

RESOLUTION 09-2023

A RESOLUTION ADOPTING A FISCAL PLAN FOR THE ANNEXATION OF TERRITORY INTO THE CITY OF AUBURN

WHEREAS, the Common Council of the City of Auburn, Indiana, is considering Ordinance 2023-06 which is an ordinance to annex territory specifically known as the Fall Creek Development Corp. and the Young Men’s Christian Association of DeKalb County properties located on the north side of County Road 36A and west of Indiana Avenue into the City of Auburn; and

WHEREAS, a Fiscal Plan has been prepared in support of said annexation.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Auburn, DeKalb County, State of Indiana that:

The *Fiscal Plan* prepared to support the annexation of territory pursuant to Ordinance 2023-06 shall hereby be adopted and incorporated by reference herein. Said *Fiscal Plan* is attached and labeled as Exhibit A.

PASSED AND ADOPTED by the Common Council of the City of Auburn, Indiana, this 20 day of June, 2023.



JAMES FINCHUM, Council Member

ATTEST:



Patricia M. Miller, Clerk-Treasurer

Presented by me to the Mayor of the City of Auburn, Indiana, this 20 day of June, 2023.



PATRICIA M. MILLER, Clerk-Treasurer

APPROVED AND SIGNED by me this 20 day of June, 2023.


MICHAEL D. LEY, Mayor

VOTING:

AYE

NAY

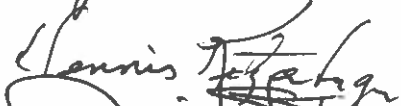
Natalie DeWitt, President



James Finchum



Dennis Ketzenberger



Dennis K. Kruse II



Kevin Webb



David Bundy



Emily Prosser



[Exhibit A]

