
Indiana Farm Bureau
Agricultural Land Use & Zoning School

Annexation

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Topics We'll Cover

- What Annexation Is & Is Not
- Why Annexation
- Types of Annexation
- Contiguity
- Remonstrance Waivers
- Fiscal Plan
- Timing/Process
- Remonstrance Petitions

Annexation

- Unincorporated vs. Incorporated
- City/Town Services
- City/Town Government

Annexation Does Not:

- Remove Property from County or Township
- Impact School Boundaries
- Impact Right to Farm

Property Taxes

- Adds Municipal Tax Layer
 - » County
 - » Township
 - » Schools
 - » Library
 - » City/Town
- But: Agricultural Exemption
- But: Tax Caps: 1%/2%/3%

Why Annex?

- Past Development Impact
- Future Development Impact
- Services

Why Annex?

- *Cities without Suburbs* (Rusk, David; 4th Ed. 2013)
 - “elasticity” – ability to annex adjacent urban areas
 - Has a profound impact on population growth, racial disparities, income and poverty levels, municipal and regional fiscal health, and reliance on state resources

3 Types of Annexations

- Super-Voluntary = 100% petition
- Voluntary = 51% owners / 75% of AV petition
- Involuntary = everything else

Contiguity

- Generally - $1/8^{\text{th}}$
- Calculate
 - Numerator – area adjacent
 - Denominator – entire annex boundary

Fiscal Plan

- Capital Services – 3 Years
- Non-Capital Services – 1 Year
- Estimate Fiscal Impact

Remonstrance Waivers

- Contracts Agreeing to Annexation
 - Typically for Sewer Connection
- 15 Years
 - Constitutional Challenge

Timing

- Super-Voluntary – relatively short
 - 3 Council Meetings
- Everything else – longer process

Full Process

- Notices
- Public Outreach Meetings
- Introduce Ordinance & Adopt FP
- Notices
- Public Hearing
- Adoption Meeting
- Notices
- Remonstrance Petition Process

Remonstrance Petitions

- 90 Days
- County Auditor Role
- Thresholds
 - 65% (80% AV) – Not Annexed
 - 51% (60% AV) – Trial
 - Less than 51% - Annexed

Concluding Considerations

- Agricultural Exemption & Tax Caps
- Need for Services
- Regional Health

Questions?

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