

Louisville Metro Comprehensive Review Commission GAPS Committee Report

INTRODUCTION

The 2022 Kentucky General Assembly enacted House Bill 314, establishing a Comprehensive Review Committee to conduct a study of governance, services and taxes inside Jefferson County. The objective is to review the state of relations among the various government entities as a consequence of the merger of the City of Louisville and Jefferson County Fiscal Court. These entities include the county-wide Metro Government, the Urban Services District (USD), the 80+ suburban cities, and unincorporated areas.

Once the merger was completed, all city and county-wide services were to be provided through the consolidated Metro Government entity except for these three services:

- Streetlights
- Fire Protection
- Garbage Services

The GAPS Committee was established by the to “identify Gaps, inadequacy, improvements to Jefferson County governmental structures and the authority of existing Jefferson County structures. The committee is comprised of three Commissioners, Senator Julie Raque Adams, Representative Pamela Stevenson and Scott Shoenberger, who functioned as “LEAD”.

This report will be broken down into two distinct sections, Soft Gaps and Hard Gaps. *Soft Gaps* are defined as “perceived Gaps” in services that were provided through the comments from Louisville Metro Citizens during the public hearings held by the Commission. *Hard Gaps* are defined as Gaps in services, expenditures or taxes that are reflected in the quantitative analysis in the study provided by Dr. Paul Coomes, Dr. William Hoyt and/or Dr. Matthew Ruther.

The report will provide the context and content of the studies but will make no recommendations to the Commission on any proposed solutions. The committee members agreed that the function of the Commission is to review the committee reports and through a collaborative process, make the best determinations and recommendations possible to create consensus amongst the Commissioners.

SOFT GAPS

As previously noted, “Soft Gaps” were provided through the comments from the citizens provided to the Commission during the six Public Hearings that were conducted. The videos of these meetings are available on the LouisvilleKy.gov website.

The “Soft Gaps” provided through the public comments can be consolidated into the specific categories:

- Public Safety (Police Services)
- Public Transportation (TARC)
- Streets and Street Repair (Roads)
- USD Subsidized by Suburban Cities and Unincorporated Areas
- Suburban Cities and Unincorporated Areas Subsidized by USD

There were also “Soft Gaps” of perceived differences in Zoning, Public Schools, and Garbage Collection, which were either not defined in the scope of the Commission or was a service (Garbage Collection) that was included in the Suburban Cities or the Unincorporated Area at the time of merger.

The report will provide context of the Soft Gaps by incorporating some, but not all the comments provided during the Public Hearings.

PUBLIC SAFETY (POLICE) Comments:

1. “Since the merger our district has lost police coverage.... Every night we have people going through our neighborhood looking for unlocked cars or staling from our yards since there is no police presence.” **Jamie Brown, 7/25/23 (Council District 22)**
2. “I feel like the merger is not working when it comes to public safety. I really feel that if Louisville Police Department and Jefferson County Police had remained separate, we wouldn’t have seen the rise in violent crime that we have today.... If we had a city police department and county police department, they would be able to dedicate more resources and focus on their specific and smaller areas. The way it is now, I feel that the best way to get adequate police service and good response time is to move to a suburban small city.” **Dustin Brown, 7/25/23 (Council District 4)**
3. “We have asked LMPD several times to increase patrol in our neighborhood after some car break-ins/thefts, however, they never increased it. In fact, I have lived at my current residence for almost 3 years, and I have never seen 1 LMPD officer patrol the neighborhood. At my past residence (Pioneer Village, KY) the police patrolled the neighborhood a couple of times a day, and we had almost zero crime. I believe if we had an independent police department, we would be able to increase patrol, safety and overall satisfaction.” **Missy Meier, 7/25/23 (Council District 23)**
4. “It would be beneficial for all emergency services to be under one department. Louisville Fire & Rescue, Metro EMS and LMPD. Louisville Fire should merge with all of the county departments enabling a stronger workforce of firefighters to serve our entire city. Allowing for one fire department puts a set training standard for all of our firefighters and ultimately training together will help ensure elite

performance. Metro EMS would benefit from covering the entire county with being able to do things like predictive calls, something we can't do now due to all of the different departments. Also being able to move trucks around would be beneficial. Currently, if an east end truck has to make a downtown run, they will be down for a lot longer if the east goes without an ambulance.... Jefferson county sheriffs' office should merge with all of the county police department and the sheriff's office should have a patrol function. This model is implemented in many areas where the city police and the sheriff's office share patrolling responsibility. Having both of the department's patrolling will increase police presence and be able to utilize both forces." **Sydney Thompson, 7/30/23 (Council District 19)**