**Fall Creek Development Corp.
Young Men's Christian Association of DeKalb County**

Annexation Fiscal Plan

City of Auburn, Indiana
Department of Building, Planning & Development
June 2023

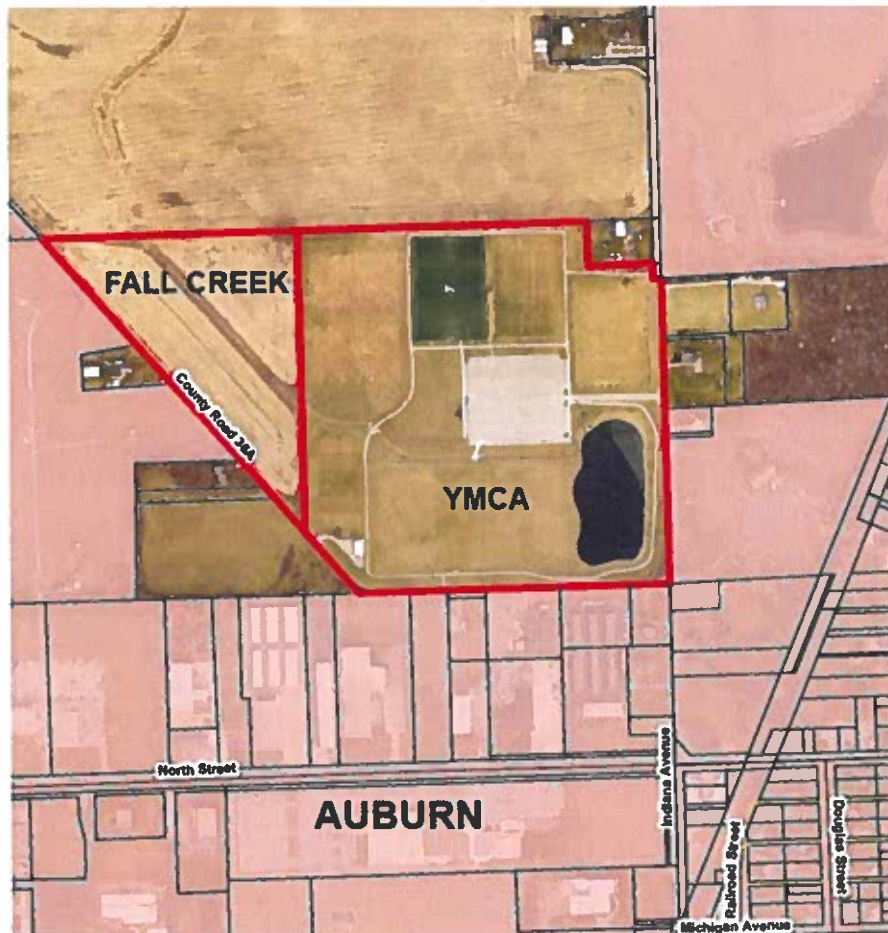
Summary

This Fiscal Plan is for the Fall Creek Development Corp. property and for the Young Men's Christian Association of DeKalb County property, both located on the north side of County Road 36A, west of Indiana Avenue in Auburn, Indiana. This Fiscal Plan was developed through the cooperation and efforts of the City's various departments. Cost estimates for the proposed annexation area have been included when applicable. All services within the annexation area will be provided in a manner equivalent to those services in similar areas within the current corporate limits. Non-capital services will be provided within one year of the effective date of annexation; capital services will be provided within three years of the effective date of annexation.

Annexation Area Information

Description

The Fall Creek Development Corp. property and the Young Men's Christian Association of DeKalb County property are in Union Township, DeKalb County. The two parcels combined are 51.123 acres and presently fall under the City's Extra-Territorial Jurisdiction. The two properties combined are surrounded on three sides by Auburn City Limits. The combined property boundary is 42.7% contiguous to the City of Auburn.



Generally, the property is bounded by:

- North – Agricultural property; residential home
- South – Self-Storage facility; YMCA Early Learning facility
- East – First Christian church; residential homes
- West – Residential homes

Council District

The proposed annexation area will be incorporated into the City of Auburn's Common Council – District 2 that represents the areas on all sides of the proposed annexation area.

Development Characteristics

The Fall Creek Development Corp. property is currently undeveloped land that has been previously tilled for agricultural crops. The Young Men's Christian Association of DeKalb County property is developed for soccer fields, associated vehicle parking areas, and trails. The drainage of the properties flows into an existing ditch that empties into an existing stormwater detention pond in the southeast corner of the YMCA property. There is a maintenance building for the YMCA property with an access off County Road 36A. The entrance to the YMCA property and parking area is off Indiana Avenue. Indiana Avenue is a rural City street with no curb and gutter. County Road 36A is a rural section of roadway with no curb and open side ditches.

Zoning

The Fall Creek Development Corp. property is zoned PD (Planned Development District) and the Young Men's Christian Association of DeKalb County property is zoned PR (Parks and Recreation District).

Population

There are no dwelling units in the proposed annexation area. Therefore, Auburn's population will have no change as a result of this annexation.

Future Development

The Fall Creek Development Corp. property owner intends to develop the property into a 41-unit mixed-residential use subdivision. The subdivision is to be called Fieldstone and contains 26 two-family dwelling units and 15 attached single-family townhome units. The streets, and all amenities, in the facility will be privately maintained.

The YMCA property is currently developed. The site does contain area for a future indoor recreational building.

Assessment and Taxation



The proposed annexation area includes two separate parcels.

YMCA Parcel: [Parcel ID# 14-06-30-200-008] is 39.214 acres in size. As a non-profit property owner, the property is exempt from property taxes.

Fall Creek Parcel: [Parcel ID# 14-06-30-200-002] is 11.909 acres in size and is assessed as non-residential tillable cropland.

2022 pay 2023 assessed value of the proposed annexation area according to the DeKalb County Auditor's Office is \$306,100. The assessed value is anticipated to change as the Fall Creek Development Corp. property is developed for residential purposes.

The 2022 pay 2023 total tax rate for the property, which is within Union Township, is 1.7416. The 2022 pay 2023 rate for the City of Auburn-Union Township, if the property was annexed into the City, is 2.3304.

Annexation Requirements and Justification

Statutory Requirements

When pursuing an annexation, a municipality must comply with the Indiana Code 36-4-3, Municipal Annexation and Disannexation. Voluntary annexation petitions signed by 100% of the landowners are considered "Super-Voluntary." Indiana Code 36-7-4-3-5.1 provides a more streamlined process for these annexations.

