



Common Council

Agenda Item

Cover Sheet

MEETING DATE: October 15, 2024

- Previously Discussed Ordinance
- Proposed Development Presentation
- New Ordinance for Discussion
- Miscellaneous
- Transfer

ITEM or ORDINANCE: #RC-40-24

PRESENTED BY: Joyceann Yelton

- Information Attached
- Bring Paperwork from Previous Meeting
- Verbal
- No Paperwork at Time of Packets

RESOLUTION NO. RC-40-24

A RESOLUTION ESTABLISHING A FISCAL PLAN FOR THE ANNEXATION OF CERTAIN
TERRITORY TO THE CITY OF NOBLESVILLE, HAMILTON COUNTY, INDIANA

17100 – 17300 block of Hazel Dell Road, East Side
Courtyards of Hazel Dell Planned Development
Super-Voluntary Annexation

WHEREAS, the City of Noblesville (the “City”), Indiana, is desirous of the annexation of certain territory into its municipality as provided by a “super-voluntary annexation” application; and

WHEREAS, the area to be annexed is located in the 17100 – 17300 block of Hazel Dell Road, East side and known as “Courtyards of Hazel Dell” in Noblesville Township, Hamilton County, Indiana as described in in **Exhibit A** (Legal Description) and **Exhibit B** (Annexation Territory);

WHEREAS, pursuant to Indiana Code 36-4-3-13(d), the Common Council of the City of Noblesville, Indiana, is required to adopt a written fiscal plan prior to the passage of such annexation ordinance, and prior to annexation of property under IC. 36-4-3; and

WHEREAS, the City of Noblesville has had prepared such fiscal plan outlining the City's intent to provide services to the newly annexed area pursuant to Indiana law and that the plan is attached hereto as **Exhibit C**.

NOW, THEREFORE, BE IT ORDAINED by the Common Council of the City of Noblesville meeting in regular session that the fiscal plan as **Exhibit C** is hereby approved and adopted for the area sought to be annexed.

ADOPTED this _____ day of _____, 2024

COMMON COUNCIL

AYE	COUNCIL	NAY	ABSTAIN
	Mark Boice		
	Michael J. Davis		
	Evan Elliott		
	David M. Johnson		
	Darren Peterson		
	Pete Schwartz		
	Aaron Smith		
	Todd Thurston		
	Megan G. Wiles		

ATTEST: _____
 Evelyn L. Lees, City Clerk

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Presented by me to the Mayor of the City of Noblesville, Indiana this _____ day
of _____, 20_____ at _____ M.

Evelyn L. Lees, City Clerk

MAYOR'S APPROVAL

Chris Jensen, Mayor

Date

MAYOR'S VETO

Chris Jensen, Mayor

Date

ATTEST: _____
Evelyn L. Lees, City Clerk

I, affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law. Joyceann Yelton, Declarant

Prepared by: Joyceann Yelton, Development Services Manager, City of Noblesville, 16 South 10th Street, Noblesville, IN 46060 (317) 776-6325

Legal Description

Part of the Southwest Quarter of the Northwest Quarter of Section 3, Township 18 North, Range 4 East; beginning at the West line of said section at a point 20 feet south of the center of the tracks of Midland Rail Road as now located, and running South 16 rods and 3 feet; thence East 64 rods; thence North 16 rods and 3 feet to the rights-of-way of said railroad; thence West on said right-of-way to the place of beginning.

ALSO:

A part of the Northwest Quarter and part of the Southwest Quarter of Section 3, Township 18 North, Range 4 East, described as follows: Begin at a point 830 feet north of the Southwest Corner of the North half of the Southwest Quarter, Section 3, Township 18 North, Range 4 East, thence North on the west line of Section 3, Township 18 North, Range 4 East, 1530 feet to a point; thence East along an old fence 1122 feet; thence South along old fence line 1014.6 feet to stone marked X, said stone being on the line between the Northwest Quarter and the Southwest Quarter of said Section 3 and 1532.4 feet West of the Southeast corner of said Northwest Quarter; thence South 500 feet to a stone; thence West along said fence line 1122 feet to place of beginning. Containing 39.21 acres, more or less.

Also, any public right-of-way adjacent to the above-described land not previously annexed by the City of Noblesville, Indiana shall be included as a part of the annexation. Right-of-way shall include Hazel Dell Road.

