

The Woodlands Governance Video Presentation Frequently Asked Questions

Updated April 20, 2012

Should you have questions that are not addressed here, please e-mail them to Kim Cogburn at The Woodlands Township (kcogburn@thewoodlandstowship-tx.gov) or call 281-210-3804. Your questions will be answered as promptly as possible.

- 1. Who decides if The Woodlands incorporates?** A community-wide election would be held and the majority of voters in that election (50% +1) would have to approve the incorporation measure.
- 2. Who decides if we have an incorporation election?** The Township Board of Directors has the authority to call for elections.
- 3. If The Woodlands decides not to proceed with the incorporation option, have we lost the chance?** No, the community can choose to incorporate or to adopt some other form of local government any time up until the year 2057 under the current agreements.
- 4. If an incorporation election is held and does not pass, is that result binding?** The Township could call subsequent elections to incorporate or to adopt some other form of local government.
- 5. If the community incorporates, could the new responsibilities be contracted out to the third party?** Yes, in many cases. However the analysis that was completed assumed that the new city would take over the responsibility of providing the majority of services. In any case, there would be added expenses to provide services whether provided by the new city or a third party.
- 6. Would incorporation impact my property value?** There are too many variables that go into the value of a given real estate market to predict the impact of incorporation on property values.
- 7. Why would we need ordinances when we have the covenants and deed restrictions?** The covenants only pertain to specific properties. Ordinances can be developed to address a wide range of community issues. Ordinances are also enforceable by law in municipal court and may include fines and penalties.
- 8. Can The Woodlands expand in the future?** Not likely, the land surrounding the community is either an incorporated municipality or within the Extraterritorial Jurisdiction (ETJ) of another municipality.
- 9. Do we have to change our governance structure now?** An important component of the Regional Partnership Agreements (RPAs) that protects The Woodlands from annexation by the cities of Houston and Conroe is the option to incorporate as a city or to adopt some other form of local government as early as 2014. The Township is currently exploring the impacts of exercising the incorporation option but no change in governance structure is required at this time.
- 10. How long do the RPAs protect us from annexation and how do they work?** For 50 years. During this time, The Woodlands also has the ability to adopt some other form of local government besides incorporation. While there is no other form of government currently recognized under Texas law that would grant the Township its own ETJ or otherwise prevent annexation, it is a distinct legislative possibility that a special district form of government with limited ordinance-making authority and protection from annexation could evolve. Prior to the RPAs, the Woodlands had no legal path forward to incorporation or adoption of another form of local government. What the RPAs do is to defer annexation for 50 years and to create the legal opportunity to incorporate or adopt another form of government during that period. The RPAs are in perpetuity, but the annexation deferral period is 50 years.

11. Is the Township considering an increase in taxes?

The Township is not considering a tax increase. You may have seen or heard information from a study that was completed (the Incorporation Financial Model) about potential tax increases should the community choose to incorporate. This could only occur through an election by The Woodlands' voters after May 2014.

12. Where can I get the details about the Incorporation Financial Analysis? On the Township website, go to Government/Transition and Governance/Reports and Studies/Working Paper #2 – Financial Model and Results.

13. What would happen to the library system under incorporation? The analysis that was completed assumed library services would continue to be provided by the counties.

14. Would there be changes to The Woodlands Fire Department under incorporation? No, The Woodlands Fire Department is already managed and funded by The Township and the department would transfer to the municipality under incorporation.

15. Why does The Woodlands have contracts for expanded police protection? Through input from the community, the Board of Directors has made public safety a priority and has chosen to augment the services provided by the counties.

16. Why do the Municipal Utility Districts (MUDs) have to consolidate under incorporation? State law requires the MUDs to be dissolved and their assets, liabilities, and service provision assumed by the new municipality.

17. Will the MUD tax rates change over time? Yes, the rates are established annually by each MUD's Board of Directors based on outstanding debt obligations and expenses. The MUD rate is also impacted by the number of new taxpayers who enter the system and any new debt incurred for maintenance or renovation. The financial model assumed a "snapshot" of costs based on 2011 expenses; therefore, the MUD rates used were current for 2011. MUD rates are subject to change annually for as long as the MUD exists.

