

RESOLUTION #4, 2024

A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, PORTER COUNTY, INDIANA, ADOPTING A FISCAL PLAN FOR THE ANNEXATION OF PROPERTY KNOWN AS THE "FE-MAXWELL-NIPSCO ANNEXATION"

WHEREAS, the Common Council (the "Council") of the City of Valparaiso, Indiana (the "City") has investigated annexation of an area consisting of approximately 100 acres located outside of but contiguous to the City, as described in Exhibit; and

WHEREAS, pursuant to IC 36-4-3-5.1, the legislative body of a municipality may, by ordinance, annex territory that is contiguous to the municipality, subject to certain limitations; and

WHEREAS, pursuant to Indiana Code §36-4-3-3.1 a fiscal plan must be prepared and adopted by resolution prior to such annexation; and

WHEREAS, the petitioners in the annexation area filed their petitions separately, therefore two separate fiscal plans have been prepared, each covering a distinct portion of the annexation area; and

WHEREAS, the required fiscal plans, included as Exhibit B (the "Fiscal Plans") and attached hereto and made a part hereof, have been prepared and presented to the Common Council for consideration; and

WHEREAS, the Fiscal Plans have been reviewed and comply with the requirements of Indiana Code §36-4-3-13; and

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Valparaiso, Porter County, Indiana as follows:

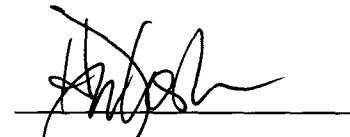
SECTION 1. Incorporation of Recitals. The foregoing recitals (or "whereas clauses") are findings of fact by the Common Council and are incorporated into this Resolution by reference.

SECTION 2. Approval and Adoption of Fiscal Plans. The Common Council of the City hereby approves and adopts the Fiscal Plans attached hereto, made a part hereof, and marked as Exhibit B to this Resolution for the FE-Maxwell-NIPSCO Annexation.

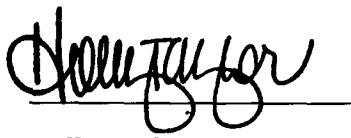
SECTION 3. Effective Date. This Resolution shall be in full force and effect upon its passage by the Common Council and as provided by Indiana law.

SECTION 4. Severability. The sections, subsections, paragraphs, sentences, clauses, and phrases of this ordinance are severable, and if any section, subsection, paragraph, sentence, clause or phrase of this Ordinance shall be declared unconstitutional, invalid or unenforceable by the valid judgement or decree of a court of competent jurisdiction, such unconstitutionally, invalidity, or unenforceability shall not affect any of the remaining sections, subsections, paragraphs, sentences, clauses, and phrases of this Ordinance.

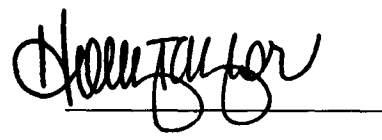
PASSED by the Common Council of the City of Valparaiso, Indiana, by a 7 - 0 vote of all members present and voting on this 12 day of February, 2024.


Jon Costas, Mayor

ATTEST:


Holly Taylor, Clerk-Treasurer

Presented by me to the Mayor of the City of Valparaiso, Indiana, this 12 day of February 2024 at the hour of _____ o'clock P.M.


Holly Taylor, Clerk-Treasurer

This Resolution approved and signed by me this 12 day of February, 2024.

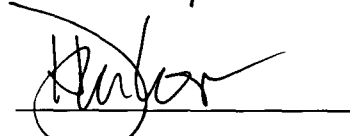

Jon Costas, Mayor

EXHIBIT A

LEGAL DESCRIPTION FAMILY EXPRESS, NIPSCO AND MAXWELL ANNEXATION

An irregularly shaped parcel land containing six properties located west of State Road 49, south of Division Road and east of County Road 150 East proposed for annexation by the City of Valparaiso; said parcel is located within the East $\frac{1}{2}$ of Section 6, in Township 34 North, Range 5 West of the Second Principal Meridian, in Porter County, Indiana, and is more particularly described as:

The E $\frac{1}{2}$ of the of the NE $\frac{1}{4}$ of Section 6 Township 34 North, Range 5 West excepting therefrom the south 270' of the east 484' of the NE $\frac{1}{4}$ of said Section 6 and the North $\frac{1}{2}$ of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of said Section 6.

See attached Annexation Area Map.

Said Six properties are more particularly described below and are referenced by number on the attached Annexation Area Map:

1. 64-13-06-226-001.000-008 (21.69 Acres) owned by Family Express Corporation and described in Special Warranty Deed 2023-016418
2. 64-13-06-200-006.000-008 (0.091 Acres) owned by NIPSCO and described in Warranty Deed, Book 324, Page 575 with two exceptions.
3. 64-13-06-200-008.000-008 (20 Acres) owned by NIPSCO and described as Warranty Deed, Book 312, Page 542 with one exception.
4. 64-13-06-200-009.000-008 (30 Acres) owned by Maxwell Realty, LLC and described in Quit Claim Deed 2007-009876.
5. 64-13-06-200-010.000-008 (7 Acres) owned by Maxwell Realty, LLC and is described together with 64-13-06-400-003.000-008 in Quit Claim Deed 2023-014213.
6. 64-13-06-400-003.000-008 (20 Acres) owned by Maxwell Realty, LLC and is described together with 64-13-06-200-010.000-008 in Quit Claim Deed 2023-014213.

Said annexation also includes any adjacent public highway lands as required by IC 36-4-3-2.5(b).

Said annexation contains approximately 100 Acres, more-or-less, and is subject to all existing easements, restrictions, assessments, and rights-of-way of record.

Prepared by:
City Engineer's Office
City of Valparaiso
February 2024

MAP
FAMILY EXPRESS, NIPSCO AND MAXWELL ANNEXATION

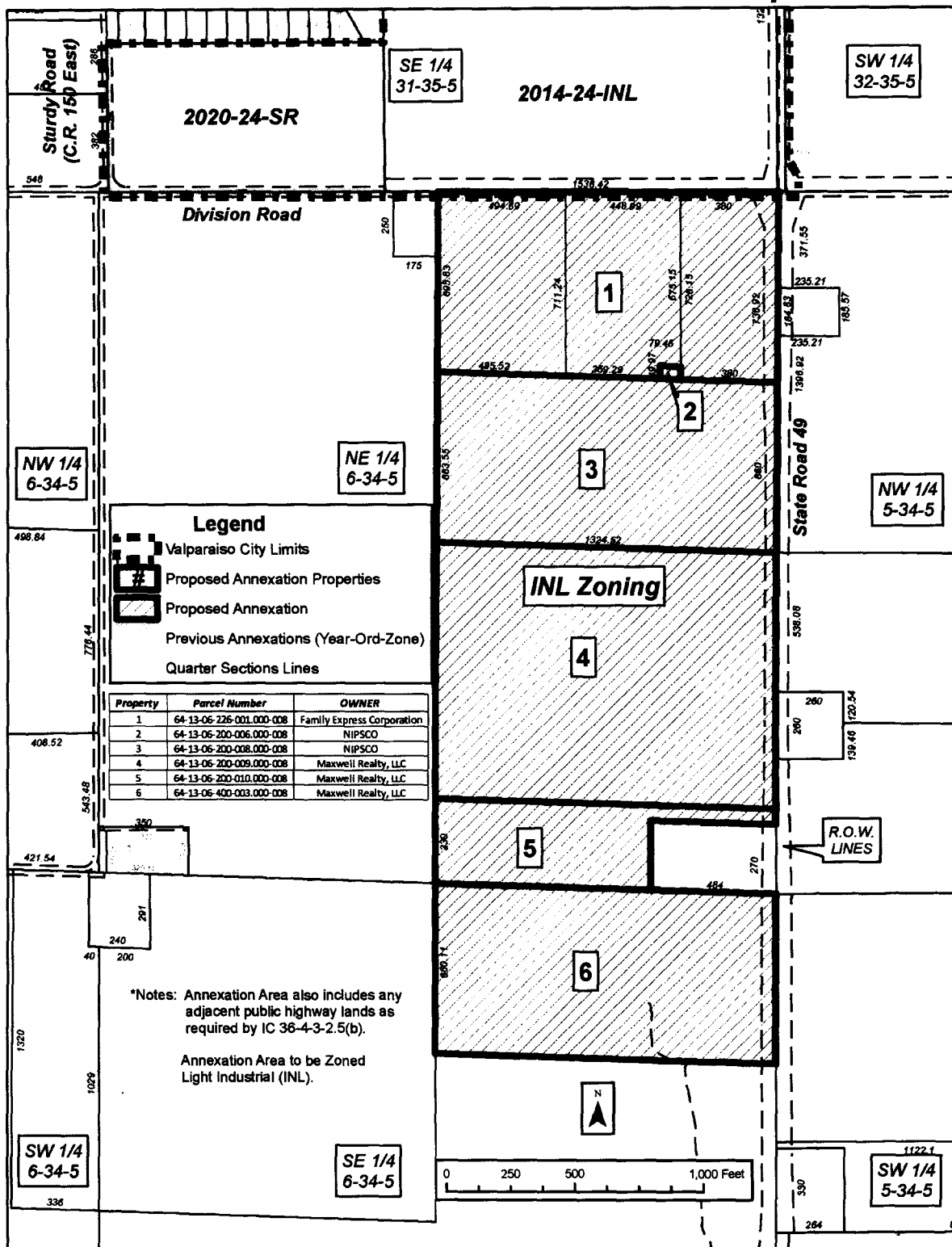


EXHIBIT B

CITY OF VALPARAISO

**ANNEXATION FISCAL PLAN
FAMILY EXPRESS DEVELOPMENT**

**DATED
JANUARY 2024**

**CITY OF VALPARAISO
ANNEXATION FISCAL PLAN
FAMILY EXPRESS DEVELOPMENT**

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**CITY OF VALPARAISO
ANNEXATION FISCAL PLAN
FAMILY EXPRESS DEVELOPMENT**