Annexation Territory

Exhibit B



9/5/2024, 2:33:35 PM

- centerlines
- Parcels

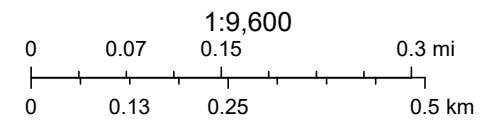
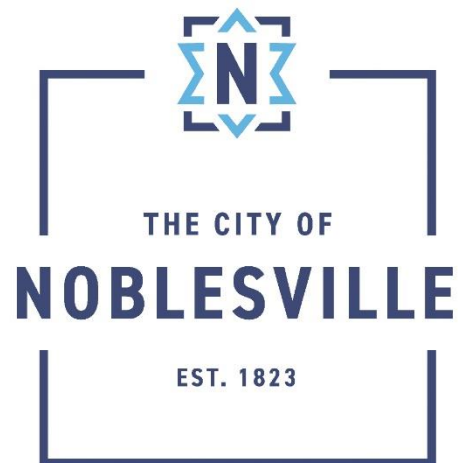


EXHIBIT C

**FISCAL PLAN FOR THE VOLUNTARY ANNEXATION OF
APPROXIMATELY 42.5 ACRES OF REAL ESTATE CONTIGUOUS TO THE
CITY OF NOBLESVILLE KNOWN AS THE COURTYARDS OF HAZEL DELL**



August 16, 2024

This Fiscal Plan Supports Ordinance No. 55-09-24

This is Exhibit C for Resolution RC-40-24

*Prepared by:
Bruce Bittner, C.P.A.
Andrew Wert, A.I.C.P.
Church Church Hittle + Antrim
2 North 9th Street
Noblesville, IN 46060*

INTRODUCTION

This report outlines the estimated fiscal impact of annexation of real estate to the City of Noblesville, Hamilton County, Indiana (the “City”) and the capacity of the City to provide necessary capital improvements and non-capital services to the subject area. The real estate proposed for annexation in this report is referred to as the “Annexation Area” as further described herein, and is located adjacent to the corporate limits of the City as of the date of adoption of this report. This annexation is 100% voluntary.

Indiana State Statutes require the legislative body of a municipality to adopt a resolution when approving an annexation ordinance. Specifically, I.C. 36-4-3-13(d) requires the resolution to show cost estimates and a plan for extension of municipal services. State law also requires that within one (1) year of annexation, the City provide the annexed area with “planned services of a non-capital nature” which are “equivalent in standard and scope” to those non-capital services provided to similar areas of the City. In addition, the law states that services of a capital improvement nature...be provided within three (3) years of the effective date of the annexation, in the same manner as those services are provided” to other areas within the City. The City of Noblesville will provide police and fire protection, traffic control, planning and building inspection services, and road maintenance upon annexation. In addition, access to the sanitary sewer system to be provided by the City and City park facilities will be available to residents of the subject area.

This report contains an analysis of the 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 currently within city limits, dollar figures presented here are estimates and are subject to change. Variations may occur and are dependent on the rate and extent of future development, fluctuations in future property assessments, and an increase or decrease in the cost of providing municipal services.

PROPERTY ANALYSIS

The Annexation Area is on the east side of Hazel Dell Road, ¼ mile south of State Road 32 in Noblesville Township, Hamilton County. It is further described in **EXHIBIT A** and depicted in **EXHIBIT B** and encompasses 42.5 acres, more or less.

The Annexation Area is contiguous to the City's corporate limits and is in compliance with the statutory contiguity requirements outlined in I.C. 36-4-2-1.5. This Statute provides that property is considered "contiguous" if at least one-eighth (1/8) of the aggregate external boundaries of the property coincides with the boundaries of the City's corporate limits. The Annexation Area is contiguous on its south and west boundaries.

The Annexation Area, as of this writing, is agricultural and residential in use and contains two homes and a number of out buildings. The property has been zoned "R3 Moderate to High Density Single Residential/PD Planned Development. The Annexation Area will be known as "The Courtyards of Hazel Dell".

The 2023 payable 2024 total gross assessed valuation of all real property and its improvements within the Annexation Area is \$429,400. The existing 2023 payable 2024 property tax rate assessed to all real property and its improvements is 1.8361 per \$100 of assessed valuation. This is the total Noblesville Township tax rate assessed to all real property and its improvements subject to any property tax caps which may apply.

The build-out of the Annexation Area is planned to consist of 111 single family homes.

