

RESOLUTION #12, 2013

**ADOPTING A FISCAL PLAN FOR THE ANNEXATION OF
PROPERTY KNOWN AS THE ALDI ANNEXATION
TO THE CITY OF VALPARAISO, INDIANA**

WHEREAS, the City Council of Valparaiso is the governing body of the City of Valparaiso in Porter County, State of Indiana; and

WHEREAS, the City Council of the City of Valparaiso has pending before it Ordinance No. 15, 2013 which would annex territory more commonly referred to as the "ALDI Annexation"; and

WHEREAS, the City Council of the City of Valparaiso is desirous to adopt the written fiscal plan and definite policy for the ALDI Annexation located in unincorporated Porter County; and

WHEREAS, the document attached hereto as Exhibit A shows the following:

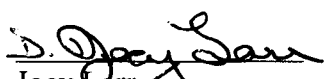
- (i) At least sixty-five percent (65%) of the owners of land in the territory proposed to be annexed.
- (ii) The owners of more than seventy-five percent (75%) in assessed valuation of the land in the territory proposed to be annexed.

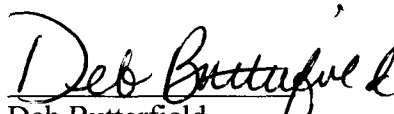
NOW, THEREFORE, BE IT RESOLVED by the governing body of the City of Valparaiso, in Porter County, Indiana.

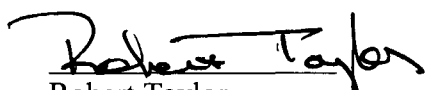
Section One: The City of Valparaiso elects to establish and adopt the written fiscal plan and definite policy before adopting the annexation ordinance for the ALDI Annexation. A copy of the written fiscal plan and definite policy for the ALDI annexation is attached hereto, incorporated herein and marked as **Exhibit "A"** to this Resolution.

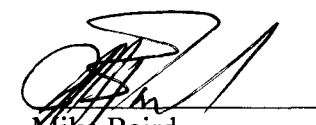
Section Two: This Resolution shall be in full force and effect from date of passage, by the City Council and its publication, as provided by law. All provisions or parts thereof in conflict herewith are hereby repealed.

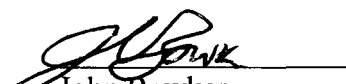
ADOPTED this 8th day of July, 2013 by a 6 vote in favor and 1 vote opposed of all members present and voting.

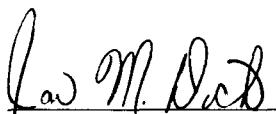

Joey Larr

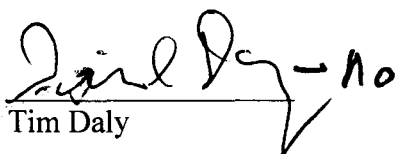

Deb Butterfield

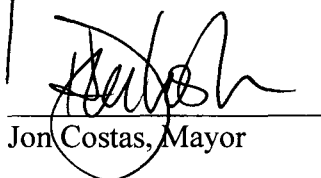

Robert Taylor

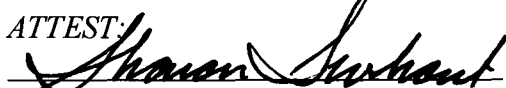

Mike Baird


John Bowker

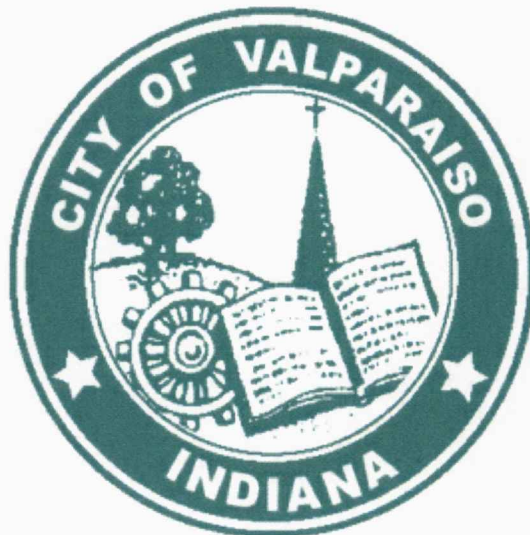

Jan Dick


Tim Daly


Jon Costas, Mayor

ATTEST:

Sharon Swihart, Clerk-Treasurer

Resolution 12, 2013 Exhibit "A"
Plan Commission Case A13-002/RZ13-002



ALDI ANNEXATION
FISCAL PLAN

Prepared by:
Tyler Kent
City of Valparaiso
Planning Department
July 2013

ALDI ANNEXATION FISCAL PLAN

SUBJECT: A13-002/RZ13-002 – ALDI – Request to annex property known as ALDI Annexation, Center Township, T 35N, R6W.

