

ORDINANCE 07-22

AN ORDINANCE OF THE TOWN OF WESTFIELD ANNEXING CERTAIN CONTIGUOUS TERRITORY TO THE TOWN AND MAKING THE SAME A PART OF THE TOWN OF WESTFIELD

WHEREAS, the Town Council (“Council”) of the Town of Westfield (“Town”), Indiana deems it desirable and in the best interest of the Town to annex to the Town certain territory as hereinafter described (“Annexation Territory”); and

WHEREAS, the Annexation Territory is owned by multiple owners and others with property interests vested therein; and

WHEREAS, a map and legal description of the Annexation Territory is attached hereto as Exhibit A, respectively; and

WHEREAS, the Annexation Territory consists of approximately 234 acres, and is contiguous to the existing Town limits; and

WHEREAS, responsible planning and state law require adoption of a fiscal plan and a definite policy for the provision of certain services to any annexed areas; and

WHEREAS, the Town has engaged professionals to study the fiscal and governmental impacts of such an annexation on both the Town and on the affected landowners; and

WHEREAS, this Council has adopted a written fiscal plan and definite policy for the provision of services of both a non-capital and capital nature to the Annexation Territory; and

WHEREAS, the written fiscal plan and definite policy adopted by resolution provide for the provision of 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 of the Town) to the annexation Territory within one (1) year after the effective date of this annexation in a manner equivalent in standard and scope to those non-capital services provided to areas within the current 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; and

WHEREAS, the terms and conditions of this annexation, including the written fiscal plan and definite policy, are fairly calculated to make the annexation fair and equitable to property owners and residents of the annexation Territory, if any, and of the Town; and

WHEREAS, the Annexation Territory is contiguous to the existing corporate boundaries of the Town; and the Annexation Territory is needed and can be used by the Town for its development in the reasonably near future; and

WHEREAS, the Town has conducted a public hearing pursuant to proper notice issued as required by law; and

WHEREAS, the Council finds that the Annexation pursuant to the terms of this Ordinance is fair and equitable and should be accomplished.

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF
THE TOWN OF WESTFIELD, INDIANA:**

Section I. The above recitals are incorporated herein by this reference as though fully set forth herein below.

Section II. In accordance with I.C. § 36-4-3 et seq., the Annexation Territory is hereby annexed to the Town and thereby included within its corporate boundaries pursuant to the terms of this Ordinance.

Section III. The Annexation Territory is assigned to Council District No. ____.

Section IV. The Annexation Territory shall maintain its current zoning until such time the Town updates its comprehensive plan, zoning ordinance, or zoning map.

Section V. All prior Ordinances or parts thereof that may be inconsistent with any provision of this Ordinance are hereby repealed. The paragraphs, sentences, words, and Annexation Territory of this Ordinance are separable, and if a court of competent jurisdiction hereof declares any portion of this Ordinance or the Annexation Territory unconstitutional, invalid, or unenforceable for any reason, such declaration shall not affect the remaining portions of the Annexation Territory or this Ordinance.

Section VI. The effective date of this annexation shall be ninety (90) days following its adoption, execution, and publication as required by law.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

ALL OF WHICH IS ORDAINED this ____ day of _____, 2007.

WESTFIELD TOWN COUNCIL

Voting For

Voting Against

Abstain

Andy Cook

Andy Cook

Andy Cook

John Dippel

John Dippel

John Dippel

John Hart

John Hart

John Hart

Robert Horkay

Robert Horkay

Robert Horkay

Joseph Plankis

Joseph Plankis

Joseph Plankis

Robert J. Smith

Robert J. Smith

Robert J. Smith

Ron Thomas

Ron Thomas

Ron Thomas

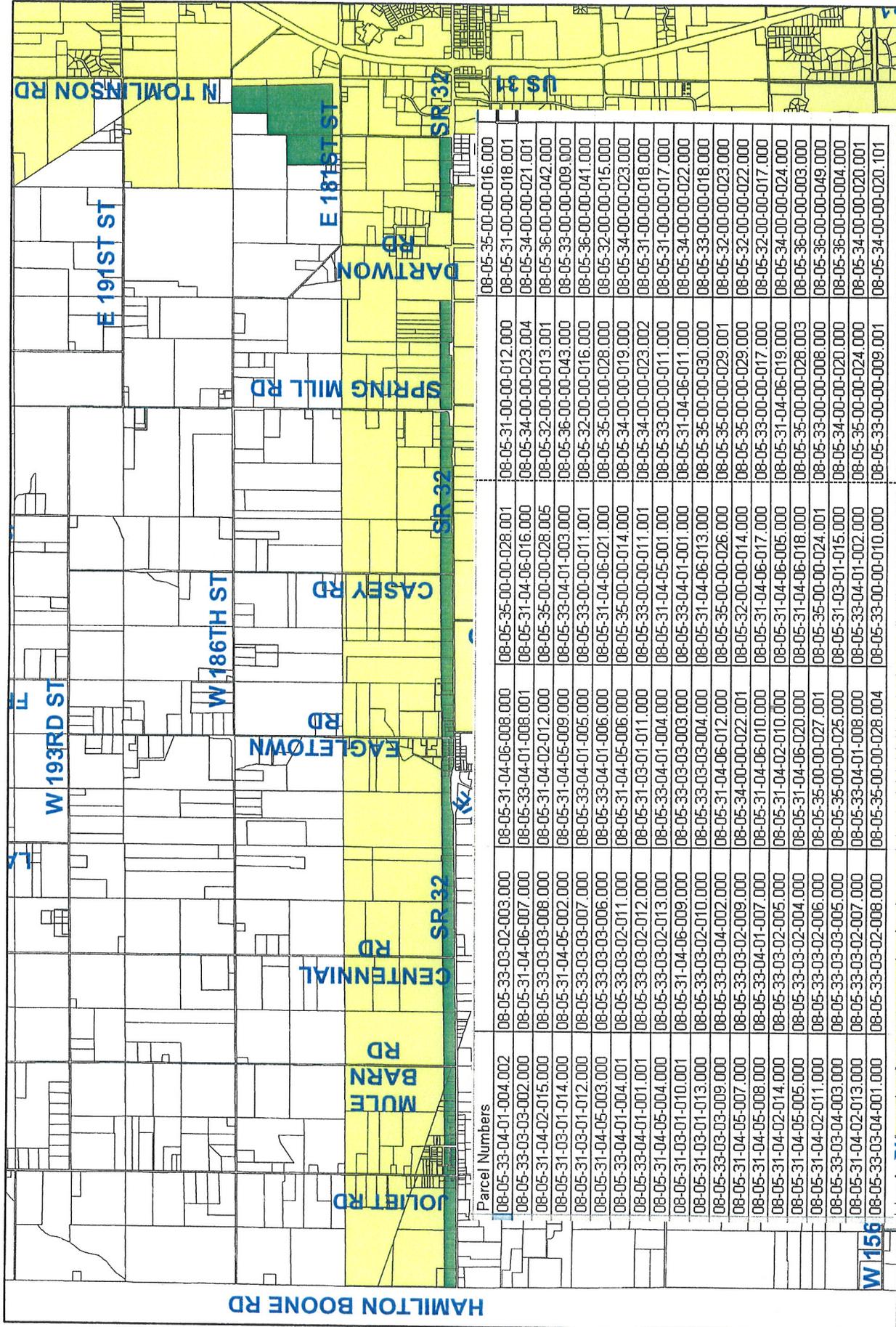
ATTEST:

Clerk-Treasurer, Cindy J. Gossard

This ordinance prepared by
Brian J. Zaiger, Attorney at Law
KRIEG DEVAULT, LLP
12800 North Meridian