The Fall Creek Development Corp. property and the Young Men's Christian Association of DeKalb County property annexation request is considered super-voluntary. The annexation area meets the minimum contiguity requirements established in Indiana Code 36-4-3-1.5 by having at least 12.5% of the aggregate external boundaries of the territory coincide with boundaries of the City. In this case, the Fall Creek Development Corp. property and the Young Men's Christian Association of DeKalb County property combined is 42.7% contiguous to the Auburn Corporate Limits.

The City of Auburn will adopt an annexation ordinance annexing the Fall Creek Development Corp. property and the Young Men's Christian Association of DeKalb County property, and adopt, by Resolution, this Fiscal Plan that includes:

1. The cost estimate of planned services to be furnished to the annexed territory;
2. The method(s) of financing the planned services;
3. The plan for the organization and extension of services;
4. The provision of non-capital services to be provided to the annexed territory within one year after the effective date of annexation and that they be provided in a manner that is 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;
5. The provision of capital improvements to the annexed territory equal to those furnished within the municipality within three years after the effective date of annexation 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. A plan for hiring the employees of other governmental entities whose jobs will be eliminated by the annexation.

Justification

The owners of the Fall Creek Development Corp. property and the Young Men's Christian Association of DeKalb County property have requested annexation into the City of Auburn. Upon annexation, the Fall Creek Development Corp. property is proposed to be developed as a mixed-use residential development. The new development will be connected to City Utility Services.

The Fall Creek Development Corp. property and the Young Men's Christian Association of DeKalb County property is surrounded on three sides by land that is currently within the corporate limits of Auburn. The boundary of the property is 42.7% contiguous to the Corporate

Limits. This annexation represents a natural growth and inclusion into the City Limits. The timing of the annexation correlates with the development of the property.

The annexation is undertaken in accordance with I.C. 36-4-3-5.1. The annexation is justified under I.C. 36-4-3-13(c). The real estate upon annexation will be fully subject to the ordinances and policies of the City of Auburn, Indiana and municipal services will be made available to the annexed real estate. The annexation is consented to and requested by 100% of the property owners and meets all other requirements under Indiana Code and City of Auburn Ordinances.

Provision of Municipal Services

Police Department

The annexation area presently falls under the jurisdiction of the DeKalb County Sheriff's Department. Auburn Police Department answers calls for the annexation area if requested to respond.

The Auburn Police Department will be able to provide patrol and response services to the annexation area upon finalization of the annexation at no additional cost. The Auburn Police Department already provides services on three sides of the annexation area.

No capital expenditures will be necessary for provision of Police Services to the annexation area.

Fire Department

The Auburn Fire Department presently provides fire protection services to the annexation area. The Auburn Fire Department will continue to provide services to the annexation area upon annexation. There will be no increase in costs and no capital expenditures required to provide fire protection services within the 1st year of annexation. As the Fall Creek Development Corp. property is developed and homes are constructed for residential use after the 1st year of annexation, there will be increased demands on the Fire Department to serve the new homes in the annexation area. An additional Fire Station will ultimately need to be planned for as development within the annexation area and City continues to increase.

Street Maintenance and Sidewalks

The annexation area does not include any public streets or public sidewalks. Indiana Avenue is a City maintained roadway and will not change once the annexation is complete. County Road 36A is a County roadway. There is no sidewalk along Indiana Avenue or County Road 36A in this area regardless if the property is within the Auburn Corporate Limits or not.

Sanitary Sewer / Storm Sewer

The annexation area currently has sanitary sewer available to serve both properties. The Auburn Water Pollution Control facility has the capacity to serve the annexation area. Owners of the annexation area are permitted to tap into these systems as any other property owner is within the City. An extension of the sewer main completed by the developer of the Fieldstone subdivision will be necessary for the development of the Fall Creek Development Corp. property for the Fieldstone subdivision.

A storm water detention basin exists in the southeast corner of the Young Men's Christian Association of DeKalb County property. This basin provides detention for both properties, with a discharge point for stormwater runoff to the City storm water system.

