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Sent: Friday, June 11, 2021 3:15 PM
To: clerk <clerk@miamicountyks.org>
Cc: Phil Dixon <pdixon@miamicountyks.org>; Rob Roberts <rroberts@miamicountyks.org>; George Pretz <GPretz@miamicountyks.org>; Tyler Vaughan <tvaughan@miamicountyks.org>; Danny Gallagher <dgallagher@miamicountyks.org>
Subject: Incorporation of the City of Golden

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

Good afternoon,

My name is Charlie Koch, 27449 W. 215th St. I am sending the attached letter and the documents contained in the OneDrive linked below to be included in the Public responses for the the incorporation of the City of Golden, KS and for the consideration of the Miami County Board of Commissioners. Please don't hesitate to contact me with any questions.

Thank you,
Charlie Koch

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Charlie Koch CFP[®], MBA, CPWA[®]

Charlie Koch June,10 2021

27449 W. 215th St.

Golden, KS 66???

Dear Miami County Commissioners,

I'm writing this letter to ask that you vote YES to the petition to incorporate the new City of Golden, KS. I've lived on the same piece of land on the north edge of Miami County for 40 years, my parents bought the farm shortly after I was born. Even though our farm was much larger than most yards and our neighbors were farther away, I always felt that I was part of a neighborhood. Neighbors would help each other fix things around their place and light fireworks together on Independence Day. I was one of just a few kids back then which just meant I'd return from trick-or-treating with a bucket full of full-size candy bars. It's were I learned how to work hard, how to fix and build almost anything and how to hunt squirrels. I don't hunt squirrels as often as I did then, but the lessons I learned on this land have shaped who I am today. Eight years ago, my wife and I bought part of the 80-acre farm from my parents and built our home where we're raising a 9-year-old daughter and a bunch of dogs, horses, donkeys, pigs and goats. Many new houses have been built in the neighborhood since I was a kid and my daughter is now one of many kids belonging to the many young families who now live here. Many of the older folks I knew have moved on and their homes have been renovated to accommodate young families. Our yards

are much bigger than the typical residential lot but we are no less a neighborhood than any you might find in the city.

Growing up as a country kid my dad would always tell me that the cities around us would grow over the years and that eventually our 80 acres would be surrounded by subdivisions which, at the time, sounded to me like the worst thing ever. I thought at the time, how will we do all the things we do in the country like raise our cows, ride dirt bikes and shoot guns if we're right by a city?

In December of last year, we learned that a city had indeed stretched its boarder to be very close to our farm, the City of Edgerton. This was quite a surprise because Edgerton is the 3rd farthest city from us, Spring Hill and Gardner are much closer. We also learned that what they had planned was much worse than subdivisions, a 9 million sq/ft warehouse development and all the trucks, giant buildings, crime, and traffic that is inevitable with such developments. Dad never mentioned a cluster of giant warehouses as a possibility, subdivisions don't seem like the worst thing ever anymore.

Since hearing this unbelievable news, my family and a group of our neighbors have spoken with MICO & JOCO county commissioners, mayors of nearby towns, and Kansas state representatives and senators to point out that it was inappropriate to build a massive warehouse complex in the middle of a neighborhood. Though each of these people held a different position and were at various levels of government, the response we heard was always the same. I feel for you, but there's nothing we can do about it, the land is part of Edgerton now and Edgerton is in full control. Learning that Edgerton held our fate in their hands, we showed up in mass to the Edgerton Planning Commission meeting and dozens of neighbors pleaded with the commissioners to not approve the development. We researched

tirelessly and provided the commissioners with thousands of pages of information all pointing to the fact that building an industrial park in the middle of a neighborhood is not appropriate development. We thought our efforts had paid off when the planning commissioners voted unanimously to deny rezoning on all parcels east of Gardner Rd. A few weeks later, the vote went to the Edgerton city council who punted it back to the planning commission for re-consideration. At their next meeting the planning commissioners did a complete 180 and voted unanimously to approve the exact zoning changes that they all voted against just a month before.