Carmel IN 46032
317-566-1110

Exhibit A



| Parcel Numbers | |
|------------------------|------------------------|
| 08-05-33-04-01-004.002 | 08-05-33-03-02-003.000 |
| 08-05-33-03-03-002.000 | 08-05-31-04-06-007.000 |
| 08-05-31-04-02-015.000 | 08-05-31-04-06-016.000 |
| 08-05-31-03-01-014.000 | 08-05-35-00-00-028.006 |
| 08-05-31-03-01-012.000 | 08-05-33-04-01-003.000 |
| 08-05-31-04-05-003.000 | 08-05-33-00-00-011.001 |
| 08-05-33-04-01-004.001 | 08-05-31-04-06-021.000 |
| 08-05-33-04-01-001.001 | 08-05-35-00-00-014.000 |
| 08-05-31-04-05-004.000 | 08-05-33-00-00-011.001 |
| 08-05-33-03-02-013.000 | 08-05-31-04-05-001.000 |
| 08-05-31-03-01-010.001 | 08-05-33-03-03-003.000 |
| 08-05-33-03-02-010.000 | 08-05-31-04-06-013.000 |
| 08-05-33-03-03-009.000 | 08-05-35-00-00-026.000 |
| 08-05-31-04-05-007.000 | 08-05-32-00-00-022.001 |
| 08-05-31-04-05-008.000 | 08-05-31-04-06-010.000 |
| 08-05-31-04-02-014.000 | 08-05-31-04-02-010.000 |
| 08-05-31-04-05-005.000 | 08-05-31-04-06-020.000 |
| 08-05-33-03-02-006.000 | 08-05-35-00-00-027.001 |
| 08-05-31-04-02-013.000 | 08-05-33-03-02-005.000 |
| 08-05-33-03-02-007.000 | 08-05-33-03-02-004.000 |
| 08-05-33-03-02-008.000 | 08-05-35-00-00-025.000 |
| 08-05-31-04-02-013.000 | 08-05-33-03-02-006.000 |
| 08-05-33-03-04-001.000 | 08-05-33-03-03-000.000 |
| 08-05-33-03-02-010.000 | 08-05-33-03-02-007.000 |
| 08-05-33-03-02-008.000 | 08-05-33-03-02-008.000 |
| 08-05-31-04-06-008.000 | 08-05-33-03-02-009.000 |
| 08-05-31-04-06-012.000 | 08-05-31-04-06-010.000 |
| 08-05-33-03-04-002.000 | 08-05-33-03-02-010.000 |
| 08-05-31-04-05-007.000 | 08-05-33-03-02-009.000 |
| 08-05-31-04-05-008.000 | 08-05-33-04-01-007.000 |
| 08-05-31-04-02-014.000 | 08-05-33-03-02-005.000 |
| 08-05-31-04-05-005.000 | 08-05-33-03-02-004.000 |
| 08-05-33-03-02-006.000 | 08-05-35-00-00-027.001 |
| 08-05-33-03-02-006.000 | 08-05-33-03-02-006.000 |
| 08-05-31-04-02-011.000 | 08-05-33-03-02-005.000 |
| 08-05-31-04-06-017.000 | 08-05-35-00-00-025.000 |
| 08-05-32-00-00-022.000 | 08-05-33-03-02-007.000 |
| 08-05-32-00-00-023.000 | 08-05-33-03-02-008.000 |
| 08-05-31-04-06-019.000 | 08-05-33-03-02-009.000 |
| 08-05-34-00-00-029.001 | 08-05-31-04-06-010.000 |
| 08-05-35-00-00-029.001 | 08-05-31-04-06-012.000 |
| 08-05-32-00-00-022.000 | 08-05-34-00-00-022.001 |
| 08-05-32-00-00-023.000 | 08-05-31-04-06-011.000 |
| 08-05-32-00-00-017.000 | 08-05-33-04-01-001.000 |
| 08-05-34-00-00-024.000 | 08-05-31-04-06-013.000 |
| 08-05-34-00-00-024.000 | 08-05-35-00-00-026.000 |
| 08-05-36-00-00-003.000 | 08-05-32-00-00-022.000 |
| 08-05-36-00-00-028.003 | 08-05-35-00-00-014.000 |
| 08-05-36-00-00-049.000 | 08-05-31-04-06-017.000 |
| 08-05-36-00-00-008.000 | 08-05-31-04-06-011.000 |
| 08-05-36-00-00-049.000 | 08-05-33-00-00-017.000 |
| 08-05-36-00-00-004.000 | 08-05-31-04-06-019.000 |
| 08-05-36-00-00-004.000 | 08-05-35-00-00-029.001 |
| 08-05-34-00-00-020.001 | 08-05-35-00-00-029.001 |
| 08-05-34-00-00-020.101 | 08-05-32-00-00-022.000 |
| | 08-05-32-00-00-023.000 |
| | 08-05-32-00-00-017.000 |
| | 08-05-34-00-00-024.000 |
| | 08-05-36-00-00-003.000 |
| | 08-05-36-00-00-049.000 |
| | 08-05-36-00-00-008.000 |
| | 08-05-36-00-00-004.000 |
| | 08-05-36-00-00-004.000 |
| | 08-05-35-00-00-024.000 |
| | 08-05-35-00-00-020.001 |
| | 08-05-33-04-01-002.000 |
| | 08-05-33-00-00-010.000 |
| | 08-05-33-00-00-009.001 |

Legend

- 121 Parcels To Be Annexed
- Parcels
- Westfield Corporate Limits



**Fiscal Plan for the Annexation
of the
SR 32 North Annexation**

**Parcels located on the north side of SR32 and
Running from Wheeler Road nearly to the
Boone County Line Road**

**This Fiscal Plan Supports
Ordinance 07 - 22**

**This Fiscal Plan is
Exhibit A
Referenced in
Resolution ____ - ____**

Introduction

The purpose of this report is to outline the estimated fiscal impact of annexation upon the Town of Westfield and ability of the Town to provide necessary municipal capital and non-capital services to an area proposed for annexation. The area proposed for annexation that is analyzed in this report is referred to as “SR32 North Annexation” and is generally located between Wheeler Road and the Boone County Line Road running along the north side of SR 32 approximately 300 feet; three parcels on northwest corner of the intersection of East 181st Street and North Tomlinson Road; and five parcels between Dartown Road and North Tomlinson Road approximately 300 feet north of SR 32.

The Indiana Statutes (IC.36-4-3-13(d)) governing annexation activity by the Town of Westfield require the preparation of a written fiscal plan and the establishment of an annexation policy by resolution, as of the date of the annexation ordinance. The fiscal plan is required to present cost estimates and a plan for the extension of municipal services to the areas proposed for annexation. Municipal services of a non-capital nature are required to be provided within one (1) year of the effective date of the annexation ordinance to the extent that such services are equivalent in standard and scope to those services already provided within the city limits. Likewise, municipal services of a capital improvement nature are required to be provided within three (3) years of the effective date of the annexation ordinance.

This report contains an estimate of the project revenues and expenditures that will result from the annexation of certain territory by the Town of Westfield. While the Town is committed to providing the highest quality service to all areas of the community, the dollar figures presented here are only estimates and are subject to change. Variations may occur depending upon the rate and extent of future development, an increase or decrease in the cost of providing municipal services, or fluctuations in future property assessments.

Participants Involved in Developing the Fiscal Plan for the Annexed Area

Acting Town Manager Bruce Hauk, Police Chief Bryan Foster, Fire Chief Gary Southerland, Westfield Public Works Assistant Director Kurt Wanninger, Director of Community Development Gregory J. Anderson, and Public Safety Director Dennis White.

