



March 18, 2019

RE: White River—Rocky Ripple Flood Control Improvement District

Dear Property Owner:

Following a public hearing on February 27, 2019 and technical presentations at a public meeting on March 13, 2019, the Indianapolis Board of Public Works adopted a resolution recommending the establishment of the White River—Rocky Ripple Flood Control Improvement District, pursuant to Indiana Code 36-7-15.6. You are receiving this notice because you are a property owner within the proposed district. Enclosed with this notice is a map illustrating the boundaries of the proposed district, a description of the proposed flood control works, and a general information page regarding flood control improvement districts.

The recommendation to establish the proposed district now moves to the Metropolitan Development Commission of Marion County (the "MDC") for consideration. If the MDC adopts a declaratory resolution to establish the proposed district, the proposal will then go to the Indianapolis-Marion County City-County Council for consideration. If the Council approves of the MDC's resolution, the matter will then go back to the MDC for adoption of a confirmatory resolution creating the district. As a property owner within the proposed district, you may participate in the public hearing process before both the MDC and the Council. Public hearings are expected on the schedule below, though dates and locations are subject to change.

Acting Body	Date/Time/Location**	Proposed Action
Council Public Works Committee	April 18, 2019 at 5:30 P.M. Room 260, CCB	Public hearing of Council proposal approving the MDC's declaratory resolution
Metropolitan Development Commission	May 15, 2019 at 1:00 P.M. PAR, 2 nd Floor, CCB	Public hearing and vote on confirmatory resolution establishing the proposed District
**Abbreviations: PAR = Public Assembly Room; CCB= City-County Building, located at 200 E Washington Street, Indianapolis		

With questions about this process, please contact Ben Easley at ben.easley@indy.gov or 317-327-2315.

Respectfully,

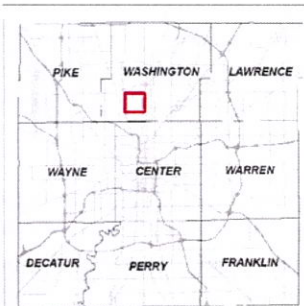
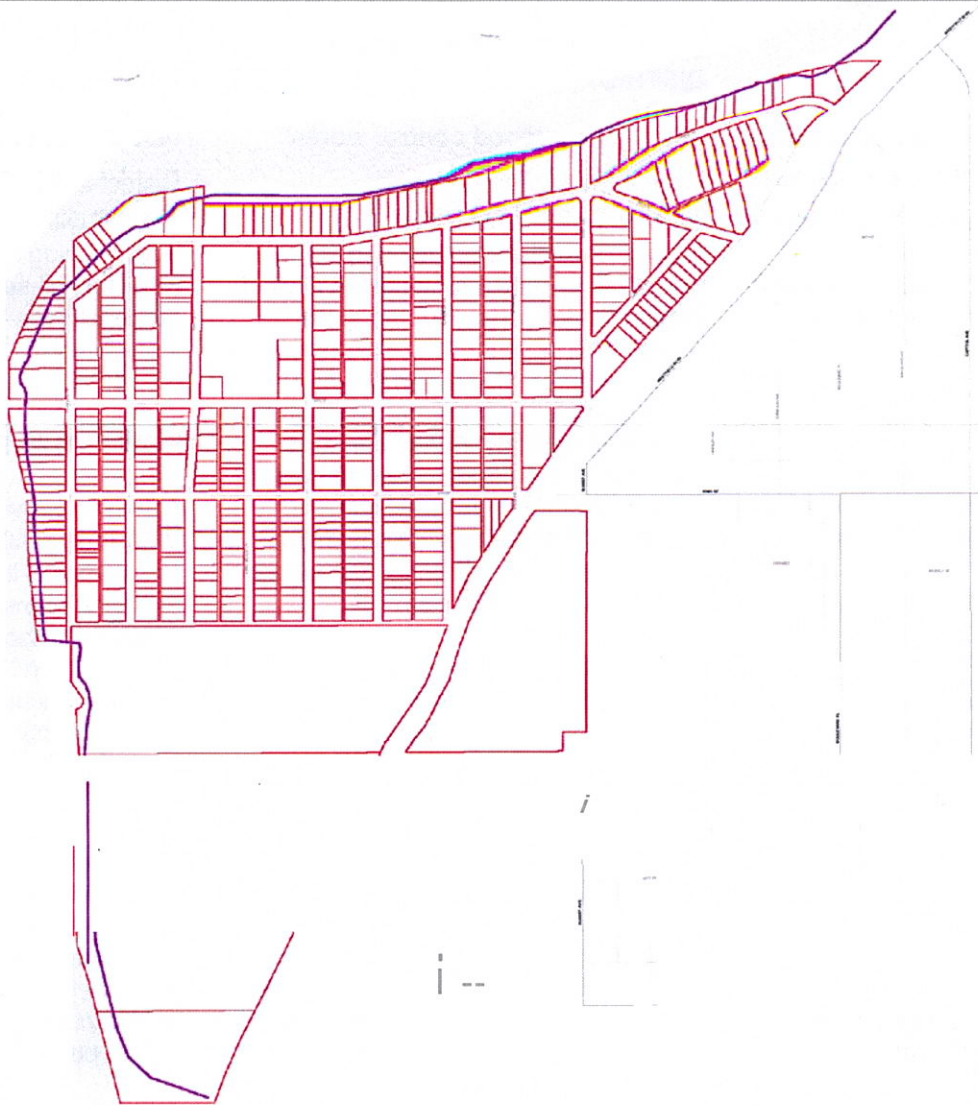
Daniel Parker
Director