18. Will the MUD rates become more equal over time? Possibly. It would seem logical that as the debt is paid off and more taxpayers are added to the system in the newer MUDs, the rates would lower, while the older MUDs may incur significant maintenance and upgrade expenses that could increase the costs in those MUDs. The financial model assumed a "snapshot" of costs based on 2011 expenses; therefore, the MUD rates used were current for 2011. MUD rates are subject to change annually for as long as the MUD exists.

19. How would incorporation impact my utility rates? Whether provided by your current MUD or a new city, some entity will have to purchase, treat, and deliver water then collect, treat, and dispose of wastewater. It is assumed that these costs would not change in any significant way. Incorporation would not impact any other utilities such as electric, gas, telephone, or cable service.

20. Can the Township develop laws and ordinances? It cannot without changes in current state law. While the Township is able to pass regulations for land owned by the Township, such as parks and pathways, the Township is a "special purpose district" and does not have ordinance making authority. Only incorporated municipalities are granted that right. This would be one of the new abilities should the community choose to incorporate.

21. How would the architectural control boards be impacted by incorporation? The architectural control boards, currently known as the Residential Design Review Committees and Development Standards Committee could remain unchanged should the municipality's leadership decide so. However, many municipalities have zoning ordinances and design guidelines that regulate development and architectural standards. The new municipality may choose to go that route. The Covenants remain encumbered on Woodlands properties regardless of incorporation.

- 22. I understand that the counties will be responsible for a lot less services should The Woodlands incorporate, but why wouldn't the county taxes go down?** The counties are under no obligation to lower tax rates upon incorporation by The Woodlands. They would still be providing some services and The Woodlands would still be under the counties' jurisdiction. Should the counties desire to lower the tax rate, it would be applicable to the entire county since a uniform tax rate is required by law.
- 23. Can we request that the counties develop ordinances for The Woodlands?** Under current law in the State of Texas, counties do not have ordinance making authority. While the counties have the authority to adopt certain types of regulations, such as juvenile curfews and sign placement prohibitions, these powers are specifically named in state law. Under the current provisions of state law, only municipalities are granted broad ordinance making authority.
- 24. What are the other governance options referred to in the presentation?** The financial study examines the current governance structure and potential incorporation. If the community does not desire to incorporate, the Township governance structure will continue as status quo. However, there may be opportunities to adjust the Township's structure that could be pursued as part of the next phase of this process. These changes are yet to be determined and it is assumed that any changes to the current structure would require approval at the state legislature.
- 25. Who is the developer?** The developer is The Woodlands Development Company, a division of the Howard Hughes Corporation.
- 26. What is the purpose of the current governance study?**
A key provision of the RPAs provides The Woodlands with the ability to determine its future governance over the next 50 years, including the opportunity to incorporate as a city after May 29, 2014. Between now and then, The Woodlands Township Board of Directors will be facilitating a process that will include research, analysis, and dialogue with citizens, businesses, and service providers. The purpose of this process is to determine what, if any, adjustments need to be made to the current governance structure to lead the community into the future. If additional changes to governance are desired, implementation steps will be outlined to guide the community toward its desired future.
- 27. Why are we conducting the governance study and requesting community feedback now if we can't vote on incorporation until 2014?**
An incorporation election cannot be held until after May 29, 2014, although an election is not required to be held at that time. The community can choose to incorporate or adopt some other form of local government at any time until 2057 under the Regional Participation Agreements (RPAs).