In addition, financial consultants from O.W. Krohn Associates were involved with the fiscal plan creation.

DRAFT

Town of Westfield

Annexation Philosophy and Plan

The proposed SR 32 North Annexation is part of a larger, more comprehensive annexation plan and philosophy that has been in existence in the Westfield community for more than 10 years.

Although not currently confirmed through a resolution, the following philosophy will be forthcoming to represent the Town's annexation plan.

Fiscal Policy of the Town

It is appropriate to state that the annexation policies of the Town are expected to correspond with the fiscal policies of the Town. Therefore, it is the policy of the Town of Westfield that annexation should only be undertaken under circumstances which are not adverse to the fiscal interests of the current residents and taxpayers of the Town of Westfield.

General Philosophy and Plan

The philosophy and plan of the Town of Westfield is to annex real estate into its corporate limits in accordance with the terms of Title 36, Article 4, Chapter 3 of the Indiana Code. The adoption of an ordinance authorizing such annexation shall:

1. Provide the residents of the Town of Westfield with a broad, stable and growing economic tax base;
2. Plan for the quality and quantity of urban development in a coordinated manner;
3. Preserve and enhance the public health, safety, and welfare, of all Town residents; and,
4. Allow for the provision of services to the new area in a cost effective manner that will not significantly impact existing residents.

Further the Town Shall:

- A. First seek the voluntary annexations of new development contiguous to the current Town boundaries. It is certainly the preference of the Town of Westfield to implement annexation action under the most amenable conditions possible, therefore in cases where it is practical and possible to achieve consensus the Town prefers to precede with annexation under the "voluntary" provisions of the statute (IC36-4-3-5);
- B. Enhance the existing assessed valuation of our municipality through voluntary annexations such that future annexations of "built out" neighborhoods can be achieved without tax differentials being the overriding issue being debated;

- C. Consider any requests for voluntary annexation from existing neighborhoods; and,
- D. Consider any forced annexations that will positively impact the future economic development opportunity of the community.

Financial Incentives in Support of Annexation

Aside from the issue of municipal services, the Town has developed annexation and growth policies with support for the concept of applying economic incentives to the annexation policies as a basis for building public support and popular consensus. The financial incentives possibly considered by the Town of Westfield include:

- tax abatement (IC36-4-3-8.5);
- delay of the effective date of the annexation (IC36-4-3-8);
- negotiation of supplemental services (based on surplus tax revenues);
- elimination of utility/services surcharges;
- appropriate arrangements as provided by IC36-4-3-21; and,
- agricultural tax liability exemption for municipal taxes provided by IC36-4-3-4.1.

It is the fundamental position of the Town; however, that the extension of such financial incentives shall be made primarily in those cases where it is appropriate to the fiscal and governmental interests of the Town of Westfield.

Requirements of Indiana Law

The Town Council of the Town of Westfield is granted the authority under Indiana law to annex land that conforms with the terms of Title 36, Article 4, Chapter 3 of the Indiana code. The minimum criteria used to determine the eligibility of land for annexation must establish that:

1. The territory sought for annexation is contiguous to the corporate boundary of the municipality; or
2. The territory sought for annexation is not contiguous to the corporate boundary of the municipality, but is occupied by a municipally owned or operated airport or landing field; or
3. The territory sought for annexation is not contiguous to the corporate boundary of the municipality, but is occupied by a municipally owned or regulated sanitary landfill, golf course, or hospital.

Additionally the following criteria are also used to further determine the eligibility of land for annexation and must establish that:

1. The boundary of the area proposed for annexation must be at least $\frac{1}{8}$ contiguous to the present corporate limits of the municipality, and
 - a. have a population density of at least three persons per acre; or
 - b. be zoned for commercial, business, or industrial use; or
 - c. be at least 60% subdivided;
2. The boundary of the area proposed for annexation must be at least $\frac{1}{4}$ contiguous to the corporate limits of the municipality, and the area must be needed and can be used by the municipality for its development in the reasonably near future.

The preparation of a written fiscal plan is also required to outline the provisions for:

1. The cost estimates of planned services to be furnished to the area proposed for annexation;
2. The method or methods of financing the planned services;
3. The plan for the organization and extension of planned services;
4. The provision of planned services or a non-capital nature within one (1) year of the effective date of annexation; and,
5. The provision of planned services of a capital improvement nature within three (3) years of the effective date of annexation.

The fiscal plan must also discuss the provisions to be made to ensure the delivery of capital and non-capital services in a manner equivalent in standard and scope to those services currently being provided to other areas within the corporate boundary regardless of topography, patterns of land use, and population density. This document is intended to serve as the aforementioned fiscal plan.

DRAFT

Parcel Analysis

A. Location

The area proposed for annexation is generally located along SR 32 from Westfield's corporate limit at Wheeler Road west to the Boone County line. This area extends north between Wheeler Road and the Boone County Line Road running along the north side of SR 32 approximately 300 feet; three parcels on northwest corner of the intersection of East 181st Street and North Tomlinson Road; and five parcels between Dartown Road and North Tomlinson Road approximately 300 feet north of SR 32 (See attached Exhibit "A").

B. Contiguity

The area considered for annexation is contiguous to the corporate boundary of the Town of Westfield. The perimeter of the parcels measure approximately 14.65 miles.

The area is contiguous to the Town for 11.72 miles, which meets the statutory requirements of ¼ contiguity.

C. Size

The area proposed for annexation encompasses an area of approximately 0.375 square miles (approximately 234 acres)

D. Population

The population of the area proposed for annexation is estimated to be 120 persons. Census Tract and Block statistics from the 2000 Census of Population and Housing indicate an average of 2.84 persons per dwelling unit for Washington Township. The parcels do not have a population density greater than three (3) persons per acre.

E. Structures

| Type | Number |
|--------------------------|-----------|
| Residential (Households) | 26 |
| Commercial | --- |
| Industrial | 6 |
| Institutional | --- |
| TOTAL | 32 |
| | |

F. Patterns of Land Use

| Type | Acres | Percent |
|---------------------|------------|-------------|
| Residential | 81 | 34.6 % |
| Commercial | 3 | 1.3 % |
| Industrial | 109 | 46.6 % |
| Institutional | - | 0.0 % |
| Public Right of Way | TBD | TBD |
| Undeveloped | 41 | 17.5 % |
| | | |
| TOTAL | 234 | 100% |
| | | |

G. Zoning

The area proposed for annexation is currently located within the planning and zoning jurisdiction of the Town of Westfield through a joinder agreement with Washington Township served by the Advisory Plan Commission. If annexed, the parcels will remain in the same planning jurisdiction.

Zoning designations in the proposed annexed area include: Agricultural Single Family (AG-SF1); Single Family 5 (SF5); Open Industrial (OI); Open Industrial Planned District (OI-PD); Enclosed Industrial (EI); General Business (GB); Multiple Family – 1 (MF-1); Planned unit Development District (PUD); Local Business (LB); and Local Business Historical District (LB-H). Upon annexation none of the adjoining designations will change.

H. Property Tax Assessment

The 2005 pay 2006 total net assessed valuation of all real property and its improvements located within the area proposed for annexation is \$6,130,600.

I. Municipal Property Tax Rate

The existing 2005 pay 2006 property tax rate assessed to all real property and its improvements within the area proposed for annexation is \$2.44 per \$100 of assessed valuation. This is the total Washington Township tax rate.

J. Council District

The area proposed for annexation is to be assigned to Council District 4.

Municipal Services

The Town of Westfield currently extends to its citizens a diverse range of public services. These services are provided by six different municipal departments. Each department has a unique and separate function within the municipal service system of the Town. These departments include: Police, Fire, Public Works, Administration, Parks and Recreation and Community Development.

