

**ANNEXATION COMMITTEE MEETING
APRIL 30, 2015**

President Niksch called the meeting to order at 7:11 PM. The Pledge of Allegiance was recited. Recording Secretary Gena Knapp took Roll Call. Members answering the roll call were Doug Niksch, Edgar Corns, Carol Crouse, and David Shilling. Richard Kelley was not in attendance. Also present were Building Administer Tom Trulley, Planning Consultant Jim Mandon, Public Works Director Greg Shook, Town Council President Christopher Salatas, and Councilman Donald Parker.

APPROVAL OF MINUTES

Mr. Corns made a motion to approve the March 26, 2015 regular meeting minutes, seconded by Mr. Shilling and carried with four ayes.

OLD BUSINESS

Review Option 6 – Status of C&D Landfill – Mr. Niksch stated last month a recommendation was made to the Town Council to pursue what is known as “Option 6” and to get an estimated cost of what it would take to run water and sewer out to the east side of Route 2 and US 41. At the meeting where they reviewed the option, they decided to take it under advisement at this time. At that same meeting, they also heard the second reading of the C&D Landfill. Mr. Mandon stated at the your last meeting you adopted “Option 6”. When we got to the mechanics of doing the fiscal plan, it was noticed that if you start cutting properties and creating new legal descriptions for these properties it would be extremely time consuming and costly. A discussion took place to amend “Option 6” and eliminate the three hundred feet on the west side of US 41, maintain the rest of the annexation as recommended, and to reflect the friendly annexation that would come in on the southwest side that would occur after the annexation of the C&D Landfill. All of those changes were recommended to the Annexation Committee to change “Option 6” in recommending it to the Council. There is also one parcel on the west side of US 41 that is recommended to be included, which is adjacent to the current alignment of the Illiana. The remainder of the west side of US 41 could always be annexed at a later date. Discussion followed.

Mr. Niksch stated another issue that we have been looking at is how State Bill 330 will affect our future annexations. Mr. Mandon stated as it sits, if at least 65% of the owners of the non-tax exempt land, or the owners of 80% of assessed evaluation of non-tax exempt land objects, the annexation does not proceed. Discussion followed regarding some of the changes that were made in the final bill that currently sits at the Governor’s desk. Mr. Mandon stated another interesting part of the bill is that it allows “a municipality to exempt property from property tax liability for municipal purposes while the property is assessed as agricultural land under the real estate assessment rules and guidelines of the Department of Local Government Finance.” If the property is assessed as agricultural, the municipality can waive the collection of the municipal portion of the property tax, meaning the property taxes would not change. Mr. Niksch stated that issue is in our attorney’s hands. This was already part of the state code; it is not an alteration of State Bill 330. Mr. Shilling stated they would not automatically be exempt; the municipality would have to agree to it. Mr. Mandon agreed. Mr. Corns stated he believed that was in the Right to Farm Law. Mr. Mandon stated that law does not deal with taxes it deals with nuisances. Mr. Niksch stated we would be foolish to not waive those taxes if we want to annex the land. Mr. Niksch suggested the solicitation of other farmlands surrounding where we are currently annexing in order to get to the area where the Illiana is proposed. Discussion followed.

Mr. Mandon stated the affective date on this is June 30th of this year. If everything is filed before June 30th then we are under the old law. Mr. Niksch stated the tax issue is the same in the old law. Mr. Shilling stated the new law is so restrictive, if people do not agree to annex, you will never have the option to exempt their taxes. Mr. Niksch stated currently a lot of people are being annexed by Cedar Lake, which is being filed before June 30th, but we have a Right to Farm Law so if any farmer who is contiguous would want to be annexed, they could be with no barriers or changes. That would open up a lot of farms that could be annexed. He stated if we could get our water and sewer out to US 41, we would have an advantage. Mr. Mandon agreed and stated if you annex occupied property, the Town will be on the hook for providing utilities. Discussion followed regarding the taxes on agricultural land.