PUBLIC TRANSPORTATION (TARC) Comments:

1. "... if you could please come up with a way or plan so I can start lobbying for a TARC tax increase I really want to....it would make Louisville a more modern city for businesses to move to and help poor and people without cars and with disabilities get a job because some now are taking 2 and 3 buses one and half hour trips and the buses are late and the employers like UPS sure do not care." **Mike R., 7/31/23 (Council District 3)**
2. "The TARC board and the City Zoning boards should be elected or really not even needed. Usually just rich out of touch people and his rich friends appointed to boards who have no idea the need of the poor areas of town like Taylor Berry and Algonquin, etc. because the TARC board does not attend public neighborhood meetings so out of touch with what poor people need." **Jared Randall, 7/22/23 (Council District 3)**
3. "... I have a lady on my street that her and her husband and kid have no car so she walks from Taylor Berry to the TARC stop across the street from Central Station Kroker and there is only a bus shelter on one side of the street there just like me on Taylor and Central and no bus by the Speedway on Central because Carrie Butler and the TARC Board care more about green buses and the Mayor when I was watching Metro Council meeting appointed a lawyer to the TARC Board sure like a month or so ago. Greenberg is appointing people from rich part of town just like the last Mayor... **Mike R. 7/27/23 (Council District 4)**

STREETS & STREET REPAIRS (ROADS) Comments:

1. "... Infrastructure upgrades have not occurred (travel down Shelbyville Road and Westport Road during rush hour) ... Road maintenance only occurs when you complain." **Timothy Garrett, 7/25/23 (Council District 17)**
2. "The merger has not helped our area in PRP. Money is not spent out here like it is in the West End and Downtown. Our roads need fixing, especially subdivisions..." **Kim Mathis, 7/25/23 (Council District 14)**

3. "... In addition to policing, the city services in our area is horrible. For example, all of our street signs in the neighborhood were leaning/broke for over six months. My neighbors and I filled out multiple forms requesting for the city to come out and repair them. They eventually did, but it was more than six months later. This is quite frankly unacceptable." **Bradley Burke, 7/25/23 (Council District 23)**
4. "... The roads are in very bad shape. All gets done to them is patched." **Harold Helms, 7/25/23 (Council District 14)**

USD SUBSIDIZED BY SUBURBAN CITIES AND UNINCORPORATED AREA

Comments:

1. "The merger of the county and the city was the worst thing that ever happened in Jefferson County. They take all of the tax money and only spend it on downtown. The Suburbs are getting screwed." **Johnny Stribling, 7/25/23 (Council District 14)**
2. "The merger was one of the biggest mistakes ever. Let's look at the misappropriation of funds. How much money is allocated to Jefferson County/Louisville is being spent in the East End? In Jeffersontown? In High View? Versus, how much are you pouring into the West En/downtown areas?... Before the merger small cities had low crime rates, more community involvement and appreciation and respect. They were able to offer sufficient fire/EMS coverage for their areas...." **Ric Schaefer, 7/22/23 (Council District 2)**
3. "I feel like all we do is provide money to the city. We are still very much (a) split city/county, and it is very obvious." **Kimberly Fulkerson, 7/25/23 (District 22)**
4. "The merger has been horrible. All focus is in the original city limits. Public areas are not properly maintained..." **Tim Thompson, 7/25/23 (Council District 16)**
5. "Merger has done nothing except take all the resources away for the suburban areas. We have had to obtain our own CON (Certificate of Need) for ambulances. Thank goodness our HVFD was able to achieve that... It seems the suburbs have been pushed aside and every single penny is filtered to the urban area for whatever is needed there. There is so much more that has been lost by merger that it has now become taxation without representation, which is not what this country was founded on." **Traci Vinson, 7/26/23 (Council District 23)**

SUBURBAN CITIES AND UNICORPORATED AREA SUBSIDIZED BY THE USD

Comments:

