Prepared by the City Attorney

# RESOLUTION NO. 21-04

**A RESOLUTION TO ADOPT THE WRITTEN FISCAL PLAN FOR THE ANNEXATION OF CERTAIN LANDS INTO THE CITY OF WEST LAFAYETTE (McCormick Place, LLC—Parcel #1)**

WHEREAS, there is a certain tract of land located contiguous to the current boundary of the City of West Lafayette, Indiana, which the McCormick Place, LLC has petitioned to voluntarily annex to the City pursuant to IND. CODE § 36-4-3-5.1;

WHEREAS, a written fiscal plan has been prepared under the direction of the City's Director of Planning, Zoning and Economic Development for the annexation; and

WHEREAS, IND. CODE § 36-4-3-13 requires the adoption of a written fiscal plan prior to the adoption of an annexation ordinance; and

WHEREAS, the plan that has been developed has been presented to the Common Council of the City of West Lafayette entitled "Annexation Fiscal Plan McCormick Place #1 Annexation;"

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF WEST LAFAYETTE that:

Section 1. The Common Council of the City of West Lafayette adopts and approves the written fiscal plan entitled "Annexation Fiscal Plan McCormick Place #1 Annexation," attached hereto and made a part hereof, as the written fiscal plan of the area to be annexed, more particularly described in West Lafayette Ordinance No. 18-04.

Section 2. The West Lafayette Common Council states that two (2) copies of the written fiscal plan entitled "Annexation Fiscal Plan McCormick Place #1 Annexation" of the property to be annexed are on file in the office of the Clerk-Treasurer of West Lafayette for public inspection, and the West Lafayette Common Counsel further directs the Clerk-Treasurer to keep the copies on file in her office.

Section 3. This resolution shall be in full force and effect from and after its passage and signing by the Mayor and as provided by law.

INTRODUCED AND FILED ON _____, 2004.

PASSED AND ADOPTED BY THE COMMON COUNCIL OF THE CITY OF WEST LAFAYETTE, INDIANA ON _____, 2004, HAVING BEEN PASSED BY A VOTE OF ____ IN FAVOR AND ____ OPPOSED.

_____

Presiding Officer

Attested:

_____
Clerk-Treasurer

PRESENTED BY ME TO THE MAYOR OF THE CITY OF WEST LAFAYETTE. INDIANA ON _____, 2004, AT THE HOUR OF _____ ___.M.

_____
Clerk-Treasurer

THIS RESOLUTION APPROVED AND SIGNED BY ME ON _____, 2004, AT THE HOUR OF _____ ___.M.

_____
Jan H. Mills, Mayor

Attested:

_____
Clerk-Treasurer

# City of West Lafayette
# Annexation Fiscal Plan
# McCormick Place #1 Annexation

Filed: June 25, 2004

TABLE OF CONTENTS

INTRODUCTION

SECTION ONE: BASIC DATA

A. Location
B. Size
C. Population
D. Buildings
E. Current Patterns of Land Use
F. Zoning
G. Topography
H. Assessment
I. Gross Corporate Tax Rate
J. Council District

SECTION TWO: LEGAL REQUIREMENTS

A. Introduction
B. One Eighth Contiguous
C. Future Development

SECTION THREE: SERVICES TO BE PROVIDED TO THE ANNEXATION AREA

A. Police Department
B. Fire Protection
C. Garbage Collection
D. Sanitary Sewer
E. Storm Drainage
F. Roads and Streets
G. Street Lights
H. Administrative Services

