

Resolution # 13, 2015 Exhibit "A"
Plan Commission Case A15-001/RZ15-002



BLANEY ANNEXATION
FISCAL PLAN

DRAFT

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City of Valparaiso
Planning Department
March 2015

BLANEY ANNEXATION FISCAL PLAN

SUBJECT: A15-001/RZ15-002 – Blaney – Request to annex property known as Blaney Annexation, Center Township, T 35N, R6W.

DATE: March 23, 2015

The Planning, Building, and Engineering Department and the Clerk/Treasurer, Sharon Emerson-Swihart prepared this fiscal plan, with the cooperation and assistance from the following departments:

Engineering Department Fire Department Park and Recreation Department
Police Department Public Works Department Utilities Department

This report contains projected revenues and expenditures as well as a description of services to be provided to the newly annexed area, as required by law. While the City is committed to providing services in the same manner as similar areas within the city limits, dollar figures presented are estimates and are subject to some change. Variations are dependent upon the rate and extent of future development, future property assessments, and changes in the cost of providing services. Since this is a developing area, revenues and costs have been estimated based on a forecasted buildout of the areas in the proposed annexation. Assumptions were made with respect to assessed valuation and were based on estimates from developers of the property or existing comparable values. This report also assumes that property will develop substantially in accordance with the City of Valparaiso Growth Management Plan.

POLICY FOR PROVISION OF CAPITAL AND NON-CAPITAL SERVICES

Non-Capital Services

As required by IC 36-4-3-13 (d) (4), all non-capital services of the City including police protection, fire protection, street and road maintenance, and all other non-capital services normally provided within the corporate limits of the City of Valparaiso, will be provided to the annexed territory within one (1) year after the effective date of the annexation and they will be provided in a manner equivalent in standard and scope to those non-capital services provided to areas within the corporate boundaries regardless of similar topography, patterns of land use, and population density.

Capital Services

As required by IC 36-4-3-13 (d) (4), all capital services of the City including street construction, street lighting, sewer facilities, water facilities, and stormwater facilities will be provided to the annexed territory within three (3) years after the effective date of the annexation and they will be provided in a manner equivalent in standard and scope to those capital services provided to areas within the corporate boundaries regardless of similar topography, patterns of land use, and population density in a manner consistent with federal, state, and local laws, procedures, and planning criteria.

GENERAL INFORMATION

Location

The area included in this annexation consists of property located in Center Township, North of Lincolnway (US 130), West of Emmetsburg Street and East of Howe Street and more particularly described as follows:

See attached description

Total Acreage	1.08 Acres more or less
Number of Dwelling Units	0
Number of Non-Residential Units	0 Existing, 0 Proposed
Percent Contiguous	49%
Existing Zoning (County)	I1, Light Industrial District
Proposed Zoning	INL, Light Industrial

The annexation area consists of 1.08 acres of vacant land. The land included in the annexation petition is under the ownership of Kenneth and Michaelleen Blaney.

CONTIGUITY

The Blaney annexation area is 49% contiguous to the existing City limits.

“Needed & Can Be Used”

The BLANEY Annexation area is ‘needed and can be used by the City for its development at this time. The City of Valparaiso has taken steps to demonstrate this need and the intent to annex this land in the form of adopted city planning documents such as the Growth Management Plan. As the plans indicate, the areas included in this annexation are of vital importance to the positive development of the City as it continues to grow in the future. The inclusion of these areas within the city limits is crucial to protecting the character of the City, including existing commercial areas and downtown.

City Established Planning Jurisdiction/Influence

In agreement with Porter County government, any time a development is proposed that lies outside the official corporate boundaries of the City of Valparaiso, and the developer is seeking connection to municipal utilities the project is required to go through a joint city-county site review/DRC process. In this case however, the developer wishes to wait until annexation of the land is complete in order to develop or obtain building permits. In this case, the City development or site improvement standards apply as a condition of receipt of municipal utilities.

2030 Envision Valparaiso (2013)

The Growth Management Plan is a component of the 2030 Envision Valparaiso Comprehensive Plan. The plan identifies the future land use goals for the areas outside of the corporate limits that the City sees as within its sphere of influence, and will eventually annex. Furthermore, the areas included in the plan are closely tied to the corporate boundaries, and thus more accurately describe the limits of the Valparaiso “community”. The plan details future land use goals within the BLANEY Annexation Area, and indicates that the area falls within a five-year annexation boundary.

