96	\$16,995.00
Funds in excess of budgeted costs	\$28,717.96	

Services currently provided through MICO

Fire Protection Cost	\$43,725.32
Current fire protection mill rate paid through county	3.06

2021 Road Maintenance (MICO Projection)	\$27,609.47
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The opposition packet highlights Linn Valley's General Fund balance of \$686,862. This number is 48x higher and \$672,712 greater than the budgeted costs of Golden. Of course, there are certain costs for Golden that will need to be refined after the town is incorporated but, I am confident that those refinements will result in slight adjustments to the budgeted costs and not a 48x multiple. In addition, Linn Valley's General Fund exceeds the \$662,653 that Golden residents paid to Miami County in 2020 which not only covers Golden's existing services but also reflects county level costs such as Emergency Medical, Emergency Management, and Buiding and Grounds.

Linn Valley is a unique town with unique circumstances that cause its budget to be higher than towns with a similar population. Golden will also be a unique town with unique circumstances that cause its budget to be significantly lower compared to similarly populated towns.

### **Prevent Miami County from benefiting from taxes generated by industrial development**

I addressed this at length in my in my June 10 letter and in my oral comments at the June 23<sup>rd</sup> meeting so I won't burden the commission by repeating it again here. What I will say is that the oppositions argument that the area should remain unincorporated as it is and that it's somehow beneficial to Miami County to have a patchwork of one of its most valuable areas annexed into Edgerton is mind boggling. As I've detailed before, warehouses via Northpoint/Edgerton do not generate taxes as Edgerton is contractually obligated to abate them for a period of at least 10 years and possibly longer due to the other financing agreements in place. Allowing this type of development to continue to snake its way into Miami county would only cause the areas current above average assessed value to vanish into thin air. Without Golden, this toxic development will continue southward and, for Miami County's tax base, it will be subtraction by addition.

### **General opposition to the idea of having their property included in a city**

I've heard a few different iterations of this argument all of which are very general and fail to acknowledge that a city is not a commodity, any particular one is not exactly the same as all the others. What's even more puzzling about this argument is that it often made by a person who says that they are neither in favor of or opposed to warehouse development, even if that development surrounds their property. This exact argument was made in a recent letter to the commissioners from a woman who owns property on 215<sup>th</sup> and Moonlight. It makes no sense that a person would be opposed to having their property included in a city that's stated purpose is to maintain the current character of the area and at the same time be indifferent to the area changing in what could be considered the most drastic way possible. The incorporation of Golden simply gives the area city status and doesn't effectively change anything about the way people live day to day in the area. On the other hand, further industrial development effectively changes the area from a beautiful area in which to live and farm to a warehouse district that is neither pleasant or safe to live and farm. In my experience, when someone makes an argument that doesn't make sense, it's because they have some other motive that they don't want to reveal.

Incorporating Golden is no different than a family farm forming a corporation or an LLC through which to run their operations. Like a corporation, the city will have some legal requirements that will need to be satisfied. Incorporating a family farm doesn't require that family members farm in a suit and tie and incorporating Golden doesn't mean that condominiums and Starbuck's spring up overnight. In both cases the act of incorporating simply protects the best interest of those involved.

### **Rebuttal to other comments made in opposition to Golden**

**Comment:** The City of Golden wouldn't be able to do anything about truck traffic on the roads within the city. Those trucks pay for the right to be on those roads when they fill up with fuel and pay a tax on every gallon, Earl Allen.

**Rebuttal:** Cities absolutely have the right to regulate truck traffic among other listed in K.S.A. 8-2002. Fuel tax is levied by the State of Kansas and in no way affects the powers of municipalities to control traffic within their borders.

**Comment:** They don't even know where city hall is going to be, Ron Elrod.

**Rebuttal:** It is not a requirement that a city have a physical building to serve as city hall. This has been proven from a practical standpoint over the course of the COVID-19 pandemic when it became common for cities and other governing bodies to hold meeting virtually or in some alternative space.

**Comment:** Multiple; They never came by again to invite me to meetings. We had to find out about Golden by reading it in the paper. No one ever asked me what the town should be called.

**Rebuttal:** The volunteers who supported the petition to incorporate Golden did their best to reach out to everyone in the area using social media (Facebook & Nextdoor) phone chains, email, yard signs and by going door to door. One person who spoke in favor of Golden at the June 23 meeting found out about the first meeting he attended from a flier he found on his road during an evening walk. In contrast, the opposition never came and talked to me or several other neighbors and I'm not aware of any social media campaign and I haven't seen any yard signs. My dad, Dennis Koch even called Tom Bach directly and asked if he'd be willing to get together to have a conversation about the concerns of him and those who signed the opposition petition. Tom declined the invitation.

I appreciate the time and attention that you've given to this matter, take care,

Charlie Koch