Each of the municipal service sectors are analyzed in this section to determine the impact of annexation on their ability to provide both capital and non-capital services to the area proposed for annexation as required by Indiana law. The method used to determine the fiscal impact of annexation is known as fiscal impact analysis.

Fiscal impact analysis is a method of evaluation that is used to measure and project the direct public costs and revenues associated with residential and nonresidential growth within a municipality. It explores public (government) costs and revenues. It does not consider private costs of public actions. Therefore, special assessments on real property or the value of land dedications required of developers are considered private revenues. Individual services contracted for homeowners associations, neighborhoods, and similar groups are also considered private.

Fiscal impact analysis has been used throughout the United States for nearly seventy-five years as a means of objectively evaluating development proposals, including those involving annexation. Throughout its tenure as a fiscal management tool of local government, fiscal impact analysis has evolved along with the maturation of the towns and cities in which it has been used. We are using two of the methods of fiscal impact analysis known as Per Capital Multiplier and Case Study.

Per Capita Multiplier

The per capita Multiplier method is the most widely used and relies on average municipal costs per person as an indicator of future costs incurred due to various types of development. This method is commonly employed in situations where service infrastructure bears a close relationship to service demand such that average costs of providing services to current users is a reasonable approximation of the cost to provide similar services to future users.

Case Study

The Case Study method of fiscal impact analysis is applied in very large, stable or declining cities, or very small, rapidly growing rural fringe areas. These communities typically exhibit excess or deficient service capacity. It projects future costs based on future demand determined by interviewing municipal department heads. This method assumes that each department head knows best the functional capacity of their agency and can respond most accurately to specific questions about existing and future service demand and the costs associated with the extension of services.

All municipal departments were analyzed to determine the extent of the affect of annexation. The Police, Fire, Public Works, Administration, Parks and Recreation and Community Development departments were identified as being affected by the annexation of new territory. The affect on some of these departments was determined to be minimal and are likely to create no demand for additional personnel and associated expenditures. It can therefore be assumed that these departments are characterized by an excess service capacity, and that the area proposed for annexation will not affect the workload of these departments or cause the need for additional expenditures associated with the provision of services. The existing levels and costs of service provision for each department are outlined below:

A. Police Department

The 29 uniformed officers of the Town of Westfield Police Department provide the citizens of Westfield with public safety and emergency response service throughout the corporate limits of the Town. The individual services include: neighborhood patrols for the prevention of crime; detection and apprehension of criminal offenders; resolution of domestic disputes; anti-crime and anti-drug public education; traffic control and accident reporting; and the creation and maintenance of a general feeling of security and safety throughout the community.

The services provided by the Police Department vary in their individual requirements for personnel and financial resources and are subject to annual review and approval by the Westfield Town Council.

Annual Operating costs associated with the addition of 1 uniformed police officer include salary, overtime pay, holiday pay, clothing and uniform allowance, health insurance, training, pension benefits and administrative overhead.

Capital one time costs associated with the addition of 1 uniformed police officer include a patrol vehicle and related equipment. These costs have been factored together to arrive at necessary service level increases for various areas under consideration for annexation.

The area identified for annexation includes 234 acres and an estimated population of 120 persons. The Town of Westfield will provide police service to the proposed annexation area upon the effective date of annexation through the extension of an existing patrol area.

Provisioning of planned service of a non capital nature within one year.

The services can be provided for the annexed area with existing personnel. Any additional cost for overtime for police officers in the amount of \$15,000 can be accommodated with the existing budget.

Provision of planned services of a capital improvement nature within three years.

Any additional capital requirements can be accommodated in future budgets through the annual budgeting process.

B. Fire Department

The 51 firefighters and EMS personnel employed by the Town of Westfield Fire Department respond to fire emergencies, chemical and hazardous material spills, and general life safety emergencies through the corporate limits of Westfield and through the remainder of Washington Township, Hamilton County. The personnel of the Fire Department are assigned to two (2) fire stations located on Dartown Road and 151st Street, respectively. Each station is the primary respondent to emergencies within its assigned geographical area. Secondary response is provided by personnel and equipment by volunteer and paid city and Town fire departments in adjacent communities.

The existing Fire Department currently has the entire responsibility for services throughout Washington Township; therefore, the annexation of this new territory will not change the impact or the need for additional personnel.

Current costs associated with fire services in Washington Township, where operating costs and capital costs have been calculated at \$173 per person.

Provisioning of planned service of a non capital nature within one year.

The services can be provided for the annexed area with existing personnel because current services already serve the entire township.

Provision of planned service of a capital nature within three years.

The capital services required for future growth in the fire services for Washington Township will be managed through the annual budgeting process.

C. Public Works - Street Department

The street department of the Town of Westfield is part of the Public Works Department and has responsibility for the maintenance and upkeep of all streets and public rights-of-way within the Town limits of Westfield. Maintenance activities include potholes and curb repair, mowing of weeds and other vegetation, street sweeping, sign maintenance and replacement, pavement striping, and snow removal. It is also responsible for reconstruction of sidewalks and removal of dead or damaged trees from Town rights-of-way.

Other responsibilities include resurfacing and reconstruction of all public roads with the exception of the roads falling under the jurisdiction of the Indiana Department of Transportation or the Hamilton County Highway Department. These operations are primarily funded from the Motor Vehicle Highway (MVH) fund, the Local Road and Street Fund (LR&S), and the Road and Street Improvement Fund.

There are approximately 2,700 lineal feet of public roads proposed in the annexation area. These roads include parts of the following named roads: Wheeler Road; North Tomlinson Road; 181st Street; Springmill Road; Mule Barn; Casey Road; Eagletown Road Centennial Road Joliet Road Hamilton Boone Road.

Provisioning of planned service of a non capital nature within one year.

The street department services can be provided for the annexed area with existing personnel with possible overtime expenditure not to exceed \$10,000. This additional expenditure can be accommodated within the current budget.

Provision of planned service of a capital nature within three years.

The capital services required for the new area will be achieved through increased MVH and LR & S funds received through the expanded road mileage formulas that result in funds from the State. Road improvements are evaluated each year and the new annexed area would be in that annual review process for consideration of improvements.

D. Public Works Department - Water and Sewer Services

The Westfield Public Works department is responsible for the operation of the Water and Wastewater works for the Town of Westfield. Services for both water and sewer are provided within the corporate limits and into portions of Washington Township.

The proposed area for annexation is currently not served by Town water and sewer service and would have to be provided within the three (3) year capital service requirements.

Utility Service

The Town of Westfield will provide access to sewer and water utility service for any proposed development, with the costs for connecting to that utility service to be borne by the developer/owner, in accordance with the policies and fee structure set forth by the Westfield Town Council.

The development policies of the Town of Westfield and the Westfield Washington Advisory Plan Commission have required developers to install sewer and water utilities within their developments for the vast majority of developed sites in the Township for many years. In most cases, the developer installs such infrastructure and then adds this cost to the price of the developed parcel. This means that the cost of such infrastructure is paid by each individual property owner. However, in some cases, based upon the specific request of the developer or owner, the development has been allowed to proceed without utility connections.

The Town's policy for utility connection shall be that the developer or owner may choose not to connect the proposed development to the municipal utility systems, and thus avoid the immediate cost of said connection. However, *when utility connections are later required, for whatever reason, the system of fees and charges promulgated by the Westfield Town Council shall apply to that utility connection.* In this manner, the cost of installation of utility infrastructure is equitable to all property owners within the service area of the utility, whether the owner decides to connect to the utility systems when the development first occurs, or whether the owner decides to connect at some later date. The Town currently has a method for allocating the cost of utility connections in a manner which is favorable to the property owners.