Council District

It is recommended that the annexation area be assigned to the 3rd Councilmanic District until the next redistricting.

PARCEL NUMBERS INCLUDED IN ANNEXATION
64-09-23-176-003.000-003

ESTIMATED ANNUAL REVENUES

The principal source of revenue for the City is through local property tax. True Tax Valuations (TTV) are based on information provided by the Porter County Auditor's Office. The 2014 payable in 2015 City tax rate of \$1.267/100 TTV will be used for revenue estimates. This rate is now subject to a tax cap known as a circuit breaker. In the case of Industrial property, the cap is 3.0%, or the maximum tax that is paid on the property is 3.0% of the Assessed Value (AV).

Total True Tax Value (AV)**	\$72,500.00 Existing AV \$370,000.00 AV as proposed
Total Tax Rate (Center Township)	\$2.6433/100 AV
City Net Tax Rate	\$1.267
City % of total tax	48.05%
Total Tax before cap	\$(1,973.88)
City portion of total tax before cap	\$(948.37)
Maximum Tax Rate (Circuit Breaker)	3.0% Industrial
Maximum tax after circuit breaker	\$ 1973.88 > \$1,214.16
City portion of Max. tax after cap	\$ 948.37
Total property tax revenue **	\$ 4,839.97
Total Estimated Annual Revenues (Tax)	\$948.37 Existing AV \$4,839.97 As proposed

Other State Distributed Revenues

Local Road and Streets

Based on a formula of \$2,102.25 per mile (2014 LRS receipts of \$322,274.70 divided by 153.3 certified lane miles in City), this annexation will not increase the LRS funds, as the City currently maintains IN 130 to Howe Street.

Motor Vehicle Highway

Based on a formula of \$7,540.81 per mile (2014 MVH receipts of \$1,156,006.40 divided by 153.3 certified lane miles in City), this annexation will not increase the LRS funds, as the City currently maintains IN 130 to Howe Street.

Total Estimated Annual Revenues (All Sources)	\$0 Existing \$4,839.97 as proposed
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Utility-Based Revenues

The following utility-based revenues are not part of the general fund or civil city budget, and are derived from sewer and water monthly billing for user fees.

Minimum Monthly Water Use Revenues

\$21.72/monthly minimum per meter – 1 industrial building w/one 3/4" meter =
\$260.64/year

Minimum Monthly Sewer Use Revenues

17.90/month minimum per meter – 1 industrial building w/one 3/4" meter =
\$214.80/year

Stormwater Fees

The proposed development will require the assessment if the property based on one Class 4 building at \$44.00 per month x 12 months + \$1,056.00. All cost are estimated and dependent on ownership and utility accounts.

Total Annual Utility Revenues	\$0 Existing
	\$1,531.44 as proposed

ONE TIME REVENUES

These revenues are generated at the time a particular property is connected to the municipal sewer or water system or both. The revenues generated from these fees are dependent upon connection of homes and businesses to these systems.

Water - New Service Construction Cost

New service construction cost for 2" service: minimum \$7,500.00

Sewer Connection Fees

Minimum of \$8,932.00 per principal structure. This annexation request includes one proposed building for a total revenue of \$8,932.00

Total One Time Utility Revenues - \$16,432.00

Building and Engineering Permit Fees

The construction of one proposed 12,120 SF building will bring the City \$1,925 respectively and \$100 in Engineering related fees for a total of \$2,095 in revenues based on a total permit fee.

Total One Time CITY Revenues \$2,195.00

ANTICIPATED ANNUAL COSTS AND IMPACT ON CITY SERVICES

Administrative Services:

Administrative functions of the City, including Mayor's Office, Clerk-Treasurer, Economic Development, Human Resources, Project Management, and Information Technology, and Legal services affected by this annexation will be handled with current staffing levels and resources funded by the current and future City General Fund revenues generated by the tax levy.

Inspection Services:

Zoning, building, and engineering inspection services within this annexation area as well as other annexation areas are not expected to require additional resources based on expected growth in this area over the next five to ten years.

Refuse Collection:

Trash and recycling pick up for residential properties is the responsibility of the building owner. Therefore, the expected cost of the proposed development is **\$0** annually.