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**CITY OF VALPARAISO
ANNEXATION FISCAL PLAN
FAMILY EXPRESS DEVELOPMENT**

INTRODUCTION

The following fiscal plan (the “Fiscal Plan”) is for the proposed annexation of a parcel to the south and east of the existing corporate limits on the southeast side of Valparaiso (the “Annexation Area”). The Annexation Area is adjacent to the City of Valparaiso (the “City”). The requirements of the code mandate the development and adoption of a written fiscal plan and the establishment of a definite policy by resolution of the City Council. The Indiana Code states that this fiscal plan must include and provide:

1. The cost estimates of planned services to be furnished to the territory to be annexed. The plan must present itemized estimated costs for each municipal department or agency;
2. The method or methods of financing the planned services. The plan must explain how specific and detailed expenses will be funded and must indicate the taxes, grants and other funding to be used;
3. The plan for the organization and extension of services. The plan must detail the specific services that will be provided and the dates the services will begin;
4. That planned services of a non-capital nature, including police protection, fire protection, street and road maintenance, and other non-capital services normally provided within the corporate boundaries will be provided within one (1) year ¹ after the effective date of annexation, and that they will be provided in a manner equivalent in standard and scope to those non-capital services provided in areas within the corporate boundaries regardless of similar topography, patterns of land use, and population density;
5. That services of a capital improvement nature, including street construction, street lighting, sewer facilities, water facilities, and stormwater drainage facilities, will be provided to the annexed territory within three (3) years ¹ after the effective date of the annexation in the same manner as those services are provided to areas within the corporate boundaries, regardless of similar topography, patterns of land use, and population density, and in a manner consistent with federal, state, and local laws, procedures, and planning criteria;
6. The estimated effect of the proposed annexation on taxpayers in each of the political subdivisions to which the proposed annexation applies, including the expected tax rates, tax levies, expenditure levels, service levels, and annual debt

¹ The timing listed throughout this report for the implementation of both non-capital and capital services is the standard length of time used by the City of Valparaiso, however we have assumed in the fiscal analysis that the improvements will not be made until after the building is actually constructed in year 2.

service payments in those political subdivisions for six (6) years after the effective date of the annexation;

7. The estimated effect the proposed annexation will have on municipal finances, specifically how municipal tax revenues will be affected by the annexation for six (6) years after the effective date of the annexation;
8. A list of all parcels of property in the annexation territory and the following information regarding each parcel:
 - A. The name of the owner of the parcel.
 - B. The parcel identification number.
 - C. The most recent assessed value of the parcel.
 - D. The existence of a known waiver of the right to remonstrate on the parcel.

This Fiscal Plan may include additional materials in connection with the foregoing. It was developed through the cooperative efforts of the City's various administrative offices and the City's financial advisor, Cender | Dalton Municipal Advisors. This Fiscal Plan is the result of an analysis of the proposed Annexation Area.

The Annexation Area is contiguous to the City for the purposes of Indiana Code 36-4-3-1.5, and there is a written Fiscal Plan, herein provided, that has been approved by the City Council.

AREA DESCRIPTION

Location, Area Size and Contiguity

The proposed Annexation Area is located on the south and east sides of the existing corporate boundaries on the southeast side of the City. A map and legal description of the area to be annexed has been included in attached APPENDIX B.

The Annexation Area is approximately 21.69 acres. The perimeter boundary of the Annexation Area totals 4,211 lineal feet, 1,324 (or 31.4%) of which is contiguous to the existing corporate boundaries of the City.

Current Land Use

The Annexation Area consists of vacant, unplatted land.

Zoning

Existing Zoning: I2 - General Industrial District

Proposed Zoning: Light Industry (INL)

Current Population

The current population of the Annexation Area is estimated at zero (0), as there does not appear to be any primary residences within the Annexation Area.

Real Property Assessed Valuation

The estimated net assessed valuation for land and improvements in the Annexation Area is \$35,500. This represents the assessed value as of January 1, 2023, for taxes payable 2024.

NON-CAPITAL SERVICES**Cost of Services**

The current standard and scope of non-capital services being delivered within the City and the Annexation Area were evaluated by each municipal department to determine the personnel and equipment necessary to provide such non-capital services in a manner equivalent in standard and scope to services that are currently provided within the existing City's municipal boundary.

The City will provide all non-capital services to the Annexation Area within one (1) year² after the effective date of the annexation in a manner equivalent in standard and scope to those non-capital services provided to areas within the City regardless of topography, patterns of land use, and population density.

Police Protection

The Porter County Sheriff's Department currently provides police protection and law enforcement services to the Annexation Area. However, all non-capital services of the Valparaiso Police Department ("VPD") will be made available in the Annexation Area within one (1) year of the effective date of this annexation and will be extended in a manner equivalent in standard and scope to the services provided to the other areas within the corporate boundaries of the City.

The City of Valparaiso Police Department's primary purpose is the prevention of crime. The department consists of four (4) divisions including Administration, Community Relations, Patrol and Investigations. The Administration Division consists of a Police Chief, Assistant Police Chief, and three (3) Captains of Patrol. The Investigations Division consists of five (5) Detectives, combining for over 70 years of law enforcement. The VPD patrols within the boundaries of the City on a daily basis and responds to all alarm calls. In addition, the VPD provides other services such as detection and apprehension of offenders, traffic control, and preservation of civil order. The VPD does not distinguish between different areas of the City. The same services are provided throughout the City. Due to the location and character of the Annexation Area, the City does not anticipate needing to hire additional officers or anticipate an increase in fuel as a result of the annexation. The Police Department's budget within the City's General Fund will fund any additional costs.

Fire Protection

The Annexation Area is currently served by the Morgan Township Volunteer Fire Department ("MTVFD"); however, the Valparaiso Fire Protection Territory will currently respond to the area through a mutual aid agreement as it is a fully staffed department. The MTVFD currently serves each parcel located within Morgan Township; approximately 46 square miles of homes, industries and farmland and approximately 3,700 residents.

² See footnote 1.

Upon annexation, the parcels located with the Annexation Area will transition to be served solely by the Valparaiso Fire Protection Territory ("VFPT"). The VFPT currently serves each parcel located within the corporate City limits of Valparaiso and Center Township; approximately 30 square miles of homes and industries and more than 80,000 residents. The VFPT has three shifts of 24 firefighters per shift, working 24 hours on duty and 48 hours off-duty. There are three stations, four engines, two aerials, four rescue trucks, and a tanker.

The VFPT provides fire protection, emergency medical response, hazardous materials response, technical rescue and fire prevention services to citizens within the City limits and Center Township. Given that service is already provided by VFPT to the Annexation Area, there will be no additional costs for the provision of services upon annexation.

Emergency Medical Services

Currently, the Northwest Health ambulance service provides emergency medical services to the Annexation Area. These services include, but are not limited to, emergency medical response. It is expected that Northwest Health will continue to provide ambulance service to the Annexation Area, and as such, there will be no additional costs for the provision of services upon annexation.

Street Maintenance

Any dedicated streets and county roads in the Annexation Area are currently maintained by Porter County. However, all non-capital services of the Street Division of Valparaiso Public Works will be made available in the Annexation Area within one (1) year of the effective date of this annexation and will be extended in a manner equivalent in standard and scope to the services provided to the other areas within the corporate boundaries of the City.

The Street Division of Valparaiso Public Works is responsible for the maintenance of more than 172 miles of streets, including:

- Patching, resurfacing, and sealing roadways, public parking areas, and alleys.
- Plowing snow and providing salt for city streets, parking lots, and alleys.
- Maintaining necessary detours and road closures.
- Providing any necessary assistance to police, fire, and EMS during emergency calls.