DATE: June 18, 2013

The Planning and Building 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.

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 the same manner as 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, South of the current city limits, at the Northwest corner of State Route 49 and Division Road, more particularly described as follows:

See attached description

Total Acreage	96 Acres
Number of Dwelling Units	0
Number of Non-Residential Units	1 Existing
Percent Contiguous	31%
Existing Zoning (County)	I2, General Industrial District (County)
Proposed Zoning	INL, Light Industrial

The annexation area consists of one 385,995 square foot building and plans for a new expansion. The land included in the annexation petition is under a single ownership, ALDI (Indiana) Lp.

CONTIGUITY

The ALDI annexation area is 31% contiguous to the existing City limits.

"Needed & Can Be Used"

The ALDI property is zoned I2/INL, therefore the City of Valparaiso doesn't need to prove Needed and Can Be Used.

City of Valparaiso Growth Management Plan (2000)

The Growth Management Plan is a component of the 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 ALDI 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 1st Councilmanic District until the next redistricting.

PARCEL NUMBERS INCLUDED IN ANNEXATION
64-10-31-476-001.000-003

ADDRESS
197 E Division Road
Valparaiso, IN 46383

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 2012 payable in 2013 City tax rate of \$1.1907/100 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)**	\$12,178,200 Existing AV \$12,178,200 AV as proposed
Total Tax Rate (Valparaiso (Center))	\$2.6983/100 AV
City Net Tax Rate	\$1.1907 /100 AV
City % of total tax	44.13%
Total Tax before cap	\$(328,604.37)
City portion of total tax before cap	\$(145,005.83)
Maximum Tax Rate (Circuit Breaker)	3.0% Industrial
Maximum tax after circuit breaker	\$ 365,346 > \$328,604.37
City portion of Max. tax after cap	\$ 145,005.83
Total property tax revenue **	\$ 145,005.83

Total Estimated Annual Revenues (Tax)	\$145,005.83 Existing AV
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Other State Distributed Revenues

Local Road and Streets

Based on a formula of \$2,027.80 per mile (2012 LRS receipts of \$310,841.90 divided by 153.29 certified lane miles in City), this annexation is expected to generate an additional \$588.06 in LRS funds based on the addition of 0.29 lane miles to the City inventory.

Motor Vehicle Highway

Based on a formula of \$5,507.81 per mile (2012 MVH receipts of \$813,634.66 divided by 153.29 certified lane miles in City), this annexation is expected to generate an additional \$1,597.26 in MVH funds based on the addition of 0.29 lane miles to the City inventory.

Total Estimated Annual Revenues (All Sources)	\$145,005.83 Existing \$147,191.15 as proposed
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Utility-Based Revenues

The City already provides water and sewer services to Aldi. The only additions to revenues will be stormwater fees. Stormwater revenues are not part of the general fund or civil city budget

Stormwater Fees

Aldi will require the assessment of the property based on
1 Class 6 building at \$352.00 per month X 12 months = \$ 4,224.00 per year.

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. There will be no material cost increases associated with extending these services to the Annexation Territory.

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. There will be no material cost increases associated with extending these services to the Annexation Territory.

Refuse Collection:

Trash and recycling pick up for non-residential properties is the responsibility of the commercial 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 purposes of estimating the number of calls expected in the annexation area, the number of calls to a comparison development will be used. In 2012, Pratt Industries located East of the ALDI property received 12 calls, for an anticipated cost to the city of approximately \$1,561.68 per year as proposed. This figure is calculated by dividing the total 2012 department budget of \$3,701,402.00 by the number of calls in 2012 (28,441) for a value of \$130.14 per call.

Fire Protection Services:

The Valparaiso Fire Department currently provides fire protection service to the area included in the annexation in a manner equivalent in standard and scope as it does within the corporate limits.