Police Protection:

Police protection will be furnished by the Valparaiso Police Department within one year of the effective date of annexation as required by law. For the purpose of estimating the number of calls expected in the annexation area, the number of calls to a comparison development will be used. In 2014, 1552 IN 130 received 8 calls, for an anticipated cost to the city of approximately **\$1,178.50** per year as proposed. This figure is calculated by dividing the total 2014 department budget of \$3,912,781 by the number of calls in 2014 (26,561) for a value of \$147.31 per call.

Fire Protection Services:

The Valparaiso Fire Department currently provides fire protection service to the area included in the annexation. The area is estimated to produce proximately one (1) call per year based on calls received to the 1552 IN 130. The annexation area will be served by Station No.1, located at 205 Indiana Avenue. The annual cost is anticipated to be **\$1,615.40** per year for the proposed development. This figure is calculated by

dividing the total 2014 Fire/EMS Department Budget of \$6,707,157 by the number of calls in 2014 (4,152), for the value of \$1,615.40 per call.

Street and Road Maintenance:

The City current maintains IN130 to Howe Street.

Total Annual Costs to City and Services \$2,793.90 as proposed

ANTICIPATED ONE-TIME COSTS (Infrastructure Improvements)

Water Utility Service:

Municipal water service is available to the annexation area at this time via water mains located on the north side of IN 130. VCU will provide water service tap when needed at the expense of the developer. Total cost to the city is \$0.

Sewer Utility Service:

Municipal sewer service is available to the annexation area at this time via a sewer main located on Emmetsburg Avenue. This annexation does not require immediate connection to the municipal waste water utility, but connections are expected as the building is constructed. The developer will construct approximately 500' of force sanitary sewer main that will tie into a manhole located on Emmetsburg Avenue. Total cost to the city is \$0.

Total One Time Costs to the City \$0

Water Service Extensions

The Valparaiso City Utilities owns and operates the water department that will serve this area with potable water. The policy of the Valparaiso City Utilities with respect to water service is and shall be to provide areas within the city with access to city potable water. However, this "access" does not include direct connection and/or construction of water lines in front of every residential and business. Valparaiso City Utilities will construct water lines for new developments at the expense of the developer. In the case of off-site water mains for such developments, Valparaiso City Utilities will allow the developer to recoup off site water main expenses from those who directly connect to said off-site water main¹.

For developed areas, Valparaiso City Utilities will develop a project to serve those property owners who request water service, to the extent enough property owners request such service. Typically, fifty-one percent of the property owners must request the service and commit to the payment of the service. However, if the cost of the project to serve an developed area is excessively high, such as the need to extend a long length of off-site main, the board of Directors may require a commitment from a

¹ Assessment will include one-half of the cost of the off-site main for the frontage of the connector's frontage. Reimbursement period is limited to 10 years.

larger percentage of property owners. In each case, the Board of Directors makes the final determination.

Sewer Service Extensions

The Valparaiso City Utilities owns and operates the water reclamation department that will serve this area with sanitary sewers. The policy of the Valparaiso City Utilities with respect to sewer service is and shall be to provide areas within the city with access to city sewer. However, this “access” does not include direct connection and/or construction of sewer lines in front of every residential and business parcel. Valparaiso City Utilities will construct sewer lines for new developments at the expense of the developer. In the case of off-site sewer mains for such developments, Valparaiso City Utilities will allow the developer to recoup off-site sewer main expenses from those who directly connect to said off-site sewer main.²

For developed areas, Valparaiso City Utilities will develop a project to serve those property owners who request sewer service, to the extent enough property owners request such service. Typically, fifty-one percent of the property owners must request the service. However, if the cost of the project to serve an developed area is excessively high, such as the need to extend a long length of off-site main, the Board of Directors may require a commitment from a larger percentage of property owners. In each case, the Board of Directors makes the final determination. If the sewer service is requested and the Board directs it, an assessment roll will be created to assess each property owner an equitable share of the project. Valparaiso City Utilities will then use Barrett Law to construct the project and assess each property owner a share the cost. Payment will be made per provisions of Barrett Law.

² A developer may be given a sewer reimbursement district contract in order to recoup the costs of the off-site sewer expenses. The City Engineering Dept. will determine the amount of area, which could reasonably connect directly and/or indirectly into the said off-site sewer and create a district. District fees will be calculated by the Engineering Dept. for said district.