Melody Park, P.E.
Deputy Director/Chief Engineer

WHITE RIVER - ROCKY RIPPLE FLOOD CONTROL IMPROVEMENT DISTRICT

Marion County

Indianapolis, IN



Location Map

This map does not represent a legal document.
It is intended to serve as an aid in graphic representation only.
Information shown on this map is not warranted for accuracy or mechanicality.

- District Parcels Boundary (special flood hazard properties)
- Flood Control Works
- Interstate
- Thoroughfare Street
- Residential Street
- Trail
- Streams
- River / Reservoir





Senate Bill 368 Financing of Flood Control Improvements

THE NEED:

The City of Indianapolis faces a need to fund at least three significant local flood control projects using the City's stormwater fund, a source which cannot be sustainably expected to fund major flood control projects in the future.

THE PROBLEM:

Currently, the costs of local flood control projects (such as levees and dams) are covered through the City's stormwater fund, which is meant to finance all types of projects related to stormwater drainage. The same fund that covers flood protection projects also funds all other types of drainage projects, such as the installation or improvement of culverts, detention systems, hybrid ditches, and storm sewers. A backlog of stormwater drainage projects has existed since before the implementation of the stormwater fund in 2016, and many high-priority drainage issues are only now beginning to be addressed across the County. In addition, recent rain events, which have increased in severity, intensity, and frequency over the past several years, continue to expose drainage problem areas that were previously unforeseen.

In this context, it's become clear that funding flood control projects from the same source of revenue as other drainage projects is unsustainable. Over the next five years, \$37 million from the stormwater fund has been earmarked for local flood control projects. That's roughly 25% of the total stormwater funds being budgeted.

Local flood control projects are needed for the neighborhoods of Mars Hill, Rocky Ripple, and 96th & the White River. However, these three projects (and others across Indianapolis), while significant, do not rise to the level of federally financed flood control projects. They will have to be funded locally.

THE SOLUTION:

The best way to describe SB386 is in terms of a tax increment financing district for local flood control projects. The legislation is based on the theory that assessed values will increase in areas where property owners are no longer required to carry flood insurance. A portion of that newly created assessed value would be used by the Department of Public Works to finance the local flood control project within the flood control district.

However, there are several provisions of the bill that go a step beyond the typical TIF process:

SB368 includes an additional requirement for a public meeting that is placed on the Board of Public Works with a requirement that every property owner in the proposed district receives notification of the meeting and proposed flood control project. (Page 3, Line 8-29)

SB368 provides that, if after the public hearing the Board of Public Works elects to move forward with the flood control district, then every property owner in the proposed district will receive notification of the Board's plans for the flood control district and associated project. (Page 3, Lines 30-42)

SB368 provides that the flood control district cannot contain just any property, but only special flood hazard property which benefits from the flood control project. (Page 4, Lines 5-7)

Finally, SB368 provides that revenues captured within the flood control district may only be utilized to fund or maintain flood control works that benefit the district.