MUNICIPAL SERVICES

The City currently extends to its citizens a range of public services. These services are provided by different municipal departments. Each department has a unique function with the municipal service system of the City of Noblesville. These departments include Administration, Fire, Police, Wastewater, Parks and Recreation, Street and Planning Departments.

The estimated impact on these services are provided for each department.

Police Department

This area will fall under the jurisdiction of the Noblesville Police Department immediately upon annexation. This service generally includes the prevention and detection of criminal activity, the apprehension of criminal offenders, assistance for those who cannot care for themselves or are in danger of physical harm, the resolution of day-to-day conflicts among residents, and the creation and maintenance of a sense of security in the community. The Police Department is also involved in court proceedings and protection of constitutional guarantees. Furthermore, they are responsible for the control of traffic and the promotion and preservation of civil order.

With the annexation of this area, the Noblesville Police Department would immediately add existing streets to its patrol area. The Annexation Area fronts Hazel Dell Road. The total length of this existing street is 0.34 miles. However, 0.165 miles of Hazel Dell has already been annexed (Ordinance No. 52-11-07). The approved zoning for this parcel calls for 111 residences to be constructed with internal streets measuring approximately 1.07 miles. The annexation will involve an extension of an existing patrol area, and will consist of responses to calls regarding injuries, damage to equipment or property, and other criminal activity.

The Noblesville Police Department has estimated minimal financial annual impact for the department. They predict approximately 35-40 calls for service per year in this neighborhood and that the calls would likely be of a more benign nature (alarm calls, security checks, animal complaints, etc). The officer impact would be less than .05 (1/20th) officer cost per year. Therefore, the annual cost for services in The Courtyards of Hazel Dell is \$0¹.

¹ Source: City of Noblesville Police Department

Fire Department

The Noblesville Fire Department currently provides fire protection services to the Annexation Area through a Fire Protection Services Agreement with Noblesville Township.

Though the subject property will be located within the Noblesville fire protection area, it is appropriate to note that the annexation area falls within the jurisdiction of Citizens energy Group for water service. There is an existing water line located on the west side of Hazel Dell Road. At the time of development, water lines and fire hydrants will be provided per the standards adopted by Citizens.

The subject area will be served by Fire Station #76 located at 16800 Hazel Dell Road, approximately 0.25 miles from the Annexation Area. The Noblesville Fire Department has estimated minimal annual impact for routine fire and EMS protection.¹ Fire services will be continue to be provided to the Annexation Area by the Noblesville Fire Department immediately upon annexation.

Street Department

The subject annexation area will derive access from Hazel Dell Road. A new public road system will be extended east into the subject acreage. State Statutes require annexation ordinances to incorporate the entire right-of-way the property fronts. The City has already annexed approximately 874 feet of the right-of-way of Hazel Dell Road along this frontage (Ordinance #52-11-07). There will be 923 feet or 0.175 miles of existing Hazel Dell Road Existing streets that will be new to the Street Department's jurisdiction. This annexation will result in adding 1.07 miles of future internal public roads to the City. The internal streets will carry a maintenance bond which will protect the City from deficient installation for three years. Street maintenance costs have been calculated using a cost per mile figure obtained from the Indiana Department of Highways. Two figures are given, one for routine maintenance and the other long term revitalization costs.

Routine maintenance has been calculated at \$8,103 annually per mile.² This category would include such items as street sweeping, pothole patching, sign maintenance, traffic markings, snow removal and street treating, and brush pickup. Cost breakdown is as follows: 1.25 miles x \$8103 = \$10,129.

Revitalization costs have been calculated at \$6,190 annually per mile.² This would be the amount necessary for an asphalt overlay every 20 years. Cost breakdown is as follows: 1.25 miles x \$6190 = \$7,737. This cost would not become apparent until year 2044.

¹ Source: Noblesville Fire Department

² Source: City of Noblesville, Resolution RC-16-18, Fiscal Plan for the Voluntary Annexation of approximately 460 acres of Real Estate Contiguous to the City of Noblesville to be known as Parkside At Finch Creek, with 3% annual increase.