Mr. Shilling asked how to get some of the businesses on the north side of Route 2 to agree to be annexed. Councilman Parker stated you don't. You go on the south side of Route 2 to get to US 41. Discussion followed regarding the obstacles and some solutions of getting out to US 41 and north to where the proposed Illiana would be. Mr. Niksch stated if we were able to get the farmlands we could work on getting the infrastructure out there to encourage the commercial use of that land once it is developed. Mr. Mandon agreed that that would be a good incentive to encourage development. Mr. Niksch also mentioned offering tax rebates on current businesses to entice them in to annexation. Mr. Mandon stated he did not believe you could allow a tax rebate, but there are other things that the Economic Development Committee could do. Discussion followed.

Mr. Corns asked if Cedar Lake's plan does not go through, how long would it take us to proceed with this annexation plan. Mr. Mandon stated he believed the process should be started now in case Cedar Lake is not able to go through with their annexations. Either way you will need to get the 35% of owners to agree on the annexation because you do not have time to get everything done before the June 30th deadline. Mr. Mandon explained everything that needs to be in place and the meetings that would need to be held according to the new annexation bill. Discussion followed regarding the benefits of being a part of the municipality and how that needs to be conveyed to people, and the details of the Right to Farm Act that would cover the agricultural land.

Councilman Parker mentioned that there is a draft agreement going between Lowell's attorney and Cedar Lake's attorney that states they are willing to recant their annexations to the north side of where the proposed Illiana will be if Lowell is able to annex that area. We need to realize that we may not be able to get their for the next eight or nine years, but we need to have that plan in place. He explained that in the past things have been started but never fully acted on when it comes to annexation. Ms. Crouse asked what it would take to get Cedar Lake to the point of recanting. Councilman Parker stated that agreement is unofficial, but we have to be ready to pick that land up. Discussion followed. Ms. Crouse asked what could be done to push this recommendation forward. Mr. Niksch stated it is currently in the Council's hands. We do need to be having conversations with these people on a one-on-one basis to explain what annexation is. Mr. Shilling stated he did not see the farmers being an obstacle, rather the businesses along Route 2. Discussion followed regarding the percentage of owners that would need to be in favor in order to annex under the new law. Mr. Niksch mentioned that he had an old fiscal study for the property that is being recommended to be annexed. Councilman Parker stated he did not know if that could be found, but the Council is on board to get out to US 41. Discussion followed regarding further annexations past US 41.

Mr. Niksch asked if the infrastructure out to US 41 was part of the water study. President Salatas stated we did not authorize that to be a part of the water study. Councilman Parker stated the water study is already completed. Discussion followed regarding the planning that has been done

and that needs to be done in order to get a number of what it would cost to get water and sewer to US 41. Mr. Niksch asked if the Annexation Committee had the authority to solicit other areas to be annexed. Mr. Mandon stated you have the ability to talk to other people and explain annexation. It would be best to have something in writing for these people to see. The Committee discussed getting together a packet of information for annexation to hand out. Mr. Niksch agreed that making a packet would be a good place to start that includes the Right to Farm Act. Discussion followed regarding the benefits of friendly annexations and parcels that may want to come in friendly. Councilman Parker stated he believed these annexations could be done because if we could get an updated fiscal study, which should only take a few weeks, we could get it in place before June 30th. Mr. Mandon stated after reading the bill, it seems that the final ordinance has to be approved before June 30th. Discussion followed. Mr. Niksch stated he believed a packet needed to be made showing the details of annexation that includes the Right to Farm Act and information on hunting, burning, etc. Mr. Mandon agreed and stated you need to assume that you are going to have to get the 35% to agree to the annexations. Mr. Shilling asked if anything needed to be sent to the Council to revise the recommendation. Mr. Niksch asked President Salatas if the Council was going to act on "Option 6". President Salatas stated there might be an amended version. Councilman Parker stated it might be too late if everything needs to be filed and passed by June 30th. Mr. Shilling made a motion to direct Mr. Mandon and Mr. Trulley to create packets that could be handed out that show information on annexation and include the Right to Farm Act. The motion was seconded by Mr. Corns and carried with four ayes.

PUBLIC COMMENTS

ADJOURNMENT

With no further questions or comments, Mr. Shilling made a motion to adjourn the meeting at 8:43 P.M., seconded by Mr. Corns and carried with four ayes.

Doug Niksch, Chairman

David Shilling, Secretary