SECTION FOUR: FINANCIAL SUMMARY

A. Revenues
B. Expenditures
C. Five Year summary

SECTION FIVE: CONCLUSION AND RECOMMENDATION

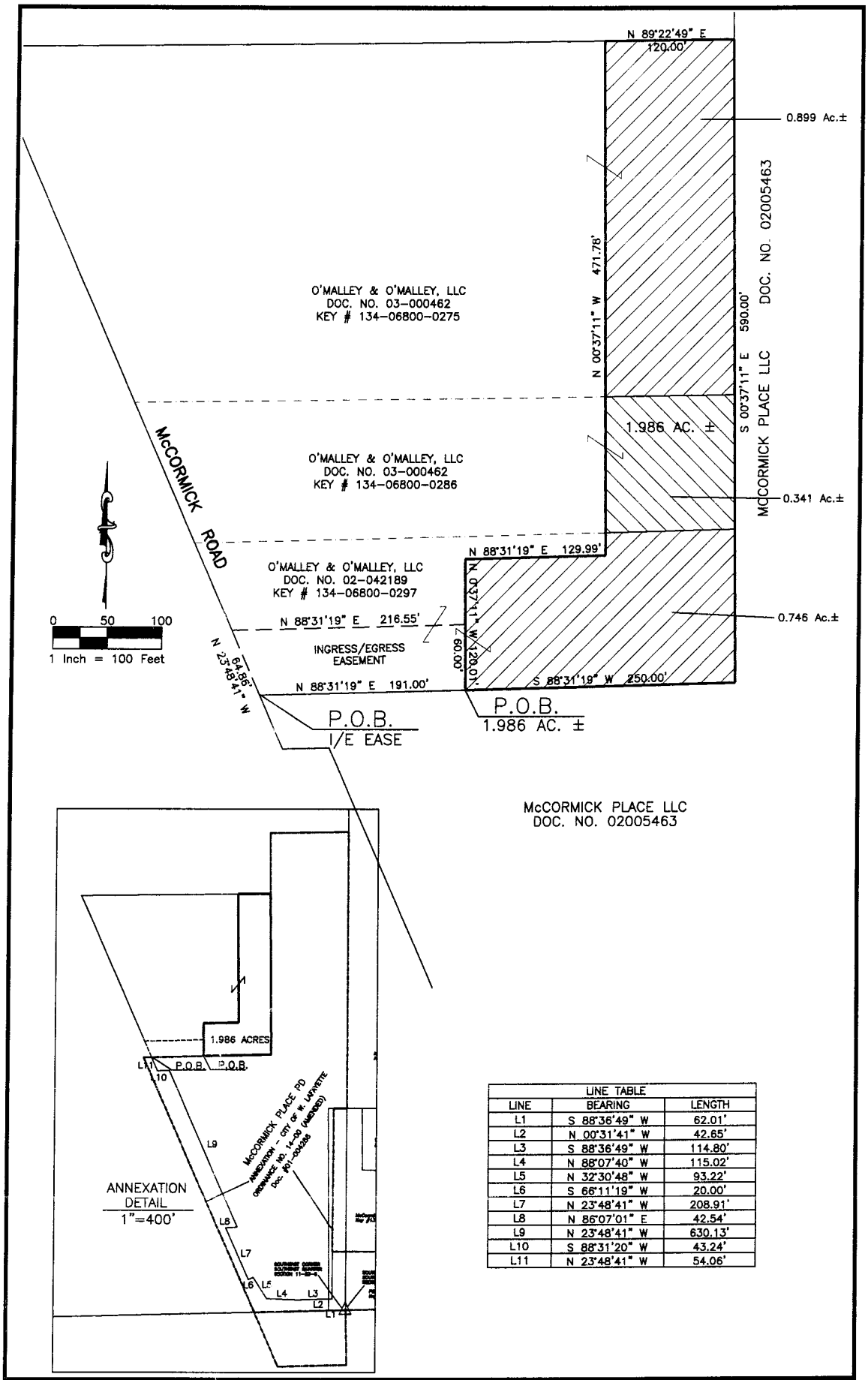
APPENDIX: DESCRIPTION OF ANNEXATION AREA

## INTRODUCTION

This Fiscal Plan, which is required by state annexation law (IND. CODE § 36-4-3 *et seq.*), explains why the Annexation Area ("Area") meets the state law requirements for annexation. This Fiscal Plan gives basic data regarding the Area, describes the services that will be furnished to the Area upon annexation by the City of West Lafayette ("City"), and summarizes the fiscal impact of annexation upon the City.

On the following page is a map (Figure 1) delineating the proposed McCormick Place Annexation Area #1.

FIGURE !




| LINE TABLE | | |
|---|---|---|
| LINE | BEARING | LENGTH |
| L1 | S 88°36'49" W | 62.01' |
| L2 | N 00°31'41" W | 42.65' |
| L3 | S 88°36'49" W | 114.80' |
| L4 | N 88°07'40" W | 115.02' |
| L5 | N 32°30'48" W | 93.22' |
| L6 | S 66°11'19" W | 20.00' |
| L7 | N 23°48'41" W | 208.91' |
| L8 | N 86°07'01" E | 42.54' |
| L9 | N 23°48'41" W | 630.13' |
| L10 | S 88°31'20" W | 43.24' |
| L11 | N 23°48'41" W | 54.06' |


JOHN E. FISHER & ASSOCIATES, P.C.
Land Surveyors - Civil Engineers
625 South Earl Avenue
Lafayette, Indiana 47904-3210
Office (765) 448-1535
Fax (765) 447-9595
email fishersurv@aol.com


**1.986 ACRE TRACT EXHIBIT**

A PART OF THE SOUTHEAST QUARTER OF SECTION 11, TOWNSHIP 23 NORTH, RANGE 5 WEST, WABASH TOWNSHIP, TIPPECANOE COUNTY, INDIANA.