The Street Division of Valparaiso Public Works is also responsible for issuing dumpster permits and providing street sweeping through the use of two (2) street sweepers. The Annexation Area has no streets. Currently, the City has approximately 172 miles of streets. The City does not anticipate additional operating costs for supplies, repairs and maintenance, snowplowing and salting as a result of the annexation as the City already provides these services in the annexation area in agreement with the County. The Local Road and Street and Motor Vehicle Highway Funds will fund any additional minimal costs that may arise.

Trash Collection and Recycling

Porter County does not provide solid waste disposal to the Annexation Area. It is anticipated that as the Annexation Area is a commercial property for light industrial use that the occupant will contract with a private company for solid waste disposal service.

Storm Water and Drainage

Storm water and drainage facilities throughout the Annexation Area will be consistent with the City's current storm water and drainage system throughout the City. The future development in the Annexation Area will have to have their storm water plan approved by the City, and any associated storm water and drainage costs will be borne by the developers, therefore it is not anticipated that there will be any additional cost to the City. Nevertheless, all non-capital services of the Storm Water Department will be made available in the Annexation Area within one (1) year of the effective date of this annexation and will be extended in a manner equivalent in standard and scope to the services provided to the other areas within the corporate boundaries of the City. Any additional stormwater costs will be funded by the monthly stormwater fee, which is currently \$12.50 in 2023. However, once the building is constructed, due to the anticipated size and usage, it is expected to meet the definition of Nonresidential Property, with between 40,001 and 160,000 square feet. The rate for this category is \$200 per month.

Parks

There are currently 22 parks and facilities within City limits. Amenities found in the parks include baseball diamonds, basketball courts, boats, disc golf courses, picnic areas, play fields, playgrounds, restrooms, skate parks, tennis courts, and pavilions. Rogers-Lakewood Park, one of Valparaiso's premier facilities, is a 122-acre park featuring various outdoor activities such as hayrides, discovery camps, boating, fishing, and hiking as well as six 6 shelters for rental. The centerpiece of Downtown Valparaiso, Central Park Plaza, has the outdoor Porter Health Amphitheater for concerts and other special events as well as a splash pad. The William E. Urschel Pavilion, a 135' long by 85' wide open-air pavilion, is used year-round, hosting a number of events in the summer and transforming into a refrigerated ice rink in the late fall that lasts through early spring. The Indiana Beverage Activity Building houses year-round restrooms, a rentable lobby area, conference room, and warming area with a view of the rink.

It is anticipated that no additional parks will be added as a result of the annexation, therefore there will be no additional costs to the City. Nevertheless, all non-capital services of the Valparaiso Parks and Recreation Department will be made available in the Annexation Area on the date the annexation becomes effective and will be extended in a manner equivalent in standard and scope to the services provided to the other areas within the corporate boundaries of the City.

Street Lighting

Porter County does not provide streetlights in the Annexation Area. Typically, a business will be responsible for the lighting of its property, including any parking lots. It is anticipated that there will be no additional costs to the City for street lighting.

Governmental Administrative Services

The City does not anticipate that the addition of the Annexation Area will result in a demand for Governmental Administrative Services that cannot be met by the existing staffing of the City's offices, agencies and departments. All non-capital services of the administration of the City will be made available in the Annexation Area on the date the annexation becomes

effective and will be extended in a manner equivalent in standard and scope to the services provided to the other areas within the corporate boundaries of the City.

The Governmental Administrative Services of the City include, but are not limited to, the services provided by the following:

- City Administrator
- Clerk-Treasurer's Office
- City Council
- Engineering Department
- Human Resources Department
- Planning Department
- Project and Facility Management Department
- Building Department
- Community Engagement Department
- Code Enforcement Division
- Economic Development

CAPITAL IMPROVEMENTS

Cost of Services

The Annexation Area was evaluated to determine the services and facilities required to provide the same type of services in the same manner as services that are currently provided within the existing City's corporate limits.

The City will provide the following capital services to the Annexation Area no later than three (3) years³ after the effective date of the annexation in the same manner as those capital services provided to areas within the City regardless of topography, patterns of land use, and population density and in a manner consistent with federal, state and local laws, procedures and planning criteria. It is currently assumed that the annexation will be effective as soon as practically possible, but no later than December 31, 2024.

Water Service

The Annexation Area is currently served by the Valparaiso Water Department, which will continue to serve the Annexation Area after annexation. Any extensions in service are anticipated to be borne by the respective property owner or developer. It is anticipated that the City will not incur any additional costs related to the provision of water service in the Annexation Area.

Wastewater Service

The Annexation Area is currently served by the Valparaiso Wastewater Department, which will continue to serve the Annexation Area after annexation. Any extensions in service are anticipated to be borne by the respective property owner or developer. It is anticipated that the City will not incur any additional costs related to the provision of wastewater service in the Annexation Area.

³ See footnote 1.

Storm Water and Drainage

Storm water and drainage facilities throughout the Annexation Area will be consistent with the City's current storm water and drainage system throughout the City. The future development in the Annexation Area will have to have the storm water plan approved by the City, and any associated storm water and drainage costs will be borne by the developers, therefore it is not anticipated that there will be any additional cost to the City. Regardless, all capital storm water services of the City will be extended to the Annexation Area within three (3) years of the effective date of this annexation in the same manner as those services are provided to areas inside the corporate limits and in a manner consistent with federal, state and local laws, procedures and planning criteria. Any additional storm water costs will be funded by the monthly stormwater fee, which is currently \$12.50 in 2023. However, once the building is constructed, due to the anticipated size and usage, it is expected to meet the definition of Nonresidential Property, with between 40,001 and 160,000 square feet. The rate for this category is \$200 per month.

Street Construction

Construction of any new streets within the development in the Annexation Area will be the responsibility of the appropriate developer in accordance with the applicable City Code. The Annexation Area includes the southern half of Division Road, a total of 0.251 miles, which has previously been brought into the City through prior annexation. Due to the yet unknown future use of a portion of the property, it is unknown at this time if the current road will continue to be sufficient.⁴ As well, it is undetermined how much of this cost will be the responsibility of the developer. All capital services, including evaluation and construction, will be extended to the Annexation Area within three (3) years⁵ of the effective date of this annexation in the same manner as those services are provided to areas inside the corporate limits and in a manner consistent with federal, state and local laws, procedures and planning criteria.

Sidewalks

In general, construction and reconstruction of sidewalks is not the responsibility of the City. Sidewalks are typically initially installed by developers. Currently, there is a mix of areas within the City with and without sidewalks. The developer will be responsible for all required pathways and sidewalks within the Annexation Area. Currently there is no connectivity to the pathway system in the City, but Division Road and IN-49 are identified on the 2017 pathway and gateway plan update to have proposed pathways. Regardless, all capital services of the City will be extended to the Annexation Area within three (3) years of the effective date of this annexation in the same manner as those services are provided to areas inside the corporate limits and in a manner consistent with federal, state and local laws, procedures and planning criteria.

⁴ During future development outside the scope of this plan, it may be determined that an additional lane needs to be added to Division Road or that an access road needs to be added in conjunction with connection to Highway 49. Costs associated with such addition(s) would be anticipated to be borne by the developer.

⁵ See footnote 1.

Street Lighting

Porter County does not provide streetlights in the Annexation Area. Typically, a business will be responsible for the lighting of its property, including any parking lots. It is anticipated that there will be no additional costs to the City for street lighting.

FISCAL IMPACT

As a result of this annexation, the assessed value for the City will increase by approximately \$1,141,628 to \$2,529,335,268, as estimated for the year 2025. This represents an increase of approximately 0.045%. The net impact of increasing the City's assessed value will result in additional property tax revenues to the City, and may assist slightly in stabilizing property tax rates for City residents.

It is assumed that the effective date of this annexation will be as soon as practically possible, but no later than December 31, 2024. Based on the assumed effective date, Annexation Area property owners will pay property taxes to the City beginning 2024 payable 2025. The City will begin providing non-capital municipal services to the property owners within one (1) year after the effective date of the annexation, and it will begin providing capital municipal services to the property owners within three (3) years after the effective date of the annexation.⁴

It is anticipated that there will be minimal additional costs to the City as a result of the annexation. The additional costs are related to the Police Department, the Street Department and trash services. The causes of the anticipated increased costs are discussed on the prior pages, and a summary of the costs is demonstrated in APPENDIX A.

It is anticipated that the City will realize an increase in its levy of approximately \$9,916, beginning 2025 payable 2026 when the development is fully constructed, as a result of the annexation. However, the percentage increase in the levy will not exceed the percentage increase in the City's assessed value; therefore, there is not anticipated to be a tax rate increase as a direct result of this annexation. If there is a shortfall in revenue from the annexation, the services described in this plan can be provided using funds on hand.