At that point we realized that the relationship between Edgerton and Northpoint is not normal. Edgerton staff told us that their city hall was at capacity while they ushered in NorthPoint's associates in with white glove service. They sabotaged our planned presentations and enforced a strict 3-minute limit for each of us to speak while allowing NorthPoint to speak at will with no limits. Members of the city council recited bullet points from NorthPoint's website to justify their vote to approve. One member of the city council said "it sucks to be you; I wouldn't want it near my house". A member of the Edgerton planning commission said "if you want to see stars at night, go camping" After witnessing all of this and learning more about the contracts between Edgerton and NorthPoint including the development agreements, public infrastructure finance agreements, IRBs, tax abatements and more it became crystal clear. NorthPoint is in complete control of Edgerton. We never had a chance of convincing them with logic and fact because in the end Edgerton gives NorthPoint whatever it wants. If you don't believe me, just try to find one instance in Edgerton's archives where the city has denied NorthPoint anything. My neighbors and I felt like we were caught in the path of corruption and that it was just a matter of time before NorthPoint/Edgerton surrounded us in a sea of warehouses and river of trucks. People would reach their breaking point one-by-one and sell their once valuable home for a price per acre, taking a huge loss just to get out.

When we heard about the concept of forming our own city, the spirits of the group lifted. It was refreshing to know there was a way the we could defend ourselves after finding that the law didn't allow for any other governing body to defend us. Forming a city would allow us make development decisions ourselves through a city council that we elect and made up of our neighbors who share our interest. Even though having our farm be part of a city was my biggest childhood fear as an adult I decided to not get too hung up on the word and learn more about what it would actually mean. I found that there is no law saying that a city has to deny it's residents the ability to have livestock or to shoot guns. There's no law that requires a city has to hook all homes in its borders to sewers and not one shred of evidence that forming a city causes the neighbors you've lived by for years to become "stuck up city people" with the stroke of a pen. Once you get past the word, city, and all your own personal pre-conceived notions about it, it becomes clear that the attributes that we all associate with cities are simply the product of practicality rather than a requirement that comes with the designation. Can you imagine shooting, septic systems and cattle in a neighborhood with ¼ acre lots? That sounds disgusting and dangerous, but with lots ranging from 3 acres to 80 acres it's just good living. The reason these things are prohibited in most cities is simply a matter of practicality, not because they have to be by law. I know from my previous perception about living in a city and through a couple conversations with neighbors that the thought of our rural properties being incorporated into a city can be terrifying. However, it's only uncomfortable if your perception is that all cities are the same, all cities have high taxes, all cities have a bloated city government, all cities have codes departments that are like an

overzealous HOA and that all cities are full of city people who wouldn't understand our rural ways. Once someone can get over the term CITY and look objectively at the specific circumstances of Golden, they quickly see that forming a city is the only hope that we have to keep our rural setting. Trust me, I totally see the irony in that statement, it's thick.

As I've been speaking with my neighbors in the time since the petition to incorporate Golden was accepted, I heard about a petition that was circulating in opposition to Golden. One neighbor sent me a copy of the petition and it turns out it was being circulated by Tom Bach, a man who served on the MICO Board of Zoning Appeals for nearly 30 years and who doesn't own property within the proposed city limits of Golden. In the petition, Mr. Bach lays out eight points that are obviously meant to scare people by reinforcing the typical cliches around cities and denigrate anyone who was involved in completing the petition to incorporate Golden. I even learned from one neighbor that Mr. Bach yelled at him over the phone, berating him because he supported the formation of Golden. Why would he yell at a neighbor?

According to Mr. Bach, people who want representation in decisions that affect their property value their family's safety and their way of life are a "Special interest group". By that rational, I suppose the founding fathers of the United States were acting a special interest group when they signed the Declaration of Independence because the circumstances then align almost perfectly to the circumstances we face now.

Mr. Bach's petition in opposition of Golden contains eight points that address three concepts.

-Operating cost of Golden/Tax Burden to Golden Residents

-Future development in Miami County

-Restriction of property rights

As I read through the petition, I found that many of the points were misleading, some were just outright false and some seem like they're completely made up. Let's think about the points that Mr. Bach raised in his petition and what all that yelling was about.