1. "I would like to see the Louisville merger undone. Current tax revenue generated in the old city is subsidizing growth and infrastructure in far flung areas of the county and not support the area were it's generated. Our services like water, sewer, fire, EMS and police are spread too thin and we need to refocus on the urban core. It's time for the suburbs to stand on their own without draining resources from the city." **Shawn Reilly, 7/31/23 (Council District 8)**

2. ... The current form of governance we have does not adequately value the efficiency and efficacy of denser population patterns. Instead, our current governance patterns subsidize suburban communities and development patterns; where the costs to deliver roads, sewer services is not adequately borne by those who are living in this development pattern... The way the government (and all associated agencies) are organized today does not properly account for the fact the suburban development patterns are much more expensive to run per acre. The more densely populated areas of the county are generating much more revenue per acre, and those same more densely populated areas of the county cost less per acre to run.” **Jackie Cobb, 7/27/23 (Council District 8)**
3. “Paying for services in low density suburbs is really expensive. We really need to focus the largest possible amount of funding to improving services and infrastructure in the core city, inside the Watterson. There are decades of research demonstrating that a strong core city results in a stronger surrounding region. let use this as an opportunity to recommend a greater share of resources are directed to core city improvements in downtown and the historic urban neighborhoods.” **Patrick Smith, 7/20/23 (Council District 8)**
4. “...At best they seem to be analyzing data extremely selectively in order to arrive at pre-ordained conclusions. Less densely populated suburban areas of Metro Louisville require much more expensive services and maintenance than the USD and yet already pay lower taxes. Yet representatives from these areas present the situation as the exact opposite, despite well-established data and research. It is very worrying that this commission seems set on slashing the Occupational License tax and gutting city services even further. **Anita Hall, 8/4/23 (Council District 6)**

HARD GAPS

As previously noted, the “Hard Gaps” section of the report will rely on the reports and submissions by the staff contracted by the city to perform the analysis on tax generation, expenditures, population and demographic information and all other requests made by the Commission/Commissioners. Various data sources are referenced in the quantitative analysis so this section will cite the specific report, but not the specific source. If there are questions regarding one of the “Hard Gap” elements, please reference the report to see a more comprehensive and complete representation. Other sources may be included in this section and if so, that source will be disclosed.

The “Hard Gaps” section will be comprised of the four following categories:

- Emergency Management Services (EMS)
- Public Transportation Services (TARC)
- USD Fund Deficit (GAP)
- State Road Funding

EMERGENCY MANAGEMENT SERVICES (EMS)

In 2003 at the time of merger, the USD, Small Suburban Cities, and the Unincorporated Area were to be served (by statute) by Louisville Metro EMS. There has been no change to that original configuration or statute as of this date. During the last 20 years, the suburban fire districts have added EMS services (except for Shively and Fairdale) through a state legislative process known as a "Certificate of Needs." Additional property taxes were implemented in each fire district to provide the necessary funding to add these services based on the need of the citizens in these fire districts, once approved by the state legislature. Page 17 of the May 12, 2023, Commission Report from Dr. Paul Coomes and Mathew Ruther, the Fire and EMS Expenditures for FY2021 were as follows:

- Suburban Fire Districts - \$113.6 million
- USD Louisville and EMS - \$89.4 million
- Shively Fire - \$4.0 million
- Total Countywide Fire & EMS - \$207.1 million

On August 11, 2023, Col. Mike Reardon of the St. Matthews Fire Department testified to the Commission. At the time of Merger, Chief Reardon was responsible for Metro EMS services for the first few years. The key facts shared during his testimony were as follows:

- At the time of merger, Metro EMS had 24 ambulances to service the district. Today there are 15 Metro ambulances and the suburban fire districts have 20.
- In the early 2000's there were also 42 private ambulances available to transport people from hospitals/doctors, mental health facilities, etc. There are less than 5 today so that responsibility has been shifted to EMS.

Chief Sean Dreisbach of the JTown Fire Department also provided testimony to the Commission. His testimony provided the following facts:

- The Certificate of Need (CON) process for the legislature requires that the fire districts define the area of coverage. All but one (JTown) applied for city-wide coverage based on a 30-minute response time. JTown defined the area of need to the boundaries of JTown only.
- There are "Mutual Aid" agreements between all the Suburban Fire Districts so they can provide services to the other districts.
- Louisville Metro does not have a Mutual Aid agreement with any of the Suburban Fire Districts (with the exception of JTown), although it should be noted that the defined jurisdiction for Metro EMS is within the boundaries of Metro Louisville.
- Louisville Metro EMS is the only district that DOES BILL for "Non-Transport" runs. This is when an ambulance arrives on the scene and does not transport.