Street and Road Maintenance:

The annexation will result in the addition of .29 lane miles to the City street system. Currently there are 153.29 State certified miles in the city. The annual maintenance cost per mile is \$12,569.02. This will result in the expenditure of approximately **\$3,645.02** annually for road maintenance for this annexation. This value is based on a formula in which the 2012 Street Department Budget of \$1,728,629.00 plus half of the \$396,152.00 in annual maintenance costs (1/2 for solid waste, 1/2 for street) or a total of \$1,926,705 is divided by the 153.29 existing certified miles in the City.

The annual cost of road surface replacement based on a 15-year resurfacing schedule is \$88,181.00 per lane mile. With 0.29 centerline miles included divided by a 15-year replacement schedule at \$5,879.40 per mile per year, the road replacement cost is **\$1,705.03** annually.

Finally, the yearly cost of salt for 0.29 lane miles is based on a cost of \$61.54 per ton, and requiring 21 tons per mile, and would be **\$374.78** based on this formula.

In total, the overall cost for streets and roads is **\$5,724.83** annually.

Total Annual Costs to City and Services	\$7,286.51 as proposed
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ANTICIPATED ONE-TIME COSTS (Infrastructure Improvements)

Water Utility Service:

Municipal water service is currently provided to the ALDI property, and has been since February 21, 1992.

Sewer Utility Service:

Municipal sewer service is currently provided to the ALDI, and has been since property since February 21, 1992

Total One Time Costs to Developer	\$0
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ALDI ANNEXATION FISCAL PLAN SUMMARY

Location

The area included in this annexation consists of property located in Center Township, South of the current city limits, at the Northwest corner of State Route 49 and Division Road, more particularly described as follows:

See attached description

Total Acreage	96 Acres
Number of Dwelling Units	0
Number of Non-Residential Units	1 Existing
Percent Contiguous	31%
Existing Zoning (County)	I2, General Industrial District (County)
Proposed Zoning	INL, Light Industrial

The proposed annexation complies with the following criteria:

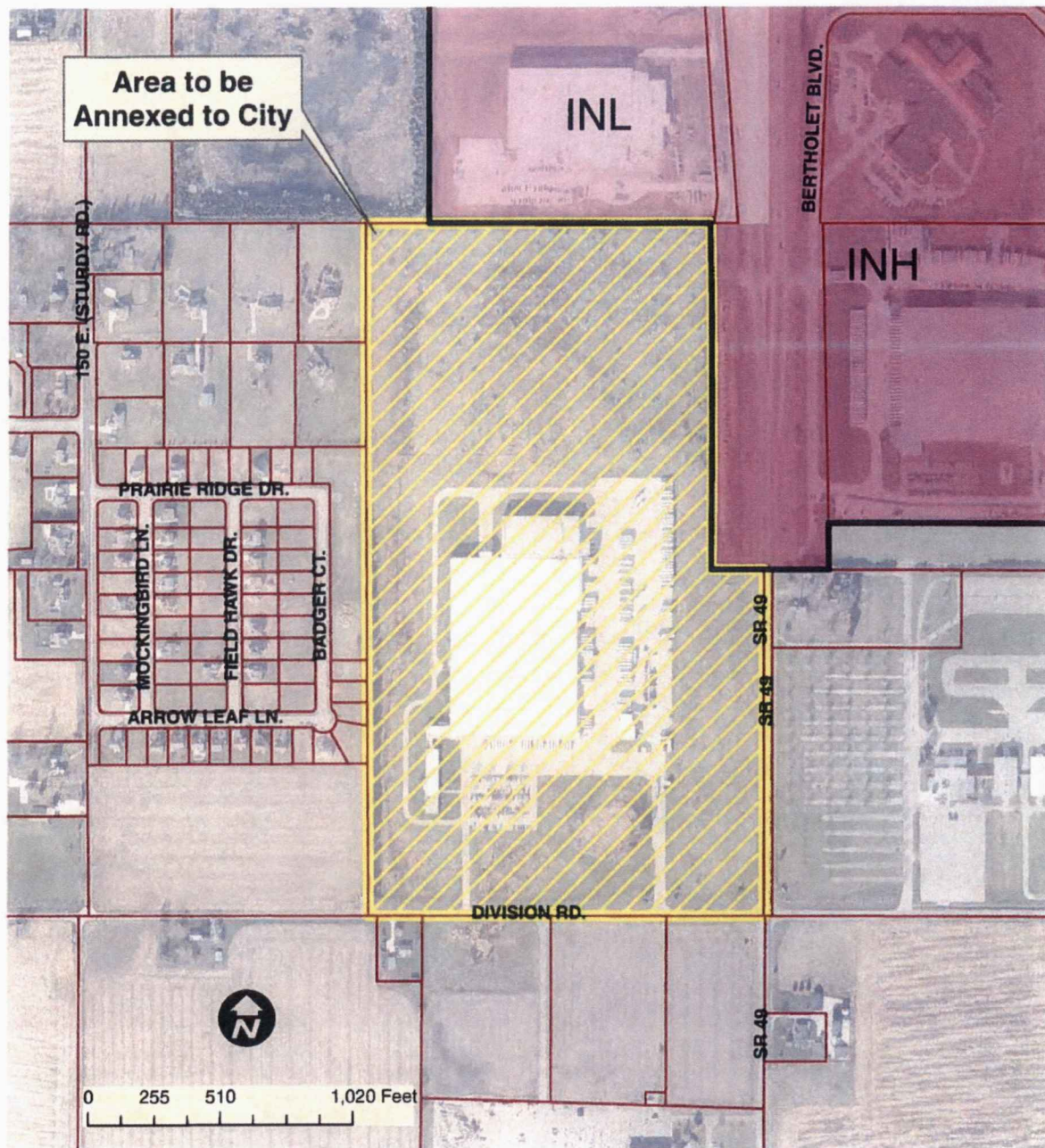
- (1) The area is 31% contiguous to the corporate limits of the City, exceeding the minimum 12.5% contiguity requirement of the State annexation law.
- (2) The site lies within a Priority Annexation Area as outlined in the City of Valparaiso Annexation Policy.
- (3) The area has an acceptable cost/benefit ratio.