ASSUMED INDEBTEDNESS

As required by Indiana Code 36-4-3-10, the City will assume and pay any unpaid bonds or other obligations of Morgan Township existing at the effective date of the annexation of the Annexation Area in the same ratio as the assessed valuation of the property in the Annexation Area bears to the assessed valuation of all property in Morgan Township, as shown by the most recent assessment for taxation before the annexation, unless the assessed property within the City is already liable for the indebtedness.

There is no debt currently outstanding for Morgan Township.

CITY OF VALPARAISO, INDIANA

Family Express Annexation

ESTIMATED ASSESSED VALUE AND TAX RATE IMPACT

(Assumes first year of tax collections from Annexation Area is 2024 pay 2025)

Assessment Year	Estimated Net Assessed Value of Annex. Area (1)	Estimated Net Assessed Value of City (2)	Total Estimated Net Assessed Value of City (3)	Est. Property Tax Levy of City (4),(5)	Sub-total: Est. Property Tax Rate (6)	Estimated Net Assessed Value of Fire Territory (2)	Estimated Fire Territory Tax levy (4)	Sub-total: Est. Property Tax Rate (7)	Total Est. Property Tax Rate
2023 Pay 2024	-	2,384,141,077	2,384,141,077	21,509,721	0.9022	3,554,172,316	9,354,027	0.2701	1.1723
2024 Pay 2025	35,500	2,455,665,309	2,455,700,809	22,089,384	0.8995	3,696,339,207	9,605,258	0.2599	1.1594
2025 Pay 2026	1,141,628	2,529,335,268	2,530,476,896	22,686,437	0.8965	3,844,192,773	9,864,026	0.2566	1.1531
2026 Pay 2027	1,175,877	2,605,215,326	2,606,391,203	23,301,402	0.8940	3,997,960,482	10,130,557	0.2534	1.1474
2027 Pay 2028	1,211,153	2,683,371,786	2,684,582,939	23,934,816	0.8916	4,157,878,900	10,405,084	0.2534	1.1450
2028 Pay 2029	1,247,488	2,763,872,940	2,765,120,428	24,587,232	0.8892	4,324,194,054	10,687,847	0.2534	1.1426

(1) Based on the current net assessed value of the real property in the Annexation Area as gathered from the Porter County Assessor's office. Per information provided by the developer, we have assumed all development within the Annexation Area will be built-out beginning in 2024 and first assessed in 2025.

(2) Represents the assessed value for the City of Valparaiso and the Fire Protection Territory, and assumes a 3% overall assessed value growth per year.

(3) Represents the net assessed value for the City, including the Annexation Area, with 3% growth, used to calculate the tax rate.

(4) Represents the estimated property tax levy of the City and Fire Territory.

(5) Assumes the City receives an automatic increase in its levy equal to its percentage increase in net assessed value as a result of the annexation.

(6) Based on the Estimated Property Tax Levy of the City divided by the Total Estimated Net Assessed Value of the City.

(7) Based on the Estimated Fire Territory Tax Levy divided by the Estimated Net Assessed Value of the Fire Territory.

Prepared by



CITY OF VALPARAISO, INDIANA
Family Express Annexation

PARCEL LIST

<u>Parcel ID</u>	<u>Owner</u>	2023 Pay 2024 Net Assessed <u>Value</u>	Pro Forma 2024 Pay 2025 Net Assessed <u>Value</u>	Pro Forma 2025 Pay 2026 Net Assessed <u>Value</u>
64-13-06-226-001.000-008	Family Express	\$ 35,500	\$ 35,500	\$ 35,500
N/A				Estimated Assessed Built-Out Value ⁽¹⁾
				Convenience Market 507,820
				Service Station 78,900
				Car Wash, Drive Thru 127,000
				Dog Wash 28,740
				estimated parking 18,500
				land value 380,668
				Total \$ 1,141,628

⁽¹⁾ Using the comp property of the Family Express at the five points roundabout in Valparaiso with the 2023 pay 2024 assessed values, the building value of the Convenience Market and Dog Wash is estimated per proposed square footage of 5,300 ft² and 104 ft² respectively. The Service Station, Car Wash and paving are estimated as similar size to the comp. The land value is estimated to increase in value for the improved area of the parcel.

CITY OF VALPARAISO, INDIANA
Family Express Annexation

ESTIMATED ANNUAL (RECURRING) AND NON-RECURRING (ONE-TIME) REVENUES: BY COLLECTION YEAR

	Construction Year	2022	2023	2024	2025	2026	2027
Assessment Date (January 1, ____)	2023	2024	2025	2026	2027	2028	2028
Collection Year (Fiscal Year)	2024	2025	2026	2027	2028	2029	2029
Commercial Parcel First Assessed (Estimated):	\$	-	\$ 35,500	\$ 1,141,628	\$ 1,175,877	\$ 1,211,153	\$ 1,247,488
		6-Year Development Period					
		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>
<u>Annual (Recurring) Revenues</u>							
Property Tax Revenue	\$	-	\$ 412	\$ 13,164	\$ 13,492	\$ 13,868	\$ 14,254
Local Road and Street ("LRS") Revenue		-	-	-	-	-	-
Motor Vehicle Highway ("MVH") Revenue		-	-	-	-	-	-
Water Revenue		-	4,168	4,168	4,168	4,168	4,168
Sewer Revenue		-	7,445	7,445	7,445	7,445	7,445
Stormwater Revenue ⁽¹⁾		-	2,400	2,400	2,400	2,400	2,400
Garbage Collection Fee Revenue		-	-	-	-	-	-
Sub-Total Recurring (Annual) Revenue	\$	-	\$ 14,425	\$ 27,177	\$ 27,505	\$ 27,881	\$ 28,267
<u>Non-Recurring (One-Time) Revenues</u>							
Building and Inspection Permit Fees	\$	-	\$ 5,000	\$ -	\$ -	\$ -	\$ -
Sub-Total Non-Recurring (One-Time) Revenue	\$	-	\$ 5,000	\$ -	\$ -	\$ -	\$ -
TOTAL	\$	-	\$ 19,425	\$ 27,177	\$ 27,505	\$ 27,881	\$ 28,267

(1) The Stormwater rate listed is that of Nonresidential Property, area between 40,001 and 160,000 square feet, at \$200 per month.

CITY OF VALPARAISO, INDIANA
Family Express Annexation

ESTIMATED NON-CAPITAL (RECURRING) AND CAPITAL (NON-RECURRING) COSTS: BY FISCAL YEAR

Fiscal Year (January 1 to December 31):	2024	2025	2026	2027	2028	2029
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>
<u>Non-Capital (Recurring) Costs</u>						
Administrative Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Building and Planning Services	-	-	-	-	-	-
Garbage Collection Services	-	-	-	-	-	-
Police Protection ⁽¹⁾	-	-	-	-	-	-
Fire Protection and Emergency Services	-	-	-	-	-	-
Street and Road Maintenance ⁽¹⁾	-	-	-	-	-	-
Snowplowing and Salting	-	-	-	-	-	-
Street Lights	-	-	-	-	-	-
Sub-Total: Non-Capital (Recurring) Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Capital (Non-Recurring) Costs</u>						
Administrative Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Building and Planning Services	-	-	-	-	-	-
Garbage Collection Services	-	-	-	-	-	-
Police Protection	-	-	-	-	-	-
Fire Protection and Emergency Services	-	-	-	-	-	-
Street and Road Maintenance ⁽²⁾	-	-	-	-	-	-
Sub-Total: Capital (Non-Recurring) Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

⁽¹⁾ Assumes a 3% inflationary adjustment for years 2 through 6.

⁽²⁾ Due to the unknown future use, it is unknown at this time if the current road structure will continue to be sufficient. As well, it is undetermined how much, if any, of this cost will be the responsibility of the developer. If these roadways need to be upgraded, an average one-time cost is estimated at \$162,922.

CITY OF VALPARAISO, INDIANA
Family Express Annexation

ESTIMATED REVENUES AND COSTS: BY FISCAL YEAR

Construction Year:	2022	2023	2024	2025	2026	2027
Assessment Date (January 1, ____):	2023	2024	2025	2026	2027	2028
Collection Year (Fiscal Year):	2024	2025	2026	2027	2028	2029

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>
<u>Revenues</u>						
Annual (Recurring)	\$ -	\$ 14,425	\$ 27,177	\$ 27,505	\$ 27,881	\$ 28,267
Non-Recurring (One-Time)	-	5,000	-	-	-	-
Subtotal	\$ -	\$ 19,425	\$ 27,177	\$ 27,505	\$ 27,881	\$ 28,267
<u>Costs</u>						
Non-Capital (Recurring)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital (Non-Recurring)	-	-	-	-	-	-
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Impact (Revenues less Costs)	\$ -	\$ 19,425	\$ 27,177	\$ 27,505	\$ 27,881	\$ 28,267

EXHIBIT A

MAP OF PROPOSED ANNEXATION AREA

ION ACRES, SUB. OF LOT 11

PRAIRIE RIDGE

FIELD HAWK DR.

