

**ANNEXATION COMMITTEE MEETING
AUGUST 27, 2015**

President Nicksch called the meeting to order at 7:13 PM. The Pledge of Allegiance was recited. Recording Secretary Gena Knapp took Roll Call. Members answering the roll call were Doug Nicksch, Richard Kelley, Edgar Corns, and David Shilling. Carol Crause was not in attendance. Also present were Planning Consultant Jim Mandon, Councilwoman LeAnn Angerman, Councilman Craig Earley, Council President Salatas, Public Works Director Greg Shook, Clerk-Treasurer Judith Walters, and one citizen.

APPROVAL OF MINUTES

Mr. Corns made a motion to approve the May 28, 2015 regular meeting minutes, seconded by Mr. Kelley and carried with four ayes.

OLD BUSINESS

Presentation on SB330 – Jim Mandon & Tom Trulley – Mr. Mandon stated the Indiana Associations of Cities and Towns has been lobbying on behalf of municipalities against groups that want to make annexation more difficult for decades. They have already been able to make the bill a lot better than what it was in its original draft, and as additional sessions of the legislature are called, more changes will be made. Mr. Mandon proceeded to explain the handout that was given to the Committee which highlighted areas of SB330 including remonstrance waivers, types of annexations, prerequisites to annexation, mandatory outreach programs, the treatment of agricultural land that is annexed, the new County debt provision, property currently owned by the County Redevelopment Commission, new items that must be included in a property's fiscal plan, annexation proceedings, the process of the actual annexation ordinance, remonstrance thresholds and petitions, the auditor's duties, any remonstrators that file with the Court and its process, the actual effective dates of annexations, and future attempts of annexation once the initial attempt to annex has failed.

Mr. Nicksch asked if someone were willing to come in friendly, would they have to use the ¼ contiguous rule rather than the 1/8 rule? Mr. Mandon stated if it were friendly, you would still use the 1/8 rule.

Mr. Mandon stated before SEA 330, a municipality could choose to exempt land zoned as agricultural from the municipal tax rate, but now there is a mandatory tax exemption from the municipal tax rate for all property annexed that is assessed as agricultural. The issue is that agricultural land that is annexed may not be considered part of the municipality for purposes of annexing additional territory in the future unless the future annexation is voluntary or super-voluntary. Mr. Nicksch asked if the Russell farm comes in to town and the property next to him, which is farmland, wants to come in, could we use the Russell farm as contiguous property? Mr. Mandon stated you could as long as there are no remonstrances.

Mr. Mandon mentioned that there is a law that supercedes SB330 that makes it possible for municipalities to recoup the cost of extending water and sewer systems. If the municipality has a policy in place that states if areas that are on septic and well have town utilities extended to them, they must repay the cost whether they are inside of the corporate boundaries or not. You can use that same policy for people in the annexed area to pay for their own utilities. In annexation, there is an obligation of the Town to provide residents with town utilities within three years, but the Town does not have to pay for those utilities if this policy is in place. He also elaborated on the economic development exception, effective July 1, 2017, that states if there is a piece of property that a developer would like to develop, but would like it to be in town, and there is property in between the corporate boundaries and this piece of property, you could annex the in between area whether it is voluntary or not. The project, however, must meet certain requirements and specifications, and has

twelve months to commence and thirty-six months to be complete otherwise all property is disannexed.

Mr. Niksch stated basically, if it is not friendly annexation, then there is no annexation. Mr. Mandon stated it can still be done, but it takes longer and it is harder. The key element is that you have the utilities. The most important thing to do is to have a good relationship with the County Plan Commission. He gave the example of Kouts and how they asked the County Plan Commission to not allow subdivisions within a certain area around the corporate boundaries, and the County agreed. Mr. Mandon stated the counties are not equipped to take care of subdivisions, so it would be in their best interest to not allow large residential development. The issue is if you have a development that began with County regulations and then the Town annexes it, you have all of these substandard utilities that have been installed along with no curbs, culverts, and open swales.

Mr. Mandon presented some talking points that he had come up with in case people from the Committee or Council would like to approach people that may be in line for annexation. These points included provisions that have been incorporated into the Zoning Ordinance, concerns about more expensive and restrictive town regulations once annexed, and provisions of Senate Bill 330, which pertain to property owners in the annexation areas. Mr. Niksch stated regarding the Right to Farm, the Council is getting ready to change some gun laws. Mr. Mandon stated the Right to Farm law does not include guns. The Right to Farm deals with the farming operations, not firearms or burning. Mr. Niksch stated but the bill gives you a right to hunt. Mr. Mandon stated no, it only deals with your right to farm. We told the people at the Agricultural Committee meetings that we were not going to cover hunting or burning because those were covered by different State and County regulations. Mr. Niksch stated if we annex the Russell Farm, where they can currently hunt, they would not be able to once in town. Mr. Mandon stated that depends on the town ordinance.

Status of Landfill Annexation – This item was not discussed.

Discussion on Process of next steps - Mr. Niksch stated he believed the Council should absorb this information, and then the Committee could get direction from them as far as how to proceed. Mr. Mandon stated in light of what has happened with the legislation, the best thing you can do is to work hard over the next couple of years to inform people about the benefits of being annexed so the amount of remonstrances will be reduced. If you cannot do that, then you should not annex the property. This takes time and face-to-face conversations, along with a certain amount of trust and accurate information. Mr. Niksch stated it is difficult to go after residents when you literally lose money, so the financial purpose would be for businesses, which is harder. Mr. Kelley stated it is even harder for people to trust a politician. Mr. Mandon stated it all goes back to why you are annexing property. Are you annexing for development or just to simply make the Town bigger?

Mr. Corns asked what the quickest way was to get to I-65. Mr. Mandon stated with this law you will not get there. Mr. Kelley asked if this law would affect the work that Cedar Lake has done. Mr. Mandon stated they had passed their ordinance before the effective date. If they are going to fail, they will fail under the old law. Discussion followed regarding the Town becoming investors in property in their own community.

ADJOURNMENT

With no further questions or comments, Mr. Corns made a motion to adjourn the meeting at 8:07 P.M., seconded by Mr. Kelley and carried with four ayes.

Doug Niksch, Chairman

David Shilling, Secretary