The Town also reserves the right to consider other options for providing utility services when working with proposed annexation areas. Options which may be considered include, but are not limited to: payment plans, enlargement of payment periods, discounts, Barrett Law funding, bonds, inter-local agreements and BOT agreements.

Municipal Water Utility

The municipal water utility provides potable water service to properties within the service area of the water utility and in many cases outside of the corporate limits of the municipality. The municipal water utility technically provides the service of pumping water from the water source, treating the water to some level, distributing the water into the system of municipal water lines, storing the water for peak demand and fire protection purposes, and maintaining the system, in its entirety. This policy states that the water utility meets the parameters of providing access to water utility service, to a property, when a municipal water distribution line is within the distributive area of a main trunk line or lateral line. When water lines are already developed with respect to a specific property, the water utility is made directly available to that property when a water line is located within 300 lineal feet of the nearest property line of the developed parcel. Water utility service and connection costs are handled in a manner similar to that of the wastewater utility.

In some cases, property owners have not connected their property to the municipal water system and use private water sources (primarily wells) instead. This election is made by the property owner in accordance with the development standards of the property at the time of the original development. The municipal water system also extends beyond the corporate limits of the municipality and service is provided to property in unincorporated areas. The water utility is administered by the Westfield Town Council who is responsible for recommending user charges to the legislative body of the municipality for implementation. The legislative body of the municipality may consider changes to the user charge system to reflect special situations, as well as changes in policy with regard to the type of customer and/or the location (inside or outside of the corporate limits of the municipality).

The policy of providing municipal water service is not to be construed as being “free” in any respect, and these costs are certainly not covered by property taxes. The water utility is supported by a system of user charges which is administered by the Westfield Town Council. In addition, the development policies and standards of the municipality require the developer or owner to pay any capital costs associated with the extension of water distribution facilities into any proposed development. The major capital expenditures covered by the water utility (outside of the service extensions afforded by the developers) are the capital cost of constructing and maintaining water pumping and treatment and storage facilities. These are paid either directly or indirectly through the utility’s user charge system. The cost of extending distribution lines is to be borne by the property owner or developer.

Property tax revenues are not a part of the water utility budget. The water utility sets a system of user charges which are generally paid on a monthly basis. Those user charges cover both the capital and operating costs of the water utility. In addition to monthly service charges, the water utility may consider and/or establish a system of fees or other services such as various

connection fees, or supplemental fees for special facilities installed to meet the needs and demands of customers. The water utility is also subject to some regulatory requirements which are administered at the State and Federal level. As such, the system of fees and charges must be adjusted from time to time to remain current with regulatory and other requirements.

Fire Hydrants

Fire hydrants are generally supported by the user charge system of the water utility. As stated with regard to other services, the municipality may seek changes in the system of revenues used to pay for such services; however, at this time the policy of the Town is that the developer of the site – without regard to the nature of the development – is responsible for installing the fire hydrants necessary to protect the proposed development from catastrophic fire.

Municipal Wastewater Utility

The municipal wastewater utility provides access to wastewater collection, treatment and disposal service to all properties within the corporate limits of the municipality. This policy states that the municipality meets the parameters of providing access to municipal wastewater service when the parcel is within the drainage watershed of a major interceptor, trunk or lateral sewer *which ultimately delivers wastewater to the municipal wastewater treatment plant*. In cases where sewer laterals are made available to developed parcels, the standard for service is met when a municipal sewer is located within 300 lineal feet of the nearest property line of the parcel.

In some cases, property owners have chosen not to connect their development to the municipal sewer system and use private wastewater disposal facilities (primarily septic tanks), instead. This decision is based purely upon the owner's election and the development standards of the original property development. As noted above, the general policy of the Town is that the developer pays the cost of installing wastewater utility service in accordance with the schedule of fees and charges in effect at that time, and then adds that cost to the price of the developed parcel. In this manner, the property owner ultimately pays for the cost of the wastewater utility connection.

In the case of developers or owners who elect not to pay the cost of wastewater utility connections for whatever reason, it is the policy of the Town of Westfield to respect that decision. However, when those private wastewater facilities become dysfunctional, it is the policy of the Town of Westfield to provide such wastewater utility connections at the capital expense of the owner, and in accordance with the schedule of fees and charges set forth by the Westfield Town Council at the time the work is undertaken. In this manner, the provision of wastewater utility services is equitable to all property owners.

The municipal wastewater system extends beyond the corporate limits of the municipality and municipal wastewater service is provided to property in unincorporated areas. The wastewater utility is also administered by the Westfield Town Council which is responsible for developing and recommending a system of user charges for implementation. These user charges must cover the cost of both capital and operations of the wastewater utility. The municipality

may consider changes to the user charge system to reflect special situations, as well as changes in policy with regard to the type of customer or the location (inside or outside of the corporate limits of the municipality).

The policy of providing municipal wastewater service is also not to be construed as being “free” in any respect, and the costs of such services are certainly not covered by property taxes. The wastewater utility is supported by a system of user charges which is administered by the Westfield Town Council to cover both capital and operating expenses, in cooperation with the municipality. Property tax revenues are not a part of the wastewater utility budget. The development standards of the municipality are such that the capital cost of wastewater utility services are afforded by the developer as part of the development of the property (and that cost is ultimately passed on to property owners). In addition to monthly service charges, the wastewater utility has established a system of fees for other services such as various connection fees, and/or supplemental fees for special facilities installed to meet the needs and demands of various customers. The cost of extending distribution lines is to be borne by the property owner or developer. The wastewater utility is also subject to regulatory requirements which are administered at the State and Federal level. As such, the system of fees and charges must be adjusted from time to time to remain current with regulatory and other requirements.

Wastewater utility services which are within the wastewater service area of the Town of Westfield will be extended to any property desiring wastewater services and charges for the capital and non-capital cost of extending these wastewater services will be paid by the property owner in accordance with the approved schedule of rates and charges of the wastewater utility, and in accordance with approved annexation policies of the Town. Currently, private developers install the local collector sewers as part of their development cost and pay access, as well as, capacity fees for the interceptor and treatment plant costs.

E. Parks and Recreation

The Westfield Parks and Recreation services are funded out of the Parks budget with the Town of Westfield. The inventory of facilities include: Quaker Park, Simon Moon Park, Asa Bales Park, Liberty Park, Hadley Park and Freedom Trail. These parks and recreation operations are supported by the Town’s General Fund. The proposed annexation is not anticipated to have an appreciable affect on exiting park facilities and no additional costs for this function are anticipated.

Provisioning of planned service of a non capital nature within one year

The services can be provided for the annexed area with the existing budget.

Provision of planned service of a capital nature within three years

The capital services required for future growth in parks will be accomplished through the annual budgeting process.

F. Clerk-Treasurer

The Clerk-Treasurer of the Town of Westfield is responsible for the maintenance of all town records.

Provisioning of planned service of a non capital nature within one year.

The services can be provided for the annexed area with exiting personnel

Provision of planned service of a capital nature within three years.

The capital services required for this department can be accomplished through the annual budgeting process.

G. Community Development Department

Planning Division

The Planning Division of Community Development is responsible for all of the planning and zoning support for the Advisory Plan Commission and the Board of Zoning Appeals. These responsibilities currently involve all of Washington Township; therefore, no service level increases are expected for this department with respect to the proposed annexation area.

Provisioning of planned service of a non capital nature within one year.

The services can be provided for the annexed area with exiting personnel who already serve the entire Township area.

Provision of planned service of a capital nature within three years.

The capital services required for this department can be accomplished through the annual budgeting process.