SOUTHEAST ANNEXATION FISCAL PLAN SUMMARY

Location

The area included in this annexation consists of property located in Center Township, North of Lincolnway (US 130), West of Emmetsburg Street and East of Howe Street and more particularly described as follows:

See attached description

Total Acreage	1.08 Acres
Number of Dwelling Units	0
Number of Non-Residential Units	0 Existing, 0 Proposed
Percent Contiguous	49%
Existing Zoning (County)	I1, Light Industrial District
Proposed Zoning	INL, Light Industrial

The proposed annexation complies with the following criteria:

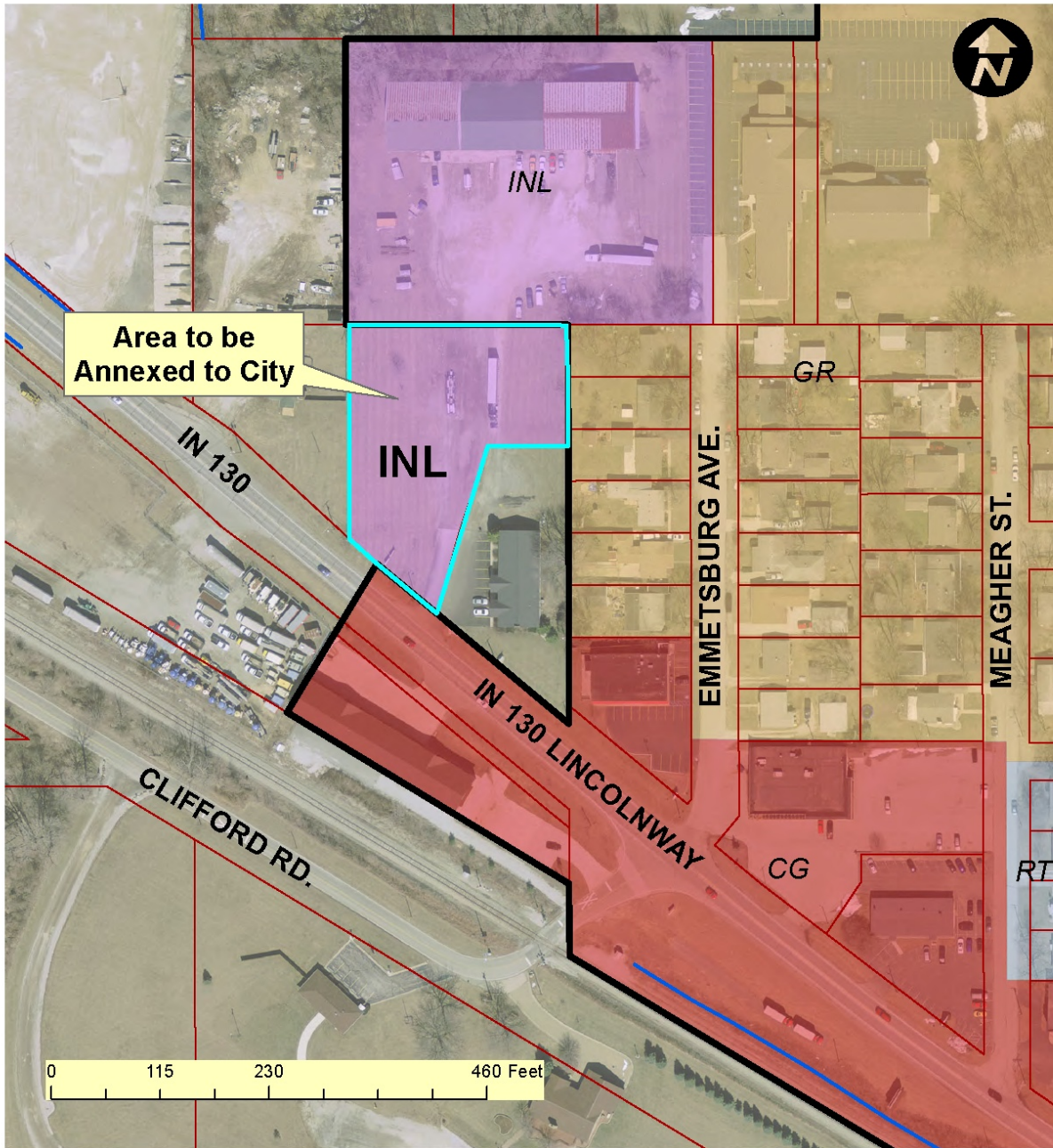
- (1) The area is 49% contiguous to the corporate limits of the City, exceeding the minimum 12.5% contiguity requirement of the State annexation law.
- (2) The site lies within a Priority Annexation Area as outlined in the City of Valparaiso Annexation Policy.
- (3) The extension of utilities will be at the cost of the developer.