Solid Waste Disposal

Following current City policy, single-family residential lots within the annexation area would be provided with trash pickup upon the effective date of annexation. In January 2016, the City adopted a trash fee requiring owners of residences receiving City trash pickup to pay for the cost, which is to be added to the monthly sewer bill. The current contract is based on \$13.85 per month per unit. Annexation and growth have been factored into the agreement. Each new residence inside city limits would add \$13.85 per month to the City's cost. This cost will be recouped in monthly billings to residents. These figures increase incrementally each June 1 throughout the duration of the four year contract. The figure presented in this report is based on the assumption that future renegotiations of the solid waste contract would factor in additional units at the same rate.

$$111 \text{ new residences} \times \$13.85 \times 12 \text{ months} = \$18,448$$

With consideration given to the trash fee reimbursement, adding 111 new residences would result in no additional cost to the City for solid waste disposal.

Sanitary Sewer

There is an existing sanitary sewer interceptor located on the south side of East 169th Street, approximately 350 feet east of Hazel Dell Road. An off-site sanitary line will be extended north from an existing manhole into the proposed subdivision.

Sanitary sewer lines will be extended throughout The Courtyards of Hazel Dell, at the developer's expense. Maintenance bonds will be provided subsequent to the installation.

Upon annexation, the City would be required to provide sewer service to the area within a period of three years. This fact has already been taken into account by the nature of expansion of the Master Plan. With the existing system of financing, sanitary sewer service is generally independent of property tax support from the General Fund. Because of the factors mentioned above, it is not necessary to account for additional costs for providing sanitary sewer service to the annexation area. The City is, however, committed to serve the annexation area with sanitary sewers immediately upon the effective date of annexation.

Storm Water Management

In 1987, the United States Congress adopted amendments to the Clean Water Act regulating storm water discharges from municipal separate storm sewer systems (MS4s). In 1999, additional regulations were handed down by the Environmental Protection Agency which placed Noblesville under the National Pollutant Discharge Elimination System's (NPDES) Phase II Program. The City has an approved Storm Water Quality Management Plan in place which requires developers to submit a Storm Water Pollution Prevention Plan for any new project.

Upon annexation, the City of Noblesville would become the responsible party for management of storm water discharge.

Planning, Zoning and Building Services

Indiana State Statutes allow the extension of zoning and building inspection services two miles from the corporate limits. Noblesville has exercised this power in Noblesville Township. Planning services are largely fee supported. For this reason, no additional planning costs will be incurred by the City as a result of this annexation. Planning, zoning, and building services will continue to be provided to the annexed area upon annexation.

Parks And Recreation

The annexation area contains no existing public parks. The Midland Trace Trail runs along the north boundary of the Annexation Area. An amenity area will be provided with the new development to complement the trail. It will include a clubhouse, pickleball and bocce ball courts. Dr. James A. Dillon Park is located approximately two miles to the south. It is a full service park of 77.5 acres. A pedestrian path exists on the east side of Vestal Ditch. As part of the development commitments for The Courtyards Of Hazel Dell, pedestrian paths will be constructed parallel to Hazel Dell Road as well as other internal streets.

SUMMARY

This financial analysis of the proposed annexation area is intended to be used as a tool in reaching a decision on extending the City's boundaries. While it is not feasible to analyze every possible scenario, the cost and revenue figures presented here are reasonable estimates.

Costs not considered here include the incremental need for additional administrative staff as city boundaries expand. Revenues not considered include the fact that with each annexation, variables used in the formula for distribution of various taxes to the City are modified with a resulting change in tax revenue. Nevertheless, it is the City's intent to provide services, both capital and noncapital, to the annexation area immediately upon the effective date of annexation. To the extent that there may be unforeseen costs in rendering those services, which may be over and above revenue indicated in this study, the City is prepared to use Local Income Tax (LIT) funds to provide these services.

Comparing projected revenues with projected expenditures, shows that this annexation will be a fiscally sound and beneficial action. Most of the costs for the proposed development will not be incurred immediately as the current use is agricultural and will remain as such during the infrastructure installation. Based on these figures, the City will be financially able to provided services of both a non-capital and capital improvement nature within one (1) year and three (3) years after the effective day of annexation, respectively.

It is recommended by this report that the proposed area be annexed into the corporate limits of Noblesville. It is further recommended that the newly annexed area be assigned to Council District Number 2, to which it is adjacent.