Date: 5-24-04
Comm. No.: 01.58.5
Drawn By: RSP
Check By: RAF
Scale: 1"= 100'
Sheet: 1 of 1

F:\Drawings\Py2001\0158\0158p1\dwg\01585exhibit.dwg 5/24/2004 8:44:02 AM DEST

## SECTION ONE: BASIC DATA

### A. Location

The area is located on the west side of the City off of Lindberg Road near its intersection with McCormick Road; as more fully described herein.

### B. Size

The Annexation area contains approximately 2.99 acres.

### C. Population

The current population for the area is zero. There are no residents or buildings in the Area. It is additional parking for the McCormick Place Planned Development (apartments) and there are no plans to place any improvements thereon, other than parking.

### D. Buildings

| | | |
|---|---|---|
| Single Family: | 0 | structures |
| Commercial: | 0 | structures |
| Institutional: | 0 | structures |

### E. Current Patterns of land Use

Current land use in the Area is additional parking for the McCormick Place Planned Development (apartments).

### F. Zoning

The current zoning classification for the Area is R1, Single-Family Residential. Current plans are to rezone the property to PD (planned development), adding it to the McCormick Place Planned Development. Upon annexation, this Area will be under the jurisdiction of the West Lafayette City Council.

### G. Topography

Topography within the Annexation Area is generally level.

H. Assessment

The estimated assessed valuation for the Area is shown as follows:

| Real Property Assessed Valuation | Personal Property Assessed Valuation | Total Valuation |
|---|---|---|
| $251,200 | $0 | $251,200 |

I. Gross Corporate Tax Rate (City of West Lafayette 2003 payable 2004 rates)

The City of West Lafayette corporate tax rate for 2003, which is payable in 2004, is $0.6802 per $100 of assessed value.

J. Council District

The Area will initially be assigned to City Council District 4, subject to any later reapportionment, as required by statute.

## SECTION TWO: LEGAL REQUIREMENTS

### A. Introduction

When pursing an annexation, a municipality must insure that the proposed annexation is in accordance with state law. The existing statue (IND. CODE § 36-4-3 et seq.) provides cities with the ability to annex areas that are one-eighth (1/8) contiguous (12.5%) to the municipality, need by the city and can be used by the city for its future development, and meet other statute requirements. These requirements include:

1. Develop and adopt a written fiscal plan and establish a definite policy, by resolution of the legislative body. The fiscal plan must show the following:
    a. The estimated costs of planned services to be provided to the annexation area by the municipal, itemized by each department or agency.
    b. The method or methods of financing the planned services.
    c. The plan for the organization and extension of services
    d. That planned services of a non-capital nature, will be provided to the annexed territory within one year after the effective date of annexation.
    e. Services of a capital nature will be provided to the annexed territory within three years after the effective date of the annexation.
2. Hold a public hearing concerning the proposed annexation.
3. Provide written notice of the hearing to each owner of real property who is located within the territory proposed to be annexed.
4. Adopt an ordinance in regard to the annexation area.

### B. Contiguity (12.5%)

(Based on legal description provided at the June 7, 2004 council meeting)
External aggregate boundary: 1,756.56 feet
Contiguous external boundary: 949.67 feet

The Annexation Area is 54.1% contiguous to the City. Therefore, this annexation meets the one-eighth (12.5%) contiguity retirements mandated by IND. CODE § 36-4-3-1.5.

### C. Future Development

The territory sought to be annexed is needed and can be used by the City of West Lafayette for its future development, specifically additional parking for the McCormick Place Planned Development. In addition, the owner of the Annexation Area has specifically requested pursuant to IND. CODE § 36-4-3-5.1 that the area be annexed into the corporate boundaries of the City of West Lafayette.

## SECTION THREE: SERVICES TO BE PROVIDED TO THE ANNEXATION AREA

This section of the Fiscal Plan forecasts the cost and methods of financing the municipal services to be provided to the Area. The plan also describes how the City plans to extend the services with are non-capital and capital in nature. This section demonstrates how the City will satisfy the requirements of state law in the provision of services and financing of the same in an equitable manner.

As required by state law, the Area will receive planned services of a non-capital nature in a manner equivalent in standard and scope to those non-capital services provided to areas within the corporate boundaries. In addition, the Area will receive services of a capital improvement nature in the same manner as those services are provided to areas within the corporate boundaries. All services of a non-capital nature and of a capital improvement nature described in this section will be provided to the Area in a manner equivalent in standard and scope to those capital and non-capital services provided to areas within the corporate boundaries.