BADGER CT.

476-001

IN 49

300-002

300-803

300-004

454-016

DIVISION RD.

226-001

100-008

200-008

200-014

300 600ft

[1:500]

Scale 1: 9,028



Go

APPENDIX B

LEGAL DESCRIPTION OF PROPOSED ANNEXATION AREA

FAMILY EXPRESS DEVELOPMENT
LEGAL DESCRIPTION

Parcel 1:

A parcel of land in the Northeast Quarter of the Northeast Quarter of Section 6, Township 34 North, Range 5 West of the Second Principal Meridian, Porter County, Indiana and being a part of a tract of land now owned by Northern Indiana Public Service Company per a Warranty Deed dated August 11, 1978 and recorded August 25, 1978 as Document No. 37506 in Deed Record 312, page 542 in the Office of the Recorder of Porter County, Indiana and also being a part of a tract of land now owned by Northern Indiana Public Service Company per a Warranty Deed dated September 4, 1979 and recorded September 6, 1979 as Document No. 61775 in Deed Record 324, page 575 in the Office of the Recorder of Porter County, Indiana, said parcel described as follows: Commencing at the Northeast corner of said Section 6; thence North 89 degrees 57 minutes 06 seconds West along the North line of said Section 6, 828.99 feet to the Northwest corner of a tract of land now owned by Frank E. and Shirley M. Schilling per a Special Warranty Deed dated June 3, 1999 and recorded June 22, 1999 as Document No. 1999-019955 in the Office of the Recorder of Porter County, Indiana and to the Point of Beginning; thence South 00 degrees 03 minutes 29 seconds East along the West line of said Schilling tract 711.24 feet to the Southwest corner of said Schilling tract; thence North 88 degrees 10 minutes 28 seconds West along the Westerly prolongation of the South line of said Schilling tract 495.52 feet to the West line of said Quarter Quarter Section; thence North 00 degrees 00 minutes 29 seconds West along said West line 695.83 feet to the Northwest corner of said Quarter Quarter Section: thence South 89 degrees 57 minutes 06 seconds East along the North line of said Quarter Quarter Section 494.69 feet to the Point of Beginning.

Commonly known as: Division Road, Valparaiso, IN 46383
Key No.: 64-13-06-200-004.000-008

Parcel 2:

A parcel of land in the northeast $\frac{1}{4}$ of the northeast $\frac{1}{4}$ of section 6, township 34 north, range 5 west of the second principal meridian, porter county, indiana, described as follows: commencing at the northeast corner of said section 6; thence north 89° 57' 06" west, along the north line of said section 6, 380.00 feet to the point of beginning; thence south 00° 00' 57" east, parallel with the east line of section 6, 675.15 feet; thence north 88° 10' 28" west, 79.46 feet; thence south 00° 00' 57" east, 49.97 feet; thence north 88° 10' 28" west, 369.27 feet; thence north 00° 03' 14" west, 711.20 feet; thence south 89° 57' 06" east along the north line of section 6, 448.99 feet to the point of beginning.

Commonly known as: State Road 49, Valparaiso, IN 46383
Key No.: 64-13-06-200-005.000-008

Parcel 3:

A parcel of land in the Northeast Quarter of the Northeast Quarter of Section 6, Township 34 North, Range 5 West of the Second Principal Meridian, in Porter County, Indiana, described as follows: Beginning at the Northeast corner of said Northeast Quarter Quarter; thence North 89 degrees 57 minutes 06 seconds West, along the North line of said Section 6, 380.00 feet; thence South 00 degrees 00 minutes 57 seconds East, parallel with the East line of Section 6, 725.15 feet to a point on the North line of land heretofore conveyed to Northern Indiana Public Service Company; thence East, along the North line of the Northern Indiana Public Service Company land, to the East line of said Northeast Quarter Quarter; thence North along the East line of said Northeast Quarter Quarter, 736.92 feet to the point of beginning.

Commonly known as: 9 St. Rd. 49, Valparaiso, IN 46383

Key No.: 64-13-06-200-007.000-008

EXHIBIT B

CITY OF VALPARAISO

**ANNEXATION FISCAL PLAN
NIPSCO & MAXWELL DEVELOPMENT**

DATED
February 1, 2024

**CITY OF VALPARAISO
ANNEXATION FISCAL PLAN
NIPSCO & MAXWELL DEVELOPMENT**

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**CITY OF VALPARAISO
ANNEXATION FISCAL PLAN
NIPSCO & MAXWELL DEVELOPMENT**

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**CITY OF VALPARAISO
ANNEXATION FISCAL PLAN
NIPSCO & MAXWELL DEVELOPMENT**

INTRODUCTION

The following fiscal plan (the "Fiscal Plan") is for the proposed annexation of parcels to the south and east of the existing corporate limits on the southeast side of Valparaiso (the "Annexation Area"). The Annexation Area is adjacent to the City of Valparaiso (the "City"). The requirements of the code mandate the development and adoption of a written fiscal plan and the establishment of a definite policy by resolution of the City Council. The Indiana Code states that this fiscal plan must include and provide:

1. The cost estimates of planned services to be furnished to the territory to be annexed. The plan must present itemized estimated costs for each municipal department or agency;
2. The method or methods of financing the planned services. The plan must explain how specific and detailed expenses will be funded and must indicate the taxes, grants and other funding to be used;
3. The plan for the organization and extension of services. The plan must detail the specific services that will be provided and the dates the services will begin;
4. That planned services of a non-capital nature, including police protection, fire protection, street and road maintenance, and other non-capital services normally provided within the corporate boundaries will be provided within one (1) year ¹ after the effective date of annexation, and that they will be provided in a manner equivalent in standard and scope to those non-capital services provided in areas within the corporate boundaries regardless of similar topography, patterns of land use, and population density;
5. That services of a capital improvement nature, including street construction, street lighting, sewer facilities, water facilities, and stormwater drainage facilities, will be provided to the annexed territory within three (3) years ¹ after the effective date of the annexation in the same manner as those services are provided to areas within the corporate boundaries, regardless of similar topography, patterns of land use, and population density, and in a manner consistent with federal, state, and local laws, procedures, and planning criteria;
6. The estimated effect of the proposed annexation on taxpayers in each of the political subdivisions to which the proposed annexation applies, including the expected tax rates, tax levies, expenditure levels, service levels, and annual debt

¹ The timing listed throughout this report for the implementation of both non-capital and capital services is the standard length of time used by the City of Valparaiso.

service payments in those political subdivisions for six (6) years after the effective date of the annexation;

7. The estimated effect the proposed annexation will have on municipal finances, specifically how municipal tax revenues will be affected by the annexation for six (6) years after the effective date of the annexation;
8. A list of all parcels of property in the annexation territory and the following information regarding each parcel:
 - A. The name of the owner of the parcel.
 - B. The parcel identification number.
 - C. The most recent assessed value of the parcel.
 - D. The existence of a known waiver of the right to remonstrate on the parcel.

This Fiscal Plan may include additional materials in connection with the foregoing. It was developed through the cooperative efforts of the City's various administrative offices and the City's financial advisor, Cender | Dalton Municipal Advisors. This Fiscal Plan is the result of an analysis of the proposed Annexation Area.

The Annexation Area is contiguous to the City for the purposes of Indiana Code 36-4-3-1.5, and there is a written Fiscal Plan, herein provided, that has been approved by the City Council.

AREA DESCRIPTION

Location, Area Size and Contiguity

The proposed Annexation Area is located on the south and east sides of the existing corporate boundaries on the southeast side of the City. A map and legal description of the area to be annexed has been included in attached APPENDIX B.

The Annexation Area is approximately 77.16 acres. The perimeter boundary of the Annexation Area totals 9,038 lineal feet, 1,380 (or 16%) of which is contiguous to the existing corporate boundaries of the City.

Current Land Use

The Annexation Area consists of five parcels, two being business property of NIPSCO and three being farmland.

Zoning

Existing Zoning: I2 - General Industrial District, R1 Low Density Single-Family District

Proposed Zoning: INL - Light Industrial

Current Population

The current population of the Annexation Area is estimated at zero (0), as there does not appear to be any primary residences within the Annexation Area.

Real Property Assessed Valuation

The estimated net assessed valuation for land and improvements in the Annexation Area is \$1,430,500. This represents the assessed value as of January 1, 2022, for taxes payable 2023.

NON-CAPITAL SERVICES

Cost of Services

The current standard and scope of non-capital services being delivered within the City and the Annexation Area were evaluated by each municipal department to determine the personnel and equipment necessary to provide such non-capital services in a manner equivalent in standard and scope to services that are currently provided within the existing City's municipal boundary.

The City will provide all non-capital services to the Annexation Area within one (1) year² after the effective date of the annexation in a manner equivalent in standard and scope to those non-capital services provided to areas within the City regardless of topography, patterns of land use, and population density.