There are no additional costs to provide non-capital sewer services to the annexation area. Likewise, no capital projects will be required to provide sewer service to the annexation area.

Water / Hydrants

There is a 12-inch main that crosses through the Young Men’s Christian Association of DeKalb County property that can serve both properties. The Auburn Water Department has the capacity to serve the annexation area. Owners of the annexation area are permitted to tap into these systems as any other property owner is within the City. An extension of the water main completed by the developer of the Fieldstone subdivision will be necessary for the development of the Fall Creek Development Corp. property for the Fieldstone subdivision.

There are no additional costs to provide non-capital services to the annexation area. Likewise, no capital projects will be required to provide water service to the annexation area.

Electric and Essential Services

Auburn Electric presently provides power and communication services to the annexation area. That will continue after the property is annexed.

There are no additional costs to provide non-capital services to the annexation area. Likewise, no capital projects will be required to provide electric and essential services to the annexation area.

Utility Map



General Governmental Administration

The annexation area falls within the City of Auburn's Extra-Territorial Planning and Zoning Jurisdiction. This means the area already utilizes many of the general administrative services offered by the City of Auburn. There will be no cost to continue to provide administrative services to the annexation area.

Parks and Recreation / Animal Control

With the land currently being undeveloped there is no projected population increase from the annexation within the 1st year. Once residential homes are constructed and occupied in the Fall Creek Development Corp. property, Rieke Park, located north of the annexation area on Indiana Avenue, is of sufficient size to provide park services for new residents. Parks and Recreational facilities and animal control facilities will not be impacted.

Library

The annexation area is presently served by the Eckhart Public Library located in Auburn, Indiana. Because the annexation area is zoned Planned Development and Parks and Recreation, there will be no new residents within the annexation area in the 1st year to provide services to. Once residential homes are constructed and occupied in the Fall Creek Development Corp. property, there will be an increase in the number of residents available to utilize the library services.

Solid Waste Disposal (garbage/recycling)

DeKalb County does not provide solid waste disposal to the Annexation Area. When necessary, this service is provided to residents in the Annexation Area by private firms. A comprehensive survey was not undertaken, but based on available information, it appears as if private firms charge approximately \$90 or more per quarter for residential trash pick-up.

Within 1 year of the effective date of this annexation the City, through a contract with a third party, will provide garbage and recyclables collection services to all residential properties in the Annexation Area. The City currently charges a minimum of \$13.79 per month per household for these services. The additional revenue generated by this monthly charge is expected to offset any cost to the City to provide these services to the Annexation Area.

Liability for Township Debt

The annexation area is part of Union Township. There is no existing Union Township Debt Service.

Hiring Plan

The proposed annexation will not create any displacement of jobs of any existing government entity.

Estimated Annual Expenditures & Financial Summary

Expenditures

The estimated annual expenditures to provide non-capital services is nominal, at most. The City serves property on three sides around the annexation area. Providing services to the Annexation Area will add virtually no cost. Any services not provided will be provided upon the effective date of annexation.

No capital projects will be required to provide services to the annexation area. As mentioned, the annexation area is surrounded on three sides by the City of Auburn.

Revenue

With no increase in population and no addition in city street mileage, the City will not receive any additional revenue from Motor Vehicle Highway (MVH), Local Road and Street (LR&S), Alcohol and Beverage Tax, Cigarette Tax, or CEDIT.

The only increase in revenue to the City of Auburn from the annexation area is property tax revenue. Based on today's assessed value, that increase will be approximately \$100 annually.

The proposed construction project will change the assessed value of the property. Without construction cost estimates, it is difficult to calculate how much. There is also the 3% tax cap that could be a factor in revenue calculations.

Conclusion

Annexation of the Fall Creek Development Corp. property and the Young Men's Christian Association of DeKalb County property is a natural expansion of the Corporate Limits of the City of Auburn. Annual expenditures are negligible and will be offset by property tax revenue gained from the annexation area. Completion of this annexation is desired by the property owners and makes sense for the City of Auburn.