The size of the Annexation Area is insignificant compared to the size of the city. Indeed, it is a small portion of the overall McCormick Place Planned Development, which it will serve as additional parking.

### A. Police Department

The services provided by the City Police Department include the prevention of crime; the detection and apprehension of criminal offenders; assistance for those who cannot care for themselves or who are in danger of physical harm; resolution of day-to-day conflicts among family, friends, and neighbors; and the creation and maintenance of a feeling of security in the community. The Police Department is also involved in legal work and protection of constitutional rights. Lastly, the Police Department performs traffic control, promotes civil order, and provides educational and technical assistance in the area of crime prevention and neighborhood services.

Immediately upon annexation the area will be incorporated into Police District 3 where 1 officer will patrol the district in three shift increments. The City Police Department has determined that no additional personnel and equipment, or annual operating costs are required to serve the Annexation Area.

| | |
|---|---|
| CAPITAL COST: | $0 |
| ESTIMATED ANNUAL COSTS: | $0 |
| METHOD OF FINANCING: | Not applicable. |

### B. Fire Protection

The City Fire Department will be responsible for providing fire protection services to the area. The services provided include fire protection and suppression, emergency rescue, fire prevention, fire inspection, and public education.

Immediately upon annexation, the Area will be the responsibility of the Fire Department which currently has 35 firefighters, including a Chief and Fire Inspector serving from two stations. The closest fire station to the area is Station No. 2. The Fire Department has determined that no additional personnel and equipment, or annual operating costs are required to serve the Annexation Area and it is well within the response time.

| | |
|---|---|
| CAPITAL COST: | $0 |
| ESTIMATED ANNUAL COSTS: | $0 |
| METHOD OF FINANCING: | Not applicable |

C. Garbage Collection

The City Sanitation Department provides one trash and one brush and grass pickup per week, recycling pickup every other week, and special leaf pickup in the fall for all residential areas of the City. Residential pickup is for all residential units including multi-family residential units having four combined units or less for a fee of nine dollars ($9) per month. Multi-family residential units over four combined units and all commercial and industrial units provide their own waste removal. As such, this development will, like all similarly situated areas, receive no curbside service. There are no additional costs to the provision of services for the Annexation Area.

| | |
|---|---|
| CAPITAL COST: | $0 |
| ESTIMATED ANNUAL COSTS: | $0 |
| METHOD OF FINANCING: | Not applicable |

D. Sanitary Sewer

The City's sanitary sewer system presently services the remainder of the McCormick Place Planned Development. There would be no improvements requiring service in the Annexation Area. There are no additional costs to the provision of services for the Annexation Area.

| | |
|---|---|
| CAPITAL COST: | $0 |
| ESTIMATED ANNUAL COSTS: | $0 |
| METHOD OF FINANCING: | Not applicable |

E. Storm Drainage

Storm drainage facilities in the Annexation Area, like those in any similarly situated development would be the responsibility of the developer and property owner. Off-site storm drainage facilities would be the same ones already serving the McCormick Place Planned Development. The development must meet requirements keeping the rates of flow of stormwater drainage to predevelopment levels. Routine

maintenance of those off-site drainage facilities will be provided by the City's sanitary sewer maintenance personnel without additional budget expense.

| | |
|---|---|
| CAPITAL COST: | $0 |
| ESTIMATED ANNUAL COSTS: | $0 |
| METHOD OF FINANCING: | Not applicable |

F. Roads and Streets

The Annexation Area contains no internal roads, but does border West Lafayette City Streets. These streets are maintained based on the City's current maintenance schedule.

| | |
|---|---|
| CAPITAL COST: | $0 |
| ESTIMATED ANNUAL COSTS: | $0 |
| METHOD OF FINANCING: | Not Applicable |

G. Street Lights

Street lights in the City are installed and maintained by the local private electric utility. Additional street lights are not considered necessary in the area being annexed and would, in accordance with existing policy, not be provided to such a parcel involving a purely nonpublic use.

| | |
|---|---|
| CAPITAL COST: | $0 |
| ESTIMATED ANNUAL COSTS: | $0 |
| METHOD OF FINANCING: | Not applicable. |

H. Administrative Services

All administrative functions of the City will be available to the Area immediately upon the date of annexation. These services include, but are not limited to, the Wastewater Utility; Street Sanitation and Recycling Department; City Engineer; City Court; Parks and Recreation; Department of Development; the Mayor's Office; and the City Clerk-Treasurer's Office. General administration includes all of the regulatory and program functions of the various City departments. When these areas are annexed, City departments will be notified and will expand their jurisdictional areas accordingly. We have estimated no additional personnel or other costs are necessary for the extension of these services.

| | |
|---|---|
| CAPITAL COST: | $0 |
| ESTIMATED ANNUAL COSTS: | $0 |
| METHOD OF FINANCING: | Not applicable |

## SECTION FOUR: FINANCIAL SUMMARY

The purpose of this Section is to project the revenues and expenditures for the proposed Area. This Section also provides a five-year summary of the expenditures compared with the revenues.