Police Protection

The Porter County Sheriff's Department currently provides police protection and law enforcement services to the Annexation Area. However, all non-capital services of the Valparaiso Police Department ("VPD") will be made available in the Annexation Area within one (1) year of the effective date of this annexation and will be extended in a manner equivalent in standard and scope to the services provided to the other areas within the corporate boundaries of the City.

The City of Valparaiso Police Department's primary purpose is the prevention of crime. The department consists of four (4) divisions including Administration, Community Relations, Patrol and Investigations. The Administration Division consists of a Police Chief, Assistant Police Chief, and three (3) Captains of Patrol. The Investigations Division consists of five (5) Detectives, combining for over 70 years of law enforcement experience. The VPD patrols within the boundaries of the City on a daily basis and responds to all alarm calls. In addition, the VPD provides other services such as detection and apprehension of offenders, traffic control, and preservation of civil order. The VPD does not distinguish between different areas of the City. The same services are provided throughout the City. Due to the location and character of the Annexation Area, the City does not anticipate needing to hire additional officers or anticipate an increase in fuel as a result of the annexation. The Police Department's budget within the City's General Fund will fund any additional costs.

Fire Protection

The Annexation Area is currently served by the Morgan Township Volunteer Fire Department ("MTVFD"); however, the Valparaiso Fire Protection Territory will currently respond to the area through a mutual aid agreement as it is a fully staffed department. The MTVFD currently serves each parcel located within Morgan Township; approximately 46 square miles of homes, industries and farmland and approximately 3,700 residents.

² See footnote 1.

Upon annexation, the parcels located within the Annexation Area will transition to be served solely by the Valparaiso Fire Protection Territory ("VFPT"). The VFPT currently serves each parcel located within the corporate City limits of Valparaiso and Center Township; approximately 30 square miles of homes and industries and more than 80,000 residents. The VFPT has three shifts of 24 firefighters per shift, working 24 hours on duty and 48 hours off-duty. There are three stations, four engines, two aerials, four rescue trucks, and a tanker.

The VFPT provides fire protection, emergency medical response, hazardous materials response, technical rescue and fire prevention services to citizens within the City limits and Center Township. Given that service is already provided by VFPT to the Annexation Area, there will be no additional costs for the provision of services upon annexation.

Emergency Medical Services

Currently, the Northwest Health ambulance service provides emergency medical services to the Annexation Area. These services include, but are not limited to, emergency medical response. It is expected that Northwest Health will continue to provide ambulance service to the Annexation Area, and as such, there will be no additional costs for the provision of services upon annexation.

Street Maintenance

Any dedicated streets and county roads in the Annexation Area are currently maintained by Porter County. However, all non-capital services of the Street Division of Valparaiso Public Works will be made available in the Annexation Area within one (1) year of the effective date of this annexation and will be extended in a manner equivalent in standard and scope to the services provided to the other areas within the corporate boundaries of the City.

The Street Division of Valparaiso Public Works is responsible for the maintenance of more than 172 miles of streets, including:

- Patching, resurfacing, and sealing roadways, public parking areas, and alleys.
- Plowing snow and providing salt for city streets, parking lots, and alleys.
- Maintaining necessary detours and road closures.
- Providing any necessary assistance to police, fire, and EMS during emergency calls.

The Street Division of Valparaiso Public Works is also responsible for issuing dumpster permits and providing street sweeping through the use of two (2) street sweepers. The Annexation Area has no streets. Currently, the City has approximately 172 miles of streets. The City does not anticipate additional operating costs for supplies, repairs and maintenance, snowplowing and salting as a result of the annexation as the City already provides these services in the annexation area in agreement with the County. The Local Road and Street and Motor Vehicle Highway Funds will fund any additional minimal costs that may arise.

Trash Collection and Recycling

Porter County does not provide solid waste disposal to the Annexation Area. It is anticipated that as the Annexation Area is a commercial property for light industrial use that the occupant will contract with a private company for solid waste disposal service.

Storm Water and Drainage

Storm water and drainage facilities throughout the Annexation Area will be consistent with the City's current storm water and drainage system throughout the City. The future development in the Annexation Area will have to have their storm water plan approved by the City, and any associated storm water and drainage costs will be borne by the developers, therefore it is not anticipated that there will be any additional cost to the City. Nevertheless, all non-capital services of the Storm Water Department will be made available in the Annexation Area within one (1) year of the effective date of this annexation and will be extended in a manner equivalent in standard and scope to the services provided to the other areas within the corporate boundaries of the City. Once the parcels are annexed, due to the anticipated size and usage, they are expected to meet the definition of Nonresidential Property, with greater than 160,000 square feet, once developed. The rate for this category is \$400 per month.

Parks

There are currently 22 parks and facilities within City limits. Amenities found in the parks include baseball diamonds, basketball courts, boats, disc golf courses, picnic areas, play fields, playgrounds, restrooms, skate parks, tennis courts, and pavilions. Rogers-Lakewood Park, one of Valparaiso's premier facilities, is a 122-acre park featuring various outdoor activities such as hayrides, discovery camps, boating, fishing, and hiking as well as six 6 shelters for rental. The centerpiece of Downtown Valparaiso, Central Park Plaza, has the outdoor Porter Health Amphitheater for concerts and other special events as well as a splash pad. The William E. Urschel Pavilion, a 135' long by 85' wide open-air pavilion, is used year-round, hosting a number of events in the summer and transforming into a refrigerated ice rink in the late fall that lasts through early spring. The Indiana Beverage Activity Building houses year-round restrooms, a rentable lobby area, conference room, and warming area with a view of the rink.

It is anticipated that no additional parks will be added as a result of the annexation, therefore there will be no additional costs to the City. Nevertheless, all non-capital services of the Valparaiso Parks and Recreation Department will be made available in the Annexation Area on the date the annexation becomes effective and will be extended in a manner equivalent in standard and scope to the services provided to the other areas within the corporate boundaries of the City.

Street Lighting

Porter County does not provide streetlights in the Annexation Area. Typically, a business will be responsible for the lighting of its property, including any parking lots. It is anticipated that there will be no additional costs to the City for street lighting.

Governmental Administrative Services

The City does not anticipate that the addition of the Annexation Area will result in a demand for Governmental Administrative Services that cannot be met by the existing staffing of the City's offices, agencies and departments. All non-capital services of the administration of the City will be made available in the Annexation Area on the date the annexation becomes effective and will be extended in a manner equivalent in standard and scope to the services provided to the other areas within the corporate boundaries of the City.

The Governmental Administrative Services of the City include, but are not limited to, the services provided by the following:

- City Administrator
- Clerk-Treasurer's Office
- City Council
- Engineering Department
- Human Resources Department
- Planning Department
- Project and Facility Management Department
- Building Department
- Community Engagement Department
- Code Enforcement Division
- Economic Development

CAPITAL IMPROVEMENTS

Cost of Services

The Annexation Area was evaluated to determine the services and facilities required to provide the same type of services in the same manner as services that are currently provided within the existing City's corporate limits.

The City will provide the following capital services to the Annexation Area no later than three (3) years³ after the effective date of the annexation in the same manner as those capital services provided to areas within the City regardless of topography, patterns of land use, and population density and in a manner consistent with federal, state and local laws, procedures and planning criteria. It is currently assumed that the annexation will be effective as soon as practically possible, but no later than December 31, 2024.

Water Service

The northernmost parcel of the Annexation Area is currently served by the Valparaiso Water Department, which will continue to serve the Annexation Area after annexation. Any further extensions in service are anticipated to be borne by the respective property owner or developer. It is anticipated that the City will not incur any additional costs related to the provision of water service in the Annexation Area.

Wastewater Service

The Annexation Area is not currently served by the Valparaiso Wastewater Department. Any extensions in service are anticipated to be borne by the respective property owner or developer. It is anticipated that the City will not incur any additional costs related to the provision of wastewater service in the Annexation Area.

Storm Water and Drainage

³ See footnote 1.

Storm water and drainage facilities throughout the Annexation Area will be consistent with the City's current storm water and drainage system throughout the City. The future development in the Annexation Area will have to have the storm water plan approved by the City, and any associated storm water and drainage costs will be borne by the developers, therefore it is not anticipated that there will be any additional cost to the City. Regardless, all capital storm water services of the City will be extended to the Annexation Area within three (3) years of the effective date of this annexation in the same manner as those services are provided to areas inside the corporate limits and in a manner consistent with federal, state and local laws, procedures and planning criteria. Any additional storm water costs will be funded by the monthly stormwater fee. Due to the size of the properties and the expected Industrial designation, it is expected to meet the definition of Nonresidential Property, with greater than 160,000 square feet, once developed. The rate for this category is \$400 per month.