SCHEDULE 1

Pre and Post Development Assessed Values

<i>Parcel ID</i>	<i>Acreage</i>	<i>Pre-Value</i>	<i>Post-Value</i>
<u>10-10-03-00-00-040.000</u>	<u>20.97</u>	<u>\$ 52,300</u>	
<u>10-10-03-00-00-041.000</u>	<u>15.87</u>	<u>\$ 175,100</u>	
<u>10-10-03-00-00-043.000</u>	<u>6.05</u>	<u>\$ 202,000</u>	
		<u>\$ 429,400</u>	<u>\$58,275,000¹</u>

SCHEDULE 2

Estimated Tax Revenues

Property Tax

Assessed value (estimated ¹)	\$ 58,275,000
Less Deductions ²	<u>- 5,328,000</u>
Net Assessed Valuation	\$ 52,947,000

$$\$52,947,000/100 \times 1.1 \text{ (City Tax Rate)} = \$ 582,417$$

$$\$52,947,000/100 \times 2.7021 \text{ (Total Tax Rate)} = \$ 1,430,681$$

$$\$58,275,000 \times 0.01 \text{ (Circuit Breaker)} = \$ 582,750$$

City Rate/Total Rate = 40.7%

City Revenue: $\$582,750 \times 0.407 = \$237,179$

Total City Property Tax Revenue: \$237,179

County Option Income Tax

Incremental percentage of total COIT distribution yields \$103,458

Motor Vehicle Highway (MVH): \$20,071³

Local Road & Street (LRS): \$20,181⁴

¹ – from Epcon Communities; figure represents 75% of estimated sales value

² – assumes standard homestead credit of \$48,000 for each unit

³ – MVH revenue from 2023 Noblesville Comprehensive Annual Financial Report (\$4,968,148), divided by 2022 Certified Road Mileage from City of Noblesville (309.41) times annexed road miles

⁴ – LRS revenue from 2019 Noblesville Comprehensive Annual Financial Report (\$4,995,302), divided by 2022 Certified Road Mileage from City of Noblesville (309.41) times annexed road miles

SCHEDULE 3

Projected Revenues For The Proposed Annexation Area

Real Property Tax	\$ 237,179
Local Income Tax	\$ 103,458
Motor Vehicle Highway	\$ 26,071
Local Road & Street	\$ <u>20,181</u>
TOTAL	\$ <u>386,889</u>

SCHEDULE 4

Projected Expenditures For The Proposed Annexation Area

Police	\$0
Fire	\$0
Street Maintenance	\$17,866
Solid Waste Collection	\$0
Sanitary Sewer Availability	\$0
Planning & Building Services	\$0
Parks & Recreation	\$0
TOTAL	\$ <u>17,866</u>

SCHEDULE 5

Estimated Revenues and Costs By Year

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Total Revenue	\$0	\$132,316	\$132,316	\$386,889	\$386,889
Total Costs	\$0	\$ <u>5,065</u>	\$ <u>5,065</u>	\$ <u>10,129</u>	\$ <u>10,129</u>
Surplus (Deficit)	\$0	\$ <u>127,251</u>	\$ <u>127,251</u>	\$ <u>376,760</u>	\$ <u>376,760</u>

SCHEDULE 6

Calculation of Estimated District Tax Rate Impact

	<u>Noblesville Township</u>
Estimated Tax Rate ¹	2.7021
Estimated Increase/Decrease ²	0
Net Tax Rate Impact due to annexation	2.7021
Estimated District Tax Rate with Annexation	2.7021
Estimated Tax Rate Increase/decrease	0
Estimated Percentage Change	0

SCHEDULE 7

Estimated Tax Rate Impact by Political Subdivision

<u>Before Annexation</u>	<u>Estimated Tax Rates (Years 1 – 5)</u>
Hamilton County	\$ 0.2737
Noblesville Township	0.2379
School District	1.2725
Library	0.0495
Solid Waste District	0.0025
City of Noblesville	-----
TOTAL	<u>\$ 1.8361</u>

<u>After Annexation</u>	<u>Estimated Tax Rates (Years 1 – 5)</u>
Hamilton County	\$ 0.2737
Noblesville Township	0.0039
School District	1.2725
Library	0.0495
Solid Waste District	0.0025
City of Noblesville	<u>1.1000</u>
TOTAL	<u>\$ 2.7021</u>

¹ Based upon certified 2021 payable 2022 tax rates, Hamilton County Auditor's Office

² The estimated increase in property tax levy needed to provide revenue to fund the increases in the City's budget as a result of the annexation is assumed to be negligible due to the limited municipal services required to be provided to a 111-lot subdivision. Therefore, no tax rate impact is shown.