Code Enforcement Division

The Code Enforcement Division of Community Development is responsible for all of the code and ordinance enforcement within the Town of Westfield corporate limits. No service level increases are expected for this department with respect to the proposed annexation area.

Provisioning of planned service of a non capital nature within one year.

The services can be provided for the annexed area with exiting personnel who already serve the entire Town area.

Provision of planned service of a capital nature within three years.

The capital services required for this department can be accomplished through the annual budgeting process.

Building Division

The Building Division of Community Development processes building permits throughout all of the Washington Township, Hamilton County area. It conducts inspections on new buildings and unsafe structures. Since this department currently functions throughout the entire Township, no service level increases are expected for this department with respect to the proposed annexation.

Provisioning of planned service of a non capital nature within one year.

The services can be provided for the annexed area with exiting personnel, who already serve the entire Township.

Provision of planned service of a capital nature within three years.

The capital services required for this department can be accomplished through the annual budgeting process.

Financial Summary and Recommendations

The area proposed for annexation has been researched and analyzed in accordance with the terms of the Indiana Code, title 36, Article 4, Chapter 3.

A. Financial Summary

The primary source of revenue for the Town of Westfield is that which is received from property taxes and COIT (County Option Income Tax).

The net assessed valuation of all real property and its improvements within the area proposed for annexation is \$6,130,600.

As a result of additional population and road miles, the Town of Westfield also receives revenue from other sources that include Alcohol Gallonage Taxes, Cigarette Tax, Vehicle Excise Tax, MVH road miles tax, and LR& S road mile tax.

Assuming the annexation occurs prior to March 1, 2008; the property within the area proposed for annexation will then be entered into public record and assessed for taxation as an incorporated area.

Revenue received by the Town of Westfield from property assessed on or before March 1, 2008 will not be realized until May and November of 2009. The delay in the collection of property taxes will cause the Town to experience a cost of services from existing budgets due to the required provision of non-capital services in the first year following annexation (2008). To the extent that real costs exceed revenue as a result of this annexation, the Town of Westfield is prepared to use funds from other budgeted line items in order to assure that services required by State Statute are provide to the proposed annexation area.

The following tables show the net assessed valuation that would be achieved through the proposed annexation. This takes into account the exempt properties and the tax abatement applied to all of the other parcels.

With the exception of calendar year 2007, the Town of Westfield will accrue a net addition to budget line items that support the operating costs of the newly annexed area.

Estimated Net Assessed Valuation Table

| | 2007 | 2008 | 2009 | 2010 | 2011 |
|--------------------------|----------------|----------------|----------------|----------------|----------------|
| Total AV of Annexed Area | \$ 6,130,600 | \$ 6,130,600 | \$ 6,130,600 | \$ 6,130,600 | \$ 6,130,600 |
| Less AV Agr. (Exempt) | \$ (1,519,550) | \$ (1,519,550) | \$ (1,519,550) | \$ (1,519,550) | \$ (1,519,550) |
| Total AV Non-Agriculture | \$ 4,611,050 | \$ 4,611,050 | \$ 4,611,050 | \$ 4,611,050 | \$ 4,611,050 |
| Less Abatement | | \$ (3,458,287) | \$ (2,305,525) | \$ (1,152,762) | \$ - |
| Est. AV net of Abatement | | \$ 1,152,762 | \$ 2,305,525 | \$ 3,458,287 | \$ 4,611,050 |

Estimated Revenue and Expense Table

| | 2007 | 2008 | 2009 | 2010 | 2011 |
|------------------------|-------------|------------------|------------------|------------------|------------------|
| Revenue Sources | | | | | |
| COIT | \$ - | \$ 3,723 | \$ 7,447 | \$ 11,170 | \$ 14,894 |
| Property Tax Rev. | \$ - | \$ 4,899 | \$ 9,798 | \$ 14,697 | \$ 19,596 |
| Other Revenue | \$ - | \$ 1,745 | \$ 3,490 | \$ 5,235 | \$ 6,980 |
| MVH | \$ - | \$ 7,492 | \$ 14,984 | \$ 22,476 | \$ 29,968 |
| LRS | \$ - | \$ 3,655 | \$ 7,310 | \$ 10,965 | \$ 14,620 |
| TOTAL: | \$ - | \$ 21,515 | \$ 43,029 | \$ 64,544 | \$ 86,059 |
| Operating Costs | \$ 25,000 | \$ 26,000 | \$ 27,040 | \$ 28,122 | \$ 29,246 |
| Net Realized | \$ (25,000) | \$ (4,485) | \$ 15,989 | \$ 36,422 | \$ 56,812 |

Capital Services for Water

The total estimated cost to provide for water services to the annexed area is \$972,300. The anticipated connection fees (assuming the equivalent of three (3) units per acre) associated with the 234 acres of land would be \$1,567,560.

If the 234 acres would build out in 20 years, a conservative estimate, the recovery of connection fees over that time period would provide an income stream of approximately \$78,380 annually to support the bond payments on a \$972,300 bond issue.

In addition, annual user fees for service would add another \$185,330 per year once the area is completely built out.

This evaluation indicates that the Town of Westfield could provide these services to the annexed area.

Capital Services for Wastewater

The total estimated cost to provide for wastewater services to the annexed area is \$1,599,155 the anticipated connection fees (assuming three (3) units per acre) associated with the 234 acres of land would be \$2,873,245.

If the 234 acres would build out in 20 years, a conservative estimate, the recovery of connection fees over that time period would provide an income stream of approximately \$156,930 annually to support the bond payments on a \$2,873,245 bond issue.

In addition, annual user fees for service would add another \$314,595 per year once the area is completely built out.

This evaluation indicates that the Town of Westfield could provide these services to the annexed area.

Recommendation

SR 32 North Annexation is recommended for annexation due to its conformity with the Indiana State Statutes governing annexation by a municipality, as noted below. The effective date of the annexation is expected to be 90 days following its passage and publication as required by law. Pursuant to I.C. 36-4-3-1.5, the area proposed for annexation is at least one-fourth contiguous to the existing corporate limits of the Town of Westfield. Furthermore, this report has established a plan and cost estimate for the provision of municipal services to the area proposed for annexation and outlined provisions for the following, pursuant to IC 36-4-3-13(d).

1. The cost estimates of planned services to be furnished to the area proposed for annexation;
2. The method or methods of financing the planned services;
3. The plan for the organization and extension of planned services;
4. The provision of planned services of a non-capital nature within one (1) year of the effective date of the annexation; and,
5. The provision of planned services of a capital improvement nature within three (3) years of the effective date of the annexation