Street Construction

Construction of any new streets within the development in the Annexation Area will be the responsibility of the appropriate developer in accordance with the applicable City Code. The Annexation Area includes the full right of way of State Highway 49, a total of 0.451 miles. Due to the yet unknown future use of a portion of the property, it is unknown at this time if the current road will continue to be sufficient. As well it is undetermined how much of this cost will be the responsibility of the developer. The Indiana Department of Transportation ("INDOT") maintains responsibility for State Highway 49 and as such the City does not expect to provide any related capital improvements. However, to the extent INDOT determines otherwise, any capital services, including evaluation and construction, will be extended to the Annexation Area within three (3) years⁴ of the effective date of this annexation in the same manner as those services are provided to areas inside the corporate limits and in a manner consistent with federal, state and local laws, procedures and planning criteria.

Sidewalks and Pathways

In general, construction and reconstruction of sidewalks is not the responsibility of the City. Sidewalks are typically initially installed by developers. Currently, there is a mix of areas within the City with and without sidewalks. The developer will be responsible for all required sidewalks and pathways within the Annexation Area. Currently there is no connectivity to the pathway system in the City, but SR 49 is identified as a proposed primary pathway route in the 2017 Pathway and Greenways Plan Update.. Regardless, all capital services of the City will be extended to the Annexation Area within three (3) years of the effective date of this annexation in the same manner as those services are provided to areas inside the corporate limits and in a manner consistent with federal, state and local laws, procedures and planning criteria.

⁴ See footnote 1.

Street Lighting

Porter County does not provide streetlights in the Annexation Area. Typically, a business will be responsible for the lighting of its property, including any parking lots. It is anticipated that there will be no additional costs to the City for street lighting.

FISCAL IMPACT

As a result of this annexation, the assessed value for the City will increase by approximately \$1,570,100 to \$2,357,924,112, as estimated for the year 2024. This represents an increase of approximately 2.91%. The net impact of increasing the City's assessed value will result in additional property tax revenues to the City and may assist slightly in stabilizing property tax rates for City residents.

It is assumed that the effective date of this annexation will be as soon as practically possible, but no later than December 31, 2024. Based on the assumed effective date, Annexation Area property owners will pay property taxes to the City beginning 2024 payable 2025. The City will begin providing non-capital municipal services to the property owners within one (1) year after the effective date of the annexation, and it will begin providing capital municipal services to the property owners within three (3) years after the effective date of the annexation.⁴

It is anticipated that there will be minimal additional costs to the City as a result of the annexation. The additional costs are related to possible street maintenance. The causes of the anticipated increased costs are discussed on the prior pages, and a summary of the costs is demonstrated in APPENDIX A.

It is anticipated that the City will not realize an increase in its levy as a result of the annexation. However, the expected increase in the assessed valuation of the City could effect a small tax rate decrease as a direct result of this annexation. The increase in assessed valuation of the City could effect a small increase in revenues in the rate based funds, such as the Cumulative Capital Development and Fire Cumulative Equipment Funds. While there is no shortfall in revenue expected as a result of the annexation, the services described in this plan can be provided using funds on hand.

ASSUMED INDEBTEDNESS

As required by Indiana Code 36-4-3-10, the City will assume and pay any unpaid bonds or other obligations of Morgan Township existing at the effective date of the annexation of the Annexation Area in the same ratio as the assessed valuation of the property in the Annexation Area bears to the assessed valuation of all property in Morgan Township, as shown by the most recent assessment for taxation before the annexation, unless the assessed property within the City is already liable for the indebtedness.

There is no debt currently outstanding for Morgan Township.

CITY OF VALPARAISO, INDIANA
NIPSCO + Maxwell Annexation

ESTIMATED ASSESSED VALUE AND TAX RATE IMPACT
(Assumes first year of tax collections from Annexation Area is 2023 pay 2024)

Assessment Year	Estimated Net Assessed Value of Annex. Area (1)	Estimated Net Assessed Value of City (2)	Total Estimated Net Assessed Value of City (3)	Est. Property Tax Levy of City (4)	Sub-total: Est. Property Tax Rate (5)	Estimated Net Assessed Value of Fire Territory (2)	Estimated Fire Territory Tax levy (4)	Sub-total: Est. Property Tax Rate (6)	Total Est. Property Tax Rate
2022 Pay 2023	\$ -	\$ 2,265,725,012	\$ 2,265,725,012	\$ 20,611,300	\$ 0.9097	\$ 3,367,749,435	\$ 9,150,175	\$ 0.2717	\$ 1.1814
2023 Pay 2024	1,570,100	2,356,354,012	2,357,924,112	21,354,458	0.9056	3,502,459,411	9,472,267	0.2704	1.1760
2024 Pay 2025	1,617,203	2,427,044,632	2,428,661,835	21,934,121	0.9031	3,642,557,785	9,723,498	0.2669	1.1700
2025 Pay 2026	1,665,719	2,499,855,971	2,501,521,690	22,531,174	0.9007	3,788,260,095	9,982,266	0.2635	1.1642
2026 Pay 2027	1,715,691	2,574,851,650	2,576,567,341	23,146,139	0.8983	3,939,790,497	10,248,797	0.2601	1.1584
2027 Pay 2028	1,767,162	2,652,097,200	2,653,864,362	23,779,553	0.8960	4,097,382,115	10,523,324	0.2568	1.1528
2028 Pay 2029	1,820,177	2,731,660,116	2,733,480,293	24,431,969	0.8938	4,261,277,397	10,806,087	0.2536	1.1474

- (1) Based on the current net assessed value of the real property in the Annexation Area as gathered from the Porter County Assessor's office.
(2) Represents the assessed value for the City of Valparaiso and the Fire Protection Territory, and assumes a 3% overall assessed value growth per year.
(3) Represents the net assessed value for the City, including the Annexation Area, with 3% growth, used to calculate the tax rate.
(4) Represents the estimated property tax levy of the City and Fire Territory.
(5) Based on the Estimated Property Tax Levy of the City divided by the Total Estimated Net Assessed Value of the City.
(6) Based on the Estimated Fire Territory Tax Levy divided by the Estimated Net Assessed Value of the Fire Territory.

CITY OF VALPARAISO, INDIANA
NIPSCO + Maxwell Annexation

PARCEL LIST

<u>Parcel ID</u>	<u>Owner</u>	2022 Pay 2023 Net Assessed <u>Value</u>	2023 Pay 2024 Net Assessed <u>Value</u>
64-13-06-200-006.000-008	NIPSCO	\$ 9,900	\$ 10,600
64-13-06-200-008.000-008	NIPSCO	1,337,100	1,453,800
64-13-06-200-009.000-008	Maxwell	43,700	55,300
64-13-06-200-010.000-008	Maxwell	8,800	11,200
64-13-06-400-003.000-008	Maxwell	31,000	39,200
	Total	<u>\$ 1,430,500</u>	<u>\$ 1,570,100</u>

CITY OF VALPARAISO, INDIANA
NIPSCO + Maxwell Annexation

ESTIMATED ANNUAL (RECURRING) AND NON-RECURRING (ONE-TIME) REVENUES: BY COLLECTION YEAR

	Construction Year	2024	2025	2026	2027	
Assessment Date (January 1, ____)	2023	2024	2025	2026	2027	
Collection Year (Fiscal Year)	2024	2025	2026	2027	2028	
Commercial Parcel First Assessed (Estimated):	1,570,100	\$1,617,203	\$ 1,665,719	\$ 1,715,691	\$ 1,767,162	\$ 1,820,177

	6-Year Development Period					
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
<u>Annual (Recurring) Revenues</u>						
Property Tax Revenue	\$ -	\$ 18,921	\$ 19,392	\$ 19,875	\$ 20,372	\$ 20,885
Local Road and Street ("LRS") Revenue	-	-	-	-	-	-
Motor Vehicle Highway ("MVH") Revenue	-	-	-	-	-	-
Water Revenue	-	-	-	-	-	-
Sewer Revenue	-	-	-	-	-	-
Stormwater Revenue ⁽¹⁾	-	-	-	-	-	-
Garbage Collection Fee Revenue	-	-	-	-	-	-
Sub-Total Recurring (Annual) Revenue	\$ -	\$ 18,921	\$ 19,392	\$ 19,875	\$ 20,372	\$ 20,885
<u>Non-Recurring (One-Time) Revenues</u>						
Building and Inspection Permit Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-Total Non-Recurring (One-Time) Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ 18,921	\$ 19,392	\$ 19,875	\$ 20,372	\$ 20,885

(1) The Stormwater rate listed is that of Nonresidential Property, area is greater than 160,000 square feet, at \$400 per month.