Operating cost of Golden/Tax Burden to Golden Residents are addressed in points (1) and (7) of the petition. In the first point it says that the that the petitioner of Golden has no "business plan" and that the estimated operating expense for the city is "grossly underestimated". The seventh point states that "We estimate the first year operating budget for proposed City to be around \$750,000" and that "the mill levy would be approximately 52 (mills). Which is more than the County's mill levy of approximately 46 (mills)". Mr. Bach gives an example of what residents of golden can expect to pay in taxes saying "If your **COUNTY ONLY** taxes are \$2,000.00, your proposed city tax could be \$2,000.00 or more, added on."

Golden's business plan is simple, keep all services the same, levying only minimal taxes to cover the basic administrative costs of the city. The 38-minute video that Tom refers to in his petition is very detailed. The residents within the proposed Golden city limits already pay more taxes than most in the county because the assessed value of our homes is higher than the county average. In regards to the seventh point, I'd be curios to hear who is included in the "We" who estimated the first-year budget needs of Golden at \$750,000 and that Golden's city tax would be more than the tax residents pay to the

county and how where those numbers estimated? The taxes that residents currently pay to the county cover the services the area currently has such as road maintenance, police and fire protection. Was it assumed that if the city is formed that the roads would suddenly require much more maintenance, that our homes would become twice as flammable and we'd need a police force equal to a small army? Was it assumed that we'd have to immediately build a large stone building to serve as city hall? It seems like this estimate was extremely exaggerated to instill fear in people rather than to inform them. There are many details missing and the nondescript "We" is thrown in to give a false sense of authority on the matter. Like saying, "experts say" or a "a group of scientists have determined". It's nonsense. In reality, the people who would ultimately make decisions as to what Golden residents would pay in tax would be the people elected by the residents of Golden. Whoever is elected would also be resident of Golden and subject to whatever tax is passed just like everyone else. No one likes high taxes especially if they seem unnecessary, no one.

Future development in Miami County is addressed in points (2), (3) & (6) of Mr. Bach's petition. In his second point Mr. Bach says that the stated objectives for forming the city contain "ambiguous and confounding statements with the only clear goal being to "stop Logistics Park and commercial development in Miami County".

The concepts in both these points are deeply flawed. The goal of forming Golden is to give the residents of the area representation in development decisions in contrast to the current arrangement which leaves all decisions in the hands of NorthPoint/Edgerton who has proven on multiple occasions that they are happy to disregard residents entirely. The only thing that Golden could be seen as blocking is the southward expansion of the City of Edgerton. Golden would not prevent NorthPoint or any other developer from buying land in Miami County or in Golden and propose any development they'd like. The ONLY difference would be that they would have to work with Miami County or Golden to get the appropriate zoning and permits. Golden doesn't "stop" any possible development, it just gives the residents of the area representation in the process rather than leaving it to a city whose residence and city hall are located miles away. What's more is that NorthPoint/Edgerton have repeatedly ignored the pleas of Hillsdale WRAPs to not press farther into the Hillsdale watershed. Why would NorthPoint care, their water is safe and sound over in Missouri. Hillsdale Lake is possibly this county's greatest asset and NorthPoint/Edgerton seem more than willing to proceed with development that would damage or destroy it. My neighbors and I get the water our families drink from Hillsdale Lake in addition to tens of thousands of other people. There is no one better to protect that critical resource than the people of Golden.

In his third point, Mr. Bach extends this thought saying that the formation of Golden would "forever preclude the opportunity for Miami County as a whole, to ever gain a tax base associated with the Logistics Park, KC Intermodal and associated commercial business development in norther Miami County".