**Legal Description
SR 32 North Annexations**

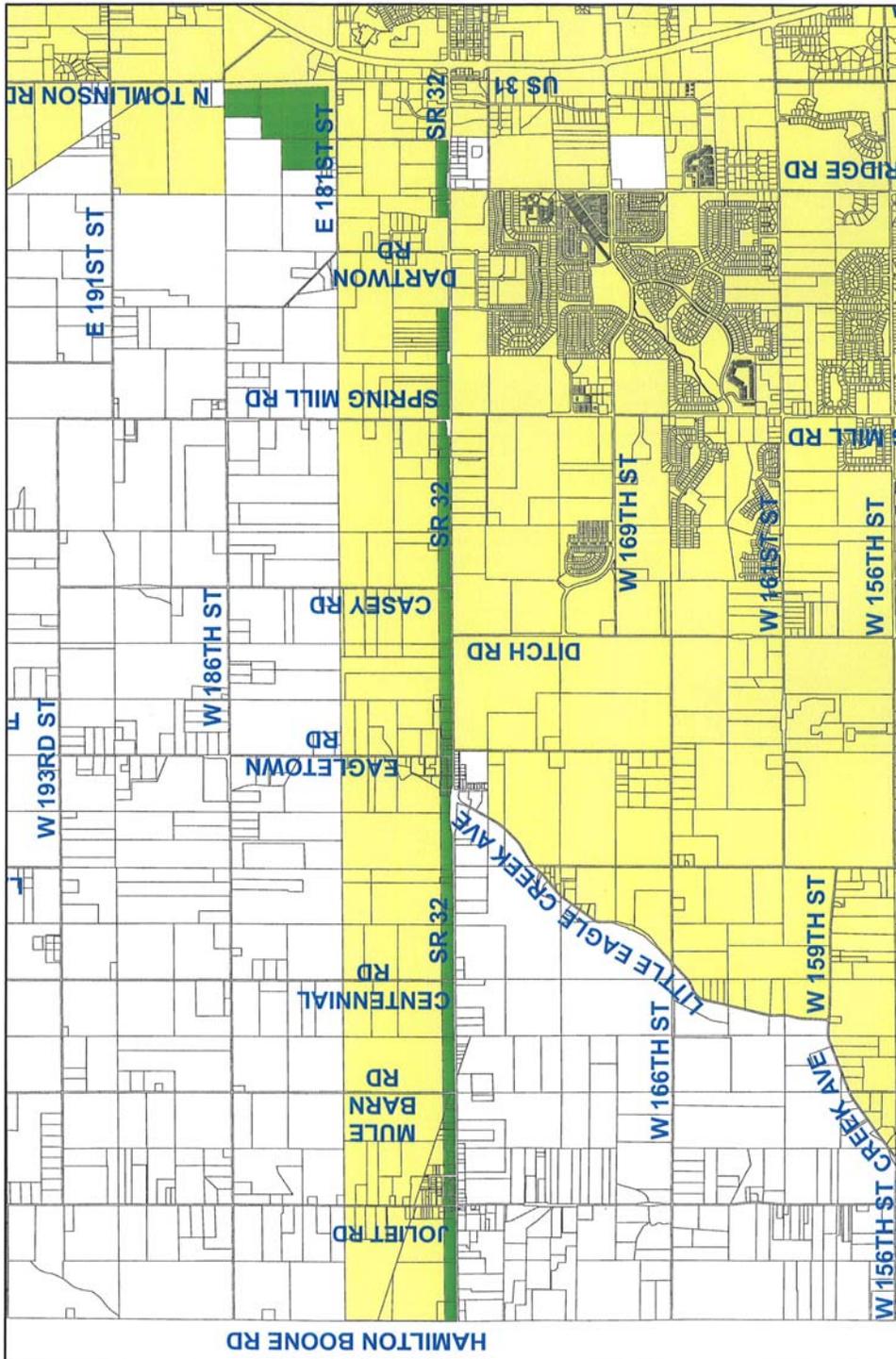
DRAFT

Feasible Timeline for Town of Westfield SR 32 North Annexations

| | | |
|-------------------|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Day 1 | 10-08-2007 | Council introduces annexation ordinance; Approves resolution adopting "Draft" fiscal plan |
| Day 1 | 10-08-2007 | Notice of public hearing delivered to local newspaper; Notice of public hearing sent to property owners by certified mail |
| Day 4 (3 days) | 10-12-2007 | Notice of public hearing published in local newspaper (one time) published at least 60 days before the public hearing; Also posted at Town Hall. |
| Day 67 (63 days) | 01-14-2008 | Council conducts public hearing on annexation; Must be at least 60 days after published notice of hearing |
| Day 107 (40 days) | 03-10-2008 | Council approves annexation ordinance no sooner than 30, but before 60 days |
| Day 108 (1 day) | 03-11-2008 | Copy of annexation ordinance delivered to local newspaper for publication |
| Day 109 (1 day) | 03-12-2008 | Copy of annexation ordinance published in local newspaper one time (commences 90 day remonstrance period) |
| Day 199 (90 days) | 07-16-2008 | Annexation becomes effective; Town records ordinance with County Recorder; Town files copy of ordinance with Secretary of State, County Board of Voter Registration, Circuit Court Clerk, and County Auditor |
| | | |