SCHEDULE 8

Summary of Site and Construction Schedule

111 single family homes

On the east side of Hazel Dell Road, 1/4-mile south of State Road 32, Noblesville, Indiana
46062

Zoning classification is R-3/PD

Site Work Infrastructure to begin October 2024

Building Construction to begin September 2025

Buildout, first four years after building construction start

January – December 2025/Assessed Value \$19,930,050

January – December 2026/Assessed Value \$19,930,050

January – December 2027/Assessed Value \$58,275,000

January – December 2028/Assessed Value \$58,275,000

Estimated lineal feet of Public Street January 2026: 3,315 feet

Estimated lineal feet at full buildout: 6,600 feet

Estimated Assessed Value at full buildout: \$58,275,000

EXHIBIT A
LEGAL DESCRIPTION

Part of the Southwest Quarter of the Northwest Quarter of Section 3, Township 18 N., Range 4E; beginning at the West line of said section at a point 20 feet south of the center of the tracks of Midland Rail Road as now located, and running South 16 rods and 3 feet; thence East 64 rods; thence North 16 rods and 3 feet to the rights-of-way of said railroad; thence West on said right-of-way to the place of beginning.

ALSO:

A part of the Northwest Quarter and part of the Southwest Quarter of Section 3, Township 18 North, Range 4 East, described as follows: Begin at a point 830 feet north of the Southwest Corner of the North half of the Southwest Quarter, Section 3, Township 18 North, Range 4 East, thence North on the west line of Section 3, Township 18 North, Range 4 East, 1530 feet to a point; thence East along an old fence 1122 feet; thence South along old fence line 1014.6 feet to stone marked X, said stone being on the line between the Northwest Quarter and the Southwest Quarter of said Section 3 and 1532.4 feet West of the Southeast corner of said Northwest Quarter; thence South 500 feet to a stone; thence West along said fence line 1122 feet to place of beginning. Containing 39.21 acres, more or less.

EXHIBIT B

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PROPERTY DEPICTION

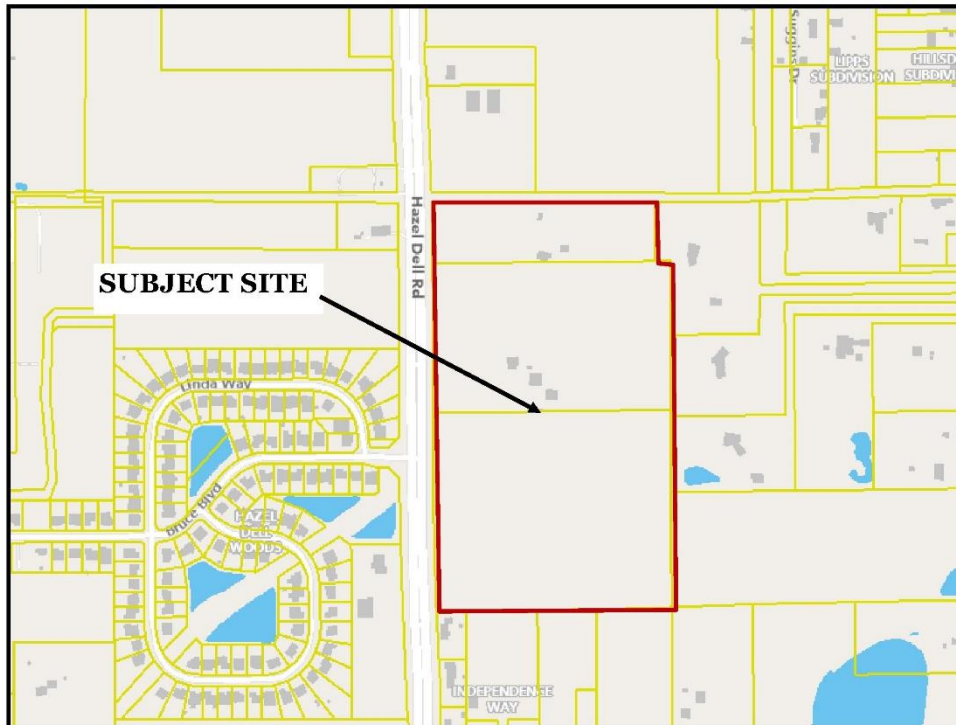


EXHIBIT B

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The Courtyards of Hazel Dell subdivision