It's funny that so many people still think that the NorthPoint/Edgerton warehouse development is a good source of tax revenue. I've read the Development Agreements, Public Infrastructure Finance Agreements, IRB Ordinances and many other documents and I can tell you with confidence that those warehouses are not going to provide tax revenue to the county for a very long time, if ever. I'm fully aware that the idea is that tax abatements are granted for 10 years and then the properties are fully taxable after the 10 years has passed. That's the exact impression that NorthPoint tries very hard

enforce and I think many members of Edgerton's governing body actually believe it. However, for anyone who takes the time to read the documents for themselves rather than just getting the CliffsNotes version from NorthPoint, the reality is obvious. Edgerton grants 100% tax abatement for all of the first 10 years and waives all sales tax for the construction. In addition, all PILOT payments, utility sales tax, franchise fees and origination fees are directed to the "Public Infrastructure Fund" This fund can only be used to re-imburse NorthPoint for construction of roads and other infrastructure within the warehouse district itself. It cannot be used to maintain roads within the residential portion of Edgerton or any of the county roads that are destroyed by trucks coming to and from the warehouses. In addition, NO tax money can go to the general city coughers until a national accounting firm has determined that the Public Infrastructure Fund" contains enough money to re-imburse NorthPoint for all infrastructure costs within the warehouse district. But NorthPoint gets to decide what infrastructure is needed so the chances of that day coming are slim to none. What makes it worse is that the agreement says that if there isn't enough money in the fund to reimburse NorthPoint, Edgerton can instead give Northpoint a note, essentially an IOU, with a tax-free yield of 9.5% with no payment schedule and no amortization. That means the 9.5% interest gets added to principal making the balance of the note balloon to a point that Edgerton will likely never have the funds to pay it off. As long as this structure is in place, Edgerton is obligated to continue granting IRBs and tax abatements to new projects which starts the whole process over. If they deny an IRB to NorthPoint, the balance of the Public Infrastructure Fund is immediately forfeited to NorthPoint and Edgerton is obligated to pay Northpoint an additional \$800,000 a year for 10 years to compensate them for the designing the infrastructure. Effectively bankrupting the town. I find it difficult to believe that any member of the governing body actually read these agreements before voting to approve them. Any member of a governing body who voted to bind the city to these documents after reading and understanding them has to be corrupt. What other explanation could there be for a city agreeing to an arrangement that is so incredibly one sided in favor of a developer and so perpetual with no way out.

Long story short, there will be no tax for Miami County if NorthPoint/Edgerton are allowed to control the development process. However, the county will be responsible for the additional road maintenance and policing that will be needed as thousands of trucks pound the roads and armies of workers from outside the area are imported to work the warehouse jobs. Forming Golden could force development to be done in a way that would benefit Miami County. As a city, Golden would also be better able to control existing and future truck traffic through local ordinances which would protect Miami County roads and mitigate the negative affect of warehouses on a premium part of the county's current tax base.

In point six Mr. Bach expresses concern that if Golden is allowed to form "it could set a dangerous precedent that other special interest groups that have an agenda, could also request special consideration to form a city to the detriment of Miami County and the overall orderly and economic development of the County"

The group of local residents in support are not a special interest group with an agenda. We're ordinary citizens of the county whose property value, way of life and community are being threatened by a special interest group with an agenda. Stop gas lighting, Tom. The real special interest group is NorthPoint and their clientele of multi-national corporations and their agenda is to get cheap, tax free warehouse space, conveniently located near the BNSF Intermodal. Tom and a small group of other landowners think they'll get a big payday by selling their 80-160 acres to NorthPoint. In reality,

Northpoint isn't buying land by the square/foot and making farmers rich like the stories we've all heard about farmers selling to developers around Olathe and Lenexa. The land that NorthPoint buys is farm ground and it only becomes commercial after NorthPoint owns it and gets Edgerton to change the zoning. That alone makes the land value increase several fold but, only after NorthPoint becomes the owner.

The current development that is taking place north of the county line is anything but orderly. The guiding principle is NorthPoint buys the cheapest ground they can get their hands on, Edgerton annexes it, changes the zoning, waives all the taxes, and warehouses go up. There is no order and certainly no economic advantage for anyone except NorthPoint and its clients. Golden would protect unincorporated county land from this chaos so that an orderly process could be put in place. Designated areas of development could be re-zoned before the current owner sells so that they actually do get a premium price. The Miami County Comprehensive plan and all the public input and cost that went into could actually be made reality.