Total Estimated Annual Revenues (All Sources) \$6,371.41 as proposed

vs.

Total Annual Costs to City and Services \$2,793.90 as proposed

	Existing	As proposed
Annual City Revenues	\$0	\$6,371.41
Annual Utility Revenues	\$0	\$0
Annual City Costs	\$0	\$2,793.90
One Time City Revenues	\$0	\$2,195.00
One Time Utility Revenues	\$0	\$16,432.00
One Time Utility Costs To City	\$0	\$0



CASE # A15-001 and RZ15-001
Blaney Annexation

1556 Lincolnway

LEGEND

- | | |
|----------------------------------|-----------------------------------|
| ■ NC - Neighborhood Conservation | ■ CG - Commercial, General |
| ■ ER - Estate Residential | ■ CBD - Central Business District |
| ■ SR - Suburban Residential | ■ CP - Central Place |
| ■ GR - Residential, General | ■ RT - Residential Transition |
| ■ UR - Residential, Urban | ■ CA - Campus |
| ■ PS - Public Space | ■ BP - Business Park |
| ■ RU - Rural | ■ INL - Light Industry |
| ■ CN - Commercial, Neighborhood | ■ INH - Heavy Industrial |
| | ■ PUD - Planned Unit Development |



- ▭ ParcelPoly
- ▭ CityLimits

March 2015

BLANEY ANNEXATION

The Blaney Annexation is a parcel of land in Emmetsburg Subdivision being more particularly described as follows:

Lots One (1), Four (4), Five (5) and Seven (7) in Block Three (3); the West ½ of O'Conner Street (vacated) and the South ½ of O'Reilly Street (vacated) all lying North of the North Right-of-way line of State Highway No. 130 in Emmetsburg, a subdivision in the Northwest Quarter (NW ¼) of Section 23, Township 35 North Range 6 West of the Second Principal Meridian, in Porter County, Indiana, as per plat thereof recorded in Miscellaneous Record "B", page 242, in the Office of the Recorder of Porter County, Indiana.

EXCEPTING THEREFROM the following described parcel; Commencing at the Southwest corner of Lot 1 in Amstutz Subdivision, as per plat thereof, recorded in Miscellaneous Record 16, page 114 in said Office of the County Recorder, said corner being the intersection of the centerline of said vacated O'Conner Street, in said Emmetsburg Subdivision, with the Northerly Right-of-way line of State Highway No. 130, as shown on the Plan and Profile of Proposed State Highway F.A. Project No. 286, Hobart-Valparaiso Road, sheets 19 and 20, dated Fiscal Year 1932; thence North 00 degrees 0' 0" East (assumed Bearing) along said centerline of the vacated O'Conner Street, a distance of 295.02 feet to a 5/8" diameter re-bar, 24" in length with a "Beeg S0004" identification cap, hereinafter referred to as a "Beeg Re-bar;" thence South 89 degrees 59' 38" West, a distance of 85.65 feet to a Beeg Re-bar; thence South 18 degrees 14' 32" West, a distance of 98.78 feet to a Beeg Re-bar; thence South 15 degrees 35' 37" West, a distance of 87.53 feet to a Beeg Re-Bar on said Northerly Right-of-way line of State Highway No. 130; thence South 50 degrees 09' 38" East along said Northerly Right-of-way line, a distance of 182.46 feet to the point of beginning.

Said Blaney Annexation is adjacent to current Valparaiso Corporate Limits as described in Annexation Ordinance 03 of 1954, Ordinance 22 of 1964 and Ordinance 22 of 2008. Said annexation contains 1.08 Acres, more or less, and subject to all Legal Highways and Easements.