

Frequently Asked Questions about the potential annexation of Aberdeen by the City of Valparaiso

- 1. What is annexation?** Annexation is the process where a city or town incorporates areas outside its corporate boundaries into the city or town. For the most part, annexations are at the request of the property owner. With the exception of a few homes in the Heather and Prairie neighborhoods that are in Union Township, all residents of Aberdeen live in unincorporated Porter County within Center Township – not within Valparaiso. The fact that Aberdeen homes include Valparaiso in their addresses does not mean Aberdeen residents are Valparaiso residents.
- 2. Is Valparaiso currently annexing Aberdeen?** No. Under current law, the City of Valparaiso cannot annex Aberdeen.
- 3. If that is the case, why is the issue of the City potentially annexing Aberdeen being discussed?** Aberdeen POA Board approached the Porter County Commissioners about road maintenance issues within Aberdeen. Although the County Commissioners were sympathetic, Aberdeen roads are not high on the County's priority list. During those conversations, it was suggested that Aberdeen consider contacting Valparaiso Mayor Matt Murphy. Aberdeen POA Board members and City officials have held some informal conversations and the City has conducted some preliminary analysis as to the infrastructure maintenance needs/costs for both the public and private roads within Aberdeen. It was determined that before the City engages in more comprehensive and costly analysis to determine whether an annexation could make financial sense to both parties, the City would seek to have Indiana law change to allow the annexation.
- 4. Has the law been changed?** No. Although legislation is pending that would allow an annexation of Aberdeen to occur under certain conditions.
- 5. If the law is changed, does that mean Valparaiso can annex Aberdeen?** No. The City has been clear that it is only interested in pursuing an amicable annexation that makes financial sense. As a general rule, older subdivisions are not ideal for annexations. There are often greater financial needs, deferred maintenance, and ongoing costs of providing municipal services that exceeds the tax revenue.
- 6. How would the annexation process work?** If the current legislation is approved, the City will conduct a more comprehensive infrastructure review and

financial analysis. In addition to calculating the cost to provide municipal services, the City would calculate the additional taxes **to each property owner**. If the Aberdeen POA Board votes to move forward, an annexation would be considered by the Valparaiso City Council. If the City Council is receptive, the City would conduct public meetings at both City Hall and at locations within Aberdeen to review the financial analysis and answer resident questions. Once the public meetings are concluded, the City Council could (but is not required) to move forward and formally annex Aberdeen.

7. **If an annexation happened, would that mean the City is taking over the golf course and/or community pool?** No. Both the golf course and community pool are owned and operated by the Aberdeen POA.

8. **Will real estate taxes increase.** Likely. For the additional municipal services, residents do pay additional taxes; however, the increase may not be significant. Under Indiana law, the maximum amount of real estate taxes a residential property owner can pay is 1% of the property's assessed value. Some homes in Aberdeen may be close to that cap – so the actual increase will be modest. As part of the City's conversations with the Aberdeen POA Board, it was agreed that prior to any annexation, the actual increase to each property owner would be calculated and shared.

9. **Would Aberdeen POA fees be reduced?** Likely. Although the City does not control the Aberdeen POA annual budget, with the elimination of snow removal, street maintenance, and trash pickup (among other expenses), POA fees would be reduced.

10. **What are the next steps?** On February 17, City representatives will attend the Aberdeen Property Owners Association meeting. If you have any initial questions, please email **Sam Camp (scamp@valpo.us)** and the City will be prepared to respond.