

MINUTES
HOUSE LOCAL GOVERNMENT COMMITTEE

- DATE:** Wednesday, March 04, 2015
- TIME:** 1:30 PM or Upon Adjournment
- PLACE:** Room EW05
- MEMBERS:** Chairman Luker, Vice Chairman Sims, Representatives Barbieri, Perry, Clow, Horman, Malek (Malek), Collins, Cheatham, Loertscher, Redman, Kloc, McCrostie, Nye
- ABSENT/
EXCUSED:** Representative(s) Loertscher, Perry
- GUESTS:** Jerry Mason, Association of Idaho Cities; Andrew Mitzel, Realtors; Dave Yorgason, Building Contractors; Tyler Mallard, BCA; Brad Clark, American Planning Association-Idaho Chapter; John Eaton, Realtors; Seth Grigg, AIC
Chairman Luker called the meeting to order at 2:39 PM.
- MOTION:** **Rep. Horman** made a motion to approve the minutes of February 24, 2015. **Motion carried by voice vote.**
- MOTION:** **Rep. Horman** made a motion to approve the minutes of February 26, 2015. **Motion carried by voice vote.**
- MOTION:** **Rep. Horman** made a motion to approve the minutes of March 2, 2015. **Motion carried by voice vote.**
- H 127:** **Rep. Harris** presented to the committee **H 127**. He said there are several principles Americans and Idahoans hold sacred. One is the principle of majority rule coupled with the concept that the strong do not out maneuver the weak. Another is the principle of property rights. He said the characteristic that distinguishes America most from all other democracies, and which is vital to a free society, is its fierce defense of the ability to own, control, develop, and dispose of personal and real property.
- Rep. Harris** said **H 127** addresses both of these issues when it comes to annexation. Annexation can be a good thing because it allows cities to grow and urban services are best delivered to urban areas. Annexation occurs by consent not by vote. This consent can be given at any time and stays with the property. He said, in some cases, annexation can occur once a majority of landowners have given consent to be annexed into a city but, many times, this is not the case. He then outlined current annexation law and how local governments can annex property based on parcels and consent.
- Rep. Harris** continued, this legislation will change the city annexation requirements. Category A, where no consent is required for annexing and enclaved parcels numbering less than 100, would be limited to areas within the city not including border areas of impact. Category B and C annexations would be modified to require consent from more than 50% of private parcel owners in addition to the present requirement of consent by owners of more than 50% of the land area.

In response to questions, **Rep. Harris** said annexation is a problem in his district. Very few states allow forced annexation like Idaho does. There are problems with forced annexation from a property rights point of view and from the majority point of view. Consent by parcel owners is a better test than consent by area. The few larger areas should not outweigh the majority of the parcel owners. He said this bill does not change any of the definitions of the landowners. This is determined by parcel count which makes the type of owner irrelevant. He recognized that most Idaho cities, if not all, will be against this legislation but believes the rights of the individual property owner should be a higher priority.

Jerry Mason, Legal Counsel for the Association of Idaho Cities, testified **in opposition** of **H 127**. He said annexation is an important tool for Idaho's cities and the 1.1 million people who reside within those cities. The current annexation law has provisions that resulted from compromise. The proposed change to the number of landowners as opposed to area by land acreage was not included in the original legislation. This is because landowners do not equal parcels and the parcel owner requirement is not equitable and can be manipulated.

Rep. Nye invoked Rule 38 stating a possible conflict of interest but that he would be voting on the legislation.

Dave Yorgason, Government Affairs representative for the local Building Contractor Association of Southwest Idaho and a local land developer, testified **in opposition** to **H 127**. He said that parcels are easy to create. They do not have to be buildable but they are taxable. Consent by area is the best way to determine annexation.

Brad Clark, Idaho Chapter of the American Planning Association, testified **in opposition** to **H 127**. He said the legislative intent in the Land Use Planning Act ensures adequate public facilities and services are provided to the people at reasonable cost, and encourages urban and urban-type development within cities. Statute also states cities should be able to annex lands that are reasonably necessary to assure their orderly development and to enable the orderly development of private lands which benefit from the cost-effective availability of municipal services.

John Eaton, Government Affairs Director of the Idaho Association of Realtors, testified **in opposition** to **H 127**. He said determining who the landowner is can be difficult, especially with investment properties in which the owners technically are the stockholders within a company.

MOTION: **Rep. Collins** made a motion to **HOLD H 127** in committee.

Rep. Collins said that while he has been a critic of annexation he believes this is not a step in the right direction and there are many questions that need to be answered before he can support it.

VOTE ON MOTION: **Motion carried by voice vote. Rep. Sims** requested she be recorded as voting **NAY**.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 4:09 PM.

Representative Luker
Chair

Francoise Cleveland
Secretary