Restriction of property rights is addressed in points (5) and (8) of Mr. Bach's petition. Point five states "We do not want any more restrictions placed upon our property rights than already exist through county zoning. It is clear in a video, produced by Petitioner, that our property rights would be further restricted as to its highest and best use"

I've heard statements similar to this from one or two other people who have big dreams of selling their land to NorthPoint. The term "highest and best use" is a dead giveaway. For some reason this term is always misconstrued to mean the most intense land use which is not correct. The highest and best use of any piece of land is determined by a fairly complex process that considers a number of things. If Tom, for example, were to sell his property to NorthPoint as it seems is his desire, Tom would be paid based on his perceived highest and best use as determined by him and NorthPoint's land buyer. NorthPoint would get the highest and best use as determined by the LP zoning in the City of Edgerton and the national market of companies seeking warehouse space. That means if Tom sells to NorthPoint, Tom gets his land sold all at one time for a mediocre price and NorthPoint gets a 500% return on their investment with the stroke of Edgerton's pen. That is not Tom's highest and best use. The last property that NorthPoint purchased was for \$12,500 - \$14,000 per acre. At that same time, large residential lots ranging in size from 4-12 acres were selling for \$40,000 per acre. Tom's highest and best use is to do a little work and divide his property into rural residential lots which are arguably in higher demand right now than warehouse space. He would then get his actual highest and best use and not destroy his neighbor's ability to get their highest and best use in the process. As a 30-year veteran of the county's zoning appeals board Tom should know this.

Point eight states "We trust Miami County Commissioners to protect our best interest and property rights." That sounds like a nice sentiment, Tom trusts the county commissioners to protect his property rights. His property will be outside the city of Golden so the county commissioners will still be the governing body over it. What the hundreds of people who support Golden know though is that the county commissioners have no ability to protect the property rights of people in unincorporated Miami County from the actions of a city. Only another city can do that. Tom should know that after serving for three decades on the county's board of zoning appeals.

Reflecting on the statements made in opposition of Golden, I can't help but think why Tom and a few other people who own 80-160 acres are putting so much effort to convince people in the area that

Golden is a bad idea? Why is a person who held a position in the county government presumably using that government experience to give credibility to statements that are not only untrue but, also seem intentionally designed to heighten anxiety around a unique concept that is best for everyone? These are basic things and given Tom's experience, he should know better. The only logical conclusion that I can personally come to is that the corruption that I've witnessed countless times in Edgerton has gotten to Tom.

What's even more concerning to me is that I've have heard from several neighbors that a man who currently holds one of the five seats on the Miami County Board of Commissioners was echoing Tom's points as he spoke with county residents on the topic of Golden. Down to the same \$750,000 budget estimate for Golden's first year. This was especially shocking to me since I heard commission chairman Rob Roberts with my own ears at the April 14th Board of County Commissioners meeting, ask the commissioners and the public to run all communications through the county clerk. I was even more concerned when I heard from more that one person that this particular commissioner was experiencing financial trouble and that he was being "bailed out" or his "farm accounts were taken over" by a person whose family sold to NorthPoint in the early stages of the Logistics Park development and came out quite well. I have intentionally not mentioned any specific names here because I don't want to accuse anyone without solid proof. I only ask that Chairman Roberts please be extremely diligent in ensuring that each county commissioner is prepared to cast an unbiased vote that is not influenced by any factors outside this process. And, if it is determined that any commissioner's ability to do that has been compromised, that that commissioner be recused from the vote to allow Golden to incorporate. Forming Golden is the only chance that my family and my neighbors have to regain our right to representation in a process that could completely destroy everything we love about where we live and scatter the people who make up our community to the wind. Hundreds of us in the area have worked very hard to get to this point and all we want is to be certain that we get fair consideration and an unbiased vote. The law says we need unanimous consent from all commissioners so the there is no margin of error.

Laws are meant to protect those who live by them. In our case the only law that can protect us is Kansas Statute 15-121 by giving us the ability to incorporate a new city. We have exhausted all other avenues with the state, county and even the federal government only to be told that there is nothing that our representatives at any of those levels can do to help us. I ask that you vote yes to the incorporation of Golden, KS and give us the ability to help ourselves.

Respectfully,
Charlie Koch