Total Estimated Annual Revenues (All Sources) \$147,191.15 as proposed

vs.

Total Annual Costs to City and Services \$10,019.65 as proposed

	Existing	As proposed
Annual City Revenues	\$0	\$147,191.15
Annual Utility Revenues	\$7,270.46 Fire	\$4,224
Annual City Costs	\$7,504.00	\$7,286.51
One Time City Revenues	\$0	\$0
One Time Utility Revenues	\$0	\$0



CASE # A13-002 and RZ13-002
Aldi Annexation

197 E Division Road

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

June 2013

LEGAL DESCRIPTION OF THE ALDI ANNEXATION TERRITORY

A parcel of land located in the Southeast Quarter (SE ¼) of Section 31, Township 35 North, Range 5 West, and said parcel also located in the civil township of Center in Porter County, Indiana, and more particularly described as:

BEGINNING at the Southwest (SW) corner of the Southeast Quarter (SE ¼) of the Northeast Quarter (NE ¼) of said Section 31, said point being the Southwest corner of lands previously annexed into the City of Valparaiso per Ordinance No. 29, 2000, said Ordinance recorded 11/29/2000 as document number 2000-029666 in the Office of the Recorder of Porter County, Indiana; thence East along the South line of said Quarter Quarter, said line being the North line of the Southeast Quarter of said Section 31 and also being the South line of said annexation, to the centerline of State Road 49 (SR49), said centerline being the West line of lands previously annexed into the City of Valparaiso per Ordinance No. 5, 1996, said Ordinance recorded 04/01/1996 as document number 96-07765 in the Office of the Recorder of Porter County, Indiana; thence South along said centerline and along the West line of said annexation to the existing southern corporation limits per said ordinance; thence continuing South along said centerline, to the South line of the Southeast Quarter of said Section 31; thence West along said South line to the Southwest corner of a tract of land described to Aldi (Indiana) L.P. per a Corporate Warranty deed dated 12/31/1998 and recorded 01/09/1999 as document number 99-00271 in the Office of the Recorder of Porter County, Indiana; thence North along the West line of said Aldi tract to the Northwest corner of said Aldi tract, said point being on the North line of said Southeast Quarter; thence East along said North line to the point of beginning; Containing 96 Acres, more or less, said parcel subject to all easements and rights-of-way.