There are different ways to review the data provided by Dr. Coomes and Matt Ruther during the August 11, 2023 on EMS services (Please note that the report was amended

on 8/16/23). This report is based on 2 years of MetroSafe data, which is the government entity responsible for receiving all emergency services calls and dispatching Metro Louisville fire, police and EMS services throughout the Louisville Metropolitan jurisdictions.

- **Total dispatches** – 363,676
 - Dispatched to USD – 168,056 (46.2%)
 - Dispatched outside USD – 195,620 (53.8%)
 - Metro EMS dispatches – 164,376 (45.2%)
 - Non-Metro EMS dispatches – 199,300 (54.8%)
 - On average, only 78% of all units dispatched arrive at the incident. Only 56% of all dispatched units transport a patient.
- **Units Arriving** – 282,407
 - Metro EMS Arrivals – 130,934 (46.4%)
 - Non-Metro EMS Arrivals – 151,473 (53.6%)
- **Transports** – 204,330
 - Metro EMS Transports – 98,529 (48.2%)
 - 59.9% of Metro EMS Dispatches
 - 75.3% of Metro EMS Units Arriving
 - Non-Metro Transports – 105,801 (51.8%)
 - 53.1% of Non-Metro EMS Dispatches
 - 69.8% of Non-Metro EMS Units Arriving

MetroSafe will dispatch the unit(s) available based on closest proximity to the location of the emergency/incident. Multiple units can be called to the same emergency/incident location, which affects the operational efficiency of the transport percentages.

Suburban City EMS budgets/expenses are imbedded in the Fire District Budget and have not been segregated. The committee is unable to appropriately quantify what this expense would be for a dollars and cents GAP.

PUBLIC TRANSPORTATION SERVICES (TARC)

As noted in the TAX Committee report under Section (7) “TARC” tax income to the agency has risen an inflation adjusted \$32 million or 38% while ridership has decreased by 65% with buses in circulation decreasing by 23%. The \$72 million in tax receipts/expenditures excludes any allocation of capital dollars spent by Metro Government. TARC bus activity in Jefferson County for FY22 is as follows:

	STOPS	BOARDINGS
• USD	2,434 (49.5%)	530,608 (76.8%)
• Suburban Cities	991 (20.1%)	61,332 (8.9%)
• Unincorporated Area	1,495 (30.4%)	100,309 (14.5%)
• TOTAL	4,920 (100%)	692,249 (100%)

There was no analysis generated based on per capita distribution or service utilization and since urban centers tend to have higher utilization than suburban centers, there was no request made by the committee to generate one. The primary gap reflected in this section is the significant increase in the operating budget/costs in comparison to the significant decrease in ridership and buses in service.

URBAN SERVICE DISTRICT (USD) FUND DEFICIT (GAP)

At merger, there were dedicated tax revenues from property taxes and insurance premium taxes to provide for the three dedicated services specifically for the USD: Louisville Fire Department, Solid Waste Management Services, and Streetlights. The specific data is contained on page 31 of the July 26, 2023 presentation “Local Government Revenues in Jefferson County – an overview.”

This report reflects that over the past four fiscal years the USD has run a deficit of \$30,465,379 that has been offset through by the Metro General Fund.

- Fiscal Year 2019
 - Revenues \$72,143,953
 - Expenditures \$80,416,000
 - DEFICIT \$8,272,090
- Fiscal Year 2020
 - Revenues \$72,593,281
 - Expenditures \$76,017,236
 - DEFICIT \$3,423,955
- Fiscal Year 2021
 - Revenues \$78,589,404
 - Expenditures \$83,153,666
 - DEFICIT \$4,564,262
- Fiscal Year 2023
 - Revenues \$82,603,849
 - Expenditures \$96,087,875
 - DEFICIT \$14,204,026

STATE ROAD FUNDING

Metro Public Works is responsible for all paving and sidewalk repairs outside of the 83 Suburban Cities and is funded by an allocation based on a statutory calculation. The