If an incorporation vote is held and incorporation is approved by voters, The Woodlands would immediately become a municipality. The new city would immediately take on the responsibilities currently provided by the municipal utility districts and would assume street construction and maintenance, public health, animal control, law enforcement, and public works responsibilities. This process would require extensive advanced planning, prior to the actual election, so that the community is prepared if the incorporation vote passes.
- 28. Does The Woodlands have to incorporate?**
No.
- 29. Does The Woodlands have to make a decision on incorporation or remaining status quo in 2014?**
No. In accordance with the RPAs, The Woodlands has the ability to choose its future governance after May 29, 2014. However, the RPAs protect The Woodlands from annexation by the cities of Houston and Conroe for 50 years and create the legal opportunity to incorporate or adopt another form of government during that period. If no election is held, The Township governance will continue until such time as an incorporation vote passes or another form of government is otherwise adopted.

30. Can The Woodlands stay as a Township (special purpose district) and still be protected from annexation?

The RPAs protect The Woodlands from annexation by the cities of Houston and Conroe for 50 years (until 2057). During this time, The Woodlands residents have the ability to determine which form of government they would like to have. The cities agree to allow The Woodlands to incorporate any time after May 29, 2014, or adopt an alternate form of government under Texas law.

31. Why is the governance discussion focused on 2014?

Legal requirements related to the RPAs establish 2014 as the earliest year that an election could be held to determine whether or not The Woodlands becomes a city.

32. What is the Township Board of Directors role in the current governance study?

The Woodlands Township Board of Directors are facilitating a process that includes research, analysis, and dialogue with citizens, businesses, and service providers. The purpose of this process is to determine what, if any, adjustments need to be made to the current governance structure to lead the community into the future. If additional changes to governance are desired, implementation steps will be outlined to guide the community toward its desired future. The Woodlands Township Board of Directors selected Partners for Strategic Action (PSA) to perform the governance study on its behalf.

The Township Board serves as the deliberative, decision-making body throughout the process. The Board hosts public events and forums, which are facilitated and organized by the consultant. The Board remains neutral, will collect data and input and take no action until defined project milestones.

33. What is the consultant's role in this governance process?

The consultant's role is to perform the research, analysis and facilitate dialogue with citizens, businesses, and service providers on behalf of the Board of Directors. Upon completion of milestones, the consultants' analysis is presented to the Township Board so that they may deliberate and take any necessary action.

34. What options were considered in the 2011-2012 governance research?

The governance research in 2011-2012 was limited to the current governance structure and potential incorporation as the known options. If the community does not desire to incorporate, the Township governance structure will continue as status quo. However, there may be opportunities to adjust the Township's structure that could be pursued as part of the next phase of this process. These changes are yet to be determined and it is assumed that any changes to the current structure would require approval by the state legislature.

35. Is The Woodlands required to hold an incorporation election in 2014?

No. In accordance with the RPAs, 2014 is the *earliest* that an incorporation election can be held. The community can choose to incorporate or adopt some other form of local government at any time up until the year 2057 under the current agreements.

36. Is incorporation the only option being considered right now?

The primary options under consideration at this time are: the calling for an incorporation election in 2014 or some later time; do nothing at this time and continue with the existing Township government operation; or, seek legislation to enable the Township to have additional powers. These options have been identified as the most viable options at this time, but there may be other considerations once the Board reviews all of the feedback received from residents.

37. Why can't The Woodlands just incorporate when it wants to?

Under Texas law, an area within the extraterritorial jurisdiction of an existing municipality cannot incorporate without the consent of that municipality. Through the RPAs, the City of Houston and the City of Conroe give The Woodlands the ability to choose to incorporate after May 29, 2014.

38. Where can I learn more about the Regional Participation Agreements (RPAs)?

Click [here](#) to visit the RPA summary page and to view the actual agreement documents.

39. What is the timeline for the current governance process?

In 2011, the consultants conducted a performance analysis on the current governance structure and initiated legal, political and financial analyses. The preliminary results of these analyses were presented to the Township Board in early 2012.

In 2012, the consultants are communicating the research results and soliciting feedback from the community on how The Woodlands can be best positioned for the future. The results of this process will be presented to the Township Board later in 2012.

In 2013, a strategic governance position will be established. Based on feedback received and research conducted, the Township Board will define the long-term governance direction for the community and begin an implementation strategy.