CITY OF VALPARAISO, INDIANA
NIPSCO + Maxwell Annexation

ESTIMATED NON-CAPITAL (RECURRING) AND CAPITAL (NON-RECURRING) COSTS: BY FISCAL YEAR

Fiscal Year (January 1 to December 31):	2024	2025	2026	2027	2028	2029
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>
<u>Non-Capital (Recurring) Costs</u>						
Administrative Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Building and Planning Services	-	-	-	-	-	-
Garbage Collection Services	-	-	-	-	-	-
Police Protection ⁽¹⁾	-	-	-	-	-	-
Fire Protection and Emergency Services	-	-	-	-	-	-
Street and Road Maintenance ⁽¹⁾	-	-	-	-	-	-
Snowplowing and Salting	-	-	-	-	-	-
Street Lights	-	-	-	-	-	-
Sub-Total: Non-Capital (Recurring) Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Capital (Non-Recurring) Costs</u>						
Administrative Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Building and Planning Services	-	-	-	-	-	-
Garbage Collection Services	-	-	-	-	-	-
Police Protection	-	-	-	-	-	-
Fire Protection and Emergency Services	-	-	-	-	-	-
Street and Road Maintenance ⁽²⁾	-	-	-	-	-	-
Sub-Total: Capital (Non-Recurring) Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

⁽¹⁾ Assumes a 3% inflationary adjustment for years 2 through 6.

⁽²⁾ Due to the unknown future use, it is unknown at this time if the current road structure will continue to be sufficient. As well, it is undetermined how much, if any, of this cost will be the responsibility of the developer or the City. If these roadways need to be upgraded, an average one-time cost is estimated at \$327,500.

CITY OF VALPARAISO, INDIANA
NIPSCO + Maxwell Annexation

ESTIMATED REVENUES AND COSTS: BY FISCAL YEAR

Construction Year:	1	2	3	4	5	6
Assessment Date (January 1, ____):	2023	2024	2025	2026	2027	2028
Collection Year (Fiscal Year):	2024	2025	2026	2027	2028	2029

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>
<u>Revenues</u>						
Annual (Recurring)	\$ -	\$ 18,921	\$ 19,392	\$ 19,875	\$ 20,372	\$ 20,885
Non-Recurring (One-Time)	-	-	-	-	-	-
Subtotal	<u>\$ -</u>	<u>\$ 18,921</u>	<u>\$ 19,392</u>	<u>\$ 19,875</u>	<u>\$ 20,372</u>	<u>\$ 20,885</u>
<u>Costs</u>						
Non-Capital (Recurring)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital (Non-Recurring)	-	-	-	-	-	-
Subtotal	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Impact (Revenues less Costs)	<u><u>\$ -</u></u>	<u><u>\$ 18,921</u></u>	<u><u>\$ 19,392</u></u>	<u><u>\$ 19,875</u></u>	<u><u>\$ 20,372</u></u>	<u><u>\$ 20,885</u></u>

EXHIBIT A

MAP OF PROPOSED ANNEXATION AREA

MAP
FAMILY EXPRESS, NIPSCO AND MAXWELL ANNEXATION
FISCAL PLAN COVERS PARCELS 2-6

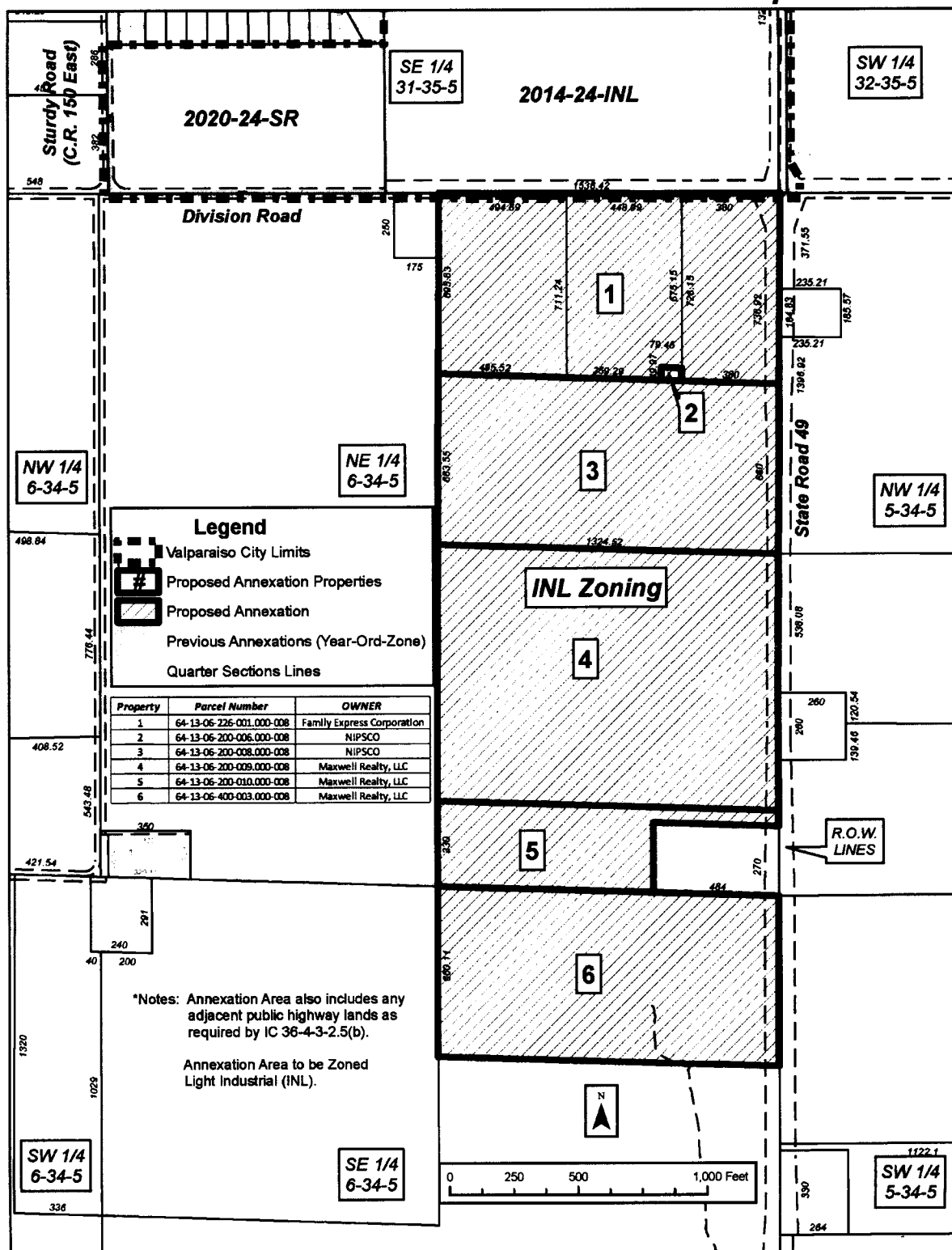


EXHIBIT B

LEGAL DESCRIPTION OF PROPOSED ANNEXATION AREA

**LEGAL DESCRIPTION
FAMILY EXPRESS, NIPSCO AND MAXWELL ANNEXATION**

FISCAL PLAN COVERS PARCELS 2-6

An irregularly shaped parcel land containing six properties located west of State Road 49, south of Division Road and east of County Road 150 East proposed for annexation by the City of Valparaiso; said parcel is located within the East ½ of Section 6, in Township 34 North, Range 5 West of the Second Principal Meridian, in Porter County, Indiana, and is more particularly described as:

The E ½ of the of the NE ¼ of Section 6 Township 34 North, Range 5 West excepting therefrom the south 270' of the east 484' of the NE ¼ of said Section 6 and the North ½ of the NE ¼ of the SE ¼ of said Section 6.

See attached Annexation Area Map.

Said Six properties are more particularly described below and are referenced by number on the attached Annexation Area Map:

1. 64-13-06-226-001.000-008 (21.69 Acres) owned by Family Express Corporation and described in Special Warranty Deed 2023-016418
- 64-13-06-200-006.000-008 (0.091 Acres) owned by NIPSCO and described in Warranty Deed, Book 324, Page 575 with two exceptions.
- 64-13-06-200-008.000-008 (20 Acres) owned by NIPSCO and described as Warranty Deed, Book 312, Page 542 with one exception.
- 64-13-06-200-009.000-008 (30 Acres) owned by Maxwell Realty, LLC and described in Quit Claim Deed 2007-009876.
- 64-13-06-200-010.000-008 (7 Acres) owned by Maxwell Realty, LLC and is described together with 64-13-06-400-003.000-008 in Quit Claim Deed 2023-014213.
- 64-13-06-400-003.000-008 (20 Acres) owned by Maxwell Realty, LLC and is described together with 64-13-06-200-010.000-008 in Quit Claim Deed 2023-014213.

Said annexation also includes any adjacent public highway lands as required by IC 36-4-3-2.5(b).

Said annexation contains approximately 100 Acres, more-or-less, and is subject to all existing easements, restrictions, assessments, and rights-of-way of record.

Prepared by:
City Engineer's Office
City of Valparaiso
February 2024