### A. Revenues

Property taxes are the main source of revenue to be received from the Area. Property taxes are computed from an estimated gross amount of assessed valuation in the area. The formula for computing tax revenue is shown in table one:

TABLE ONE

Tax Revenue Formula

$$AV/100*T = TR$$

| | | | |
|---|---|---|---|
| Where: | AV | = | Assessed Valuation |
| | T | = | Tax Rate |
| | TR | = | Tax Revenue |

The total estimated assessed valuation of the Area is $251,200. Multiplying the estimated assessed value of the Area by the City's gross corporation tax rate of $0.6802 per $100 assessed value calculates the estimated total additional property tax revenue from the area to the City to be $1,708.66.

Table Two details the applicable components of this tax rate:

TABLE TWO

City Gross Corporate Tax Rate
(per $100 Assessed Value)

| | |
|---|---|
| Corporation General | $ 0.5273 |
| Cumulative Capital Development | 0.0319 |
| Park & Recreation | 0.0934 |
| Police Pension | 0.0120 |
| Fire Pension | 0.0035 |
| Cumulative Fire Special | 0.0043 |
| Fire Equipment Debt Service | 0.0078 |
| **Total Gross Corporate Tax Rate (Payable Year 2004)** | $ 0.6802 |

B. Expenditures

Expenditures that were reported in the Section on Municipal Services are summarized in Table Three. Capital costs are one-time expenditures, while operating costs are continuing expenses.

TABLE THREE

| Municipal Service | Capital Costs | Operating Costs |
|---|---|---|
| Police Department | $0 | $0 |
| Fire Department | $0 | $0 |
| Sanitation | $0 | $0 |
| Sanitary Sewer | $0 | $0 |
| Storm Sewer | $0 | $0 |
| Streets and Roads | $0 | $0 |
| Street Lights | $0 | $0 |
| Administrative | $0 | $0 |

C. Five Year Summary

The Five Year Summary shows the projected expenditures compared with the estimated tax revenues from the Area for the first five years following its incorporation into the City. Property tax revenue from the Area will not be collected until 2005. Assuming the Area is annexed in 2004, assessment will occur in March 2005, with revenues being collected in 2006.

TABLE FOUR

Revenues Minus Expenses

| Year | Area Expenditures | Tax Revenue | Road Distributions | Total | Balance |
|---|---|---|---|---|---|
| 2005 | $0 | $1,708.66 | $0 | $1,708.66 | $1,708.66 |
| 2006 | $0 | $1,708.66 | $0 | $1,708.66 | $3,417.32 |
| 2007 | $0 | $1,708.66 | $0 | $1,708.66 | $5,125.98 |
| 2008 | $0 | $1,708.66 | $0 | $1,708.66 | $6,834.64 |
| 2009 | $0 | $1,708.66 | $0 | $1,708.66 | $8,543.30 |

The amount shown as "tax revenue" represents the gross amount of taxes that would be due by taking the current City tax rate and multiplying it by the assessed value of the property. It does not take into account property tax replacement credit or other deductions or credits available to the taxpayer. In addition, due to the property tax limitations imposed by the State of Indiana, the City will not receive the amount of revenue shown as additional revenue to the City. The amount of revenue that the City

actually receives is determined by a budget process limited by restrictions on the annual growth in property taxes.

## SECTION FIVE: CONCLUSION AND RECOMMENDATION

The Annexation Area satisfies the requirements that have been established by the State legislature: the annexation area is more than one-eighth (12.5%) contiguous, the Annexation Area is needed and can be used by the City for its future development, and the City has complied with all remaining statutory requirements concerning the preparation of a fiscal plan. This Fiscal Plan, which meets all state law requirements, shows that the proposed annexation by the City of West Lafayette of the Annexation Area would be in accordance with applicable state law.

It is recommended that, after the passage of the annexation ordinance and its approval by the Mayor, that the Area be annexed by the City of West Lafayette into the corporate boundaries of the City.