EXHIBIT "A" Property Identification

Exhibit A



Legend

- 121 Parcels To Be Annexed
- Parcels
- Westfield Corporate Limits



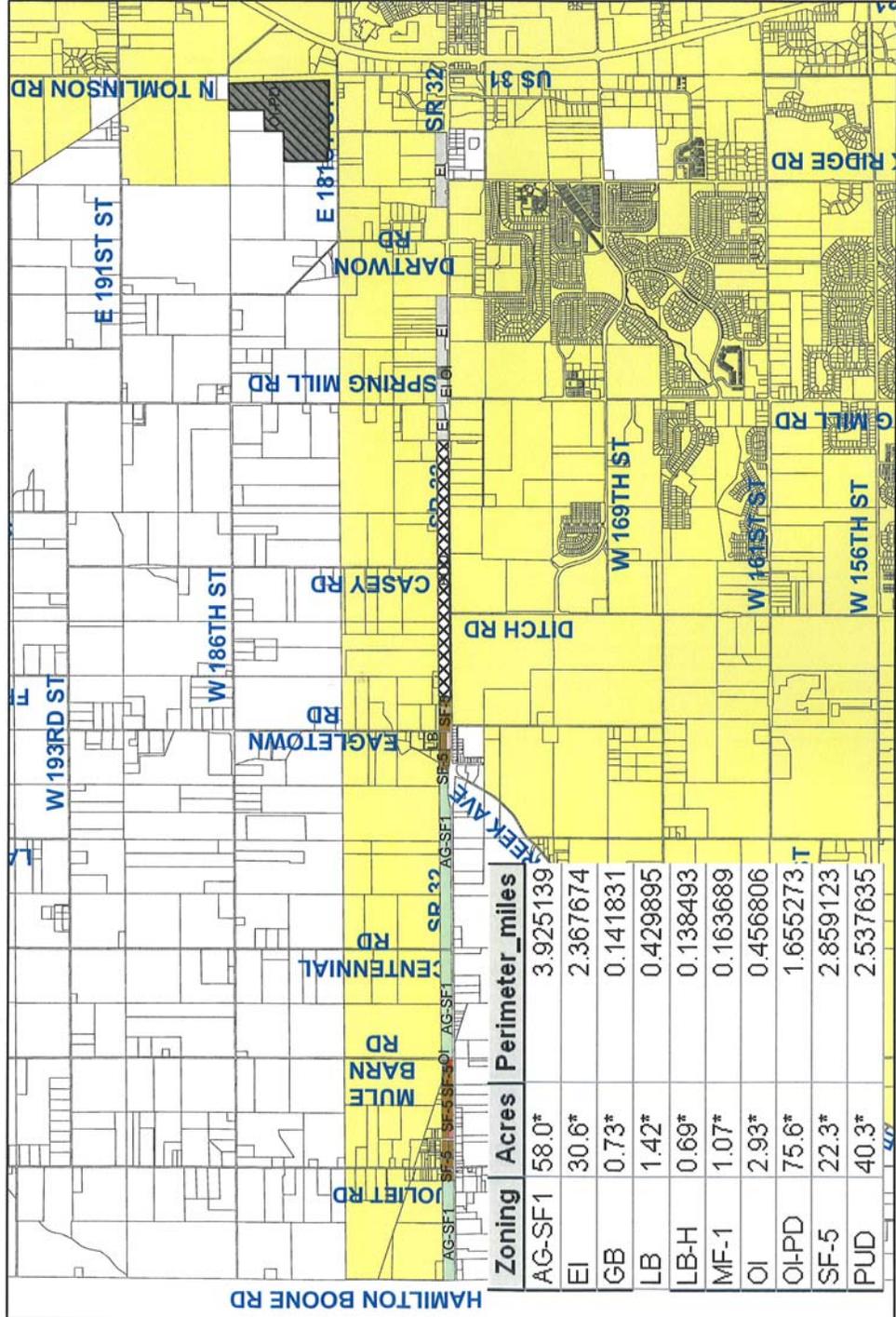
Exhibit A
Page 2

| FmtPrcIno | Acres_Cal | Perimeter_Miles |
|------------------------|-----------|-----------------|
| 08-05-33-04-01-004.002 | 0.015593 | 0.022536 |
| 08-05-33-03-03-002.000 | 0.039934 | 0.039238 |
| 08-05-31-04-02-015.000 | 0.046586 | 0.042334 |
| 08-05-31-03-01-014.000 | 0.055876 | 0.038657 |
| 08-05-31-03-01-012.000 | 0.073332 | 0.053812 |
| 08-05-31-04-05-003.000 | 0.077161 | 0.043928 |
| 08-05-33-04-01-004.001 | 0.087154 | 0.088497 |
| 08-05-33-04-01-001.001 | 0.104509 | 0.093051 |
| 08-05-31-04-05-004.000 | 0.107543 | 0.052028 |
| 08-05-31-03-01-010.001 | 0.112075 | 0.112801 |
| 08-05-31-03-01-013.000 | 0.118505 | 0.063546 |
| 08-05-33-03-03-009.000 | 0.127057 | 0.057302 |
| 08-05-31-04-05-007.000 | 0.14766 | 0.065757 |
| 08-05-31-04-05-008.000 | 0.14766 | 0.065757 |
| 08-05-31-04-02-014.000 | 0.15883 | 0.077575 |
| 08-05-31-04-05-005.000 | 0.158955 | 0.067311 |
| 08-05-31-04-02-011.000 | 0.182163 | 0.070597 |
| 08-05-33-03-04-003.000 | 0.18376 | 0.070001 |
| 08-05-31-04-02-013.000 | 0.187796 | 0.075666 |
| 08-05-33-03-04-001.000 | 0.200538 | 0.079956 |
| 08-05-33-03-02-003.000 | 0.202157 | 0.168043 |
| 08-05-31-04-06-007.000 | 0.202601 | 0.074589 |
| 08-05-33-03-03-008.000 | 0.208845 | 0.073399 |
| 08-05-31-04-05-002.000 | 0.209998 | 0.07713 |
| 08-05-33-03-03-007.000 | 0.212086 | 0.073668 |
| 08-05-33-03-03-006.000 | 0.212118 | 0.073674 |
| 08-05-33-03-02-012.000 | 0.212133 | 0.073677 |
| 08-05-33-03-02-013.000 | 0.212146 | 0.073679 |
| 08-05-31-04-06-009.000 | 0.212146 | 0.073679 |
| 08-05-31-04-06-009.000 | 0.215123 | 0.076216 |
| 08-05-33-03-02-010.000 | 0.21593 | 0.074236 |
| 08-05-33-03-04-002.000 | 0.221292 | 0.075363 |
| 08-05-33-03-02-009.000 | 0.235888 | 0.077176 |
| 08-05-33-04-01-007.000 | 0.238518 | 0.078954 |
| 08-05-33-03-02-005.000 | 0.250007 | 0.081251 |
| 08-05-33-03-02-004.000 | 0.250007 | 0.081251 |
| 08-05-33-03-02-006.000 | 0.250007 | 0.081251 |
| 08-05-33-03-03-005.000 | 0.250007 | 0.081251 |
| 08-05-33-03-02-007.000 | 0.25366 | 0.081708 |
| 08-05-33-03-02-008.000 | 0.278011 | 0.084752 |
| 08-05-31-04-06-008.000 | 0.280397 | 0.084627 |
| 08-05-33-04-01-008.001 | 0.282411 | 0.119583 |

| FmtPrcIno | Acres_Cal | Perimeter_Miles |
|------------------------|-----------|-----------------|
| 08-05-31-04-02-012.000 | 0.327193 | 0.091884 |
| 08-05-31-04-05-009.000 | 0.330583 | 0.09091 |
| 08-05-33-04-01-005.000 | 0.349012 | 0.105722 |
| 08-05-33-04-01-006.000 | 0.349125 | 0.105737 |
| 08-05-31-04-05-006.000 | 0.362567 | 0.095308 |
| 08-05-31-03-01-011.000 | 0.367181 | 0.096292 |
| 08-05-33-04-01-004.000 | 0.368025 | 0.117084 |
| 08-05-33-03-03-003.000 | 0.405401 | 0.101664 |
| 08-05-33-03-03-004.000 | 0.405675 | 0.101704 |
| 08-05-31-04-06-012.000 | 0.408531 | 0.101303 |
| 08-05-34-00-00-022.001 | 0.481308 | 0.133618 |
| 08-05-31-04-06-010.000 | 0.507716 | 0.11277 |
| 08-05-31-04-02-010.000 | 0.536871 | 0.137277 |
| 08-05-31-04-06-020.000 | 0.5489 | 0.121647 |
| 08-05-35-00-00-027.001 | 0.606988 | 0.141118 |
| 08-05-35-00-00-025.000 | 0.614753 | 0.141522 |
| 08-05-33-04-01-008.000 | 0.627448 | 0.128154 |
| 08-05-35-00-00-028.004 | 0.630081 | 0.142517 |
| 08-05-35-00-00-028.001 | 0.650235 | 0.143834 |
| 08-05-31-04-06-016.000 | 0.67705 | 0.144807 |
| 08-05-35-00-00-028.005 | 0.687586 | 0.145965 |
| 08-05-33-04-01-003.000 | 0.702676 | 0.140584 |
| 08-05-33-00-00-011.001 | 0.716154 | 0.148652 |
| 08-05-31-04-06-021.000 | 0.73097 | 0.141831 |
| 08-05-35-00-00-014.000 | 0.747674 | 0.152009 |
| 08-05-33-00-00-011.001 | 0.748119 | 0.206966 |
| 08-05-31-04-05-001.000 | 0.752747 | 0.14896 |
| 08-05-33-04-01-001.000 | 0.77116 | 0.269413 |
| 08-05-31-04-06-013.000 | 0.773673 | 0.139702 |
| 08-05-35-00-00-026.000 | 0.814205 | 0.153431 |
| 08-05-32-00-00-014.000 | 0.856494 | 0.1549 |
| 08-05-31-04-06-017.000 | 0.878273 | 0.156924 |
| 08-05-31-04-06-005.000 | 0.884064 | 0.205234 |
| 08-05-31-04-06-018.000 | 0.93176 | 0.160183 |
| 08-05-35-00-00-024.001 | 1.027778 | 0.166114 |
| 08-05-31-03-01-015.000 | 1.032295 | 0.178495 |
| 08-05-33-04-01-002.000 | 1.051062 | 0.163659 |
| 08-05-33-00-00-010.000 | 1.074455 | 0.174307 |
| 08-05-31-00-00-012.000 | 1.07475 | 0.240904 |
| 08-05-34-00-00-023.004 | 1.102071 | 0.170671 |
| 08-05-32-00-00-013.001 | 1.12276 | 0.170865 |

EXHIBIT "B" Zoning Breakdown

Exhibit B - Zoning Breakdown



Legend

- AG-SF1
- EI
- GB
- LB
- LB-H
- MF-1
- OI
- OI-PD
- PUD
- SF-5
- Parcels
- Westfield Corporate

GIS

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