The City of Indianapolis will apply its TIF pass-through policy to flood control districts in the same proactive manner it does all other TIF districts within the City.

Total property tax rates for Indiana homeowners are capped at 1% of total assessed value. Property tax bills won't change as a direct result of a flood control district being created; the State and the City aren't raising taxes. The flood district concept is based on growth, similar to the concept behind the Midtown TIF.

FLOOD CONTROL IMPROVEMENT DISTRICTS

FREQUENTLY ASKED QUESTIONS



I received notice that my property is included in a proposed Flood Control Improvement District.
Now what?

WHAT IS A FLOOD CONTROL IMPROVEMENT DISTRICT?

In Marion County, the Indianapolis Board of Public Works ("BPW") can recommend that **Special Flood Hazard Properties** be included in a Flood Control Improvement District ("District") so that a portion of the property tax revenue generated by properties in the District may be directed toward the flood control measures from which they benefit.

The provision for Flood Control Improvement Districts became effective on May 1, 2018 with the adoption of Indiana Code IC 36-7-15.6.

WHAT IS A SPECIAL FLOOD HAZARD PROPERTY? (I DON'T PAY FLOOD INSURANCE.)

The Board of Public Works may recognize your parcel as a **Special Flood Hazard Property** if any part of the parcel is situated in a Special Flood Hazard Area, as defined by FEMA. This is separate from the federal FEMA mandate requiring flood insurance on some properties in the FEMA Special Flood Hazard Area. **There may indeed be Special Flood Hazard Properties included in a District that are not required by FEMA to carry flood insurance.**

IS THIS A NEW TAX?

This is not a new tax or assessment. You will not receive a new bill to pay. Rather, the designation allows the City to capture an incremental portion of future property tax growth within the District and redirect those taxes back into the District for flood control.

WHERE DOES THE MONEY COME FROM?

The Flood Control Improvement District concept is based on the long-standing concept of tax increment financing (TIF). If assessed values of District parcels change over time, the amount paid in property taxes also changes. Within the District, property tax revenue collected above the base amount (**set at the time the District is established**) may be used to pay for construction and maintenance of the District's "flood control works."

HOW CAN THE FUNDS BE USED? WHAT ARE THE DISTRICT'S FLOOD CONTROL WORKS?

The District's "**flood control works**" include the planning, design, construction, maintenance, and various operations of the flood control infrastructure which protects the District. District funds can pay for

CONTINUED ON PAGE 2

FLOOD CONTROL IMPROVEMENT DISTRICTS - FREQUENTLY ASKED QUESTIONS, *CONTINUED*

the study, design, and construction of infrastructure, or to reimburse the Marion County stormwater fund for money already spent on similar activities. Funds can also be spent on the ongoing maintenance of infrastructure. This could include the removal of debris from channels, enlarging streams, mowing river banks, repairing levee walls, etc.

A District's funds can only be directed to pay for the provision of flood control works of that specific District.

ARE THERE PROPERTIES THAT BENEFIT FROM THE DISTRICT'S FLOOD CONTROL WORKS, BUT THAT AREN'T INCLUDED IN THE DISTRICT?

Properties that have a FEMA-approved Letter of Map Amendment (LOMA) dated before January 1, 2018 will be excluded from a Flood Control Improvement District, even if they do benefit from the District's flood control works. Property owners with a LOMA may submit documentation to the BPW for review and removal from the District.

Similarly, properties that are already included in a separate Tax Increment Financing (TIF) district are to be excluded from a Flood Control Improvement District, according to state law.

WHAT IS THE PROCESS OF ESTABLISHING A FLOOD CONTROL IMPROVEMENT DISTRICT? AND HOW CAN I PROVIDE MY INPUT?

The Indianapolis BPW has the authority to propose the creation of a Flood Control Improvement District, defining boundaries and the flood control works. Upon holding a public hearing and receiving public comments, the BPW then may make a recommendation to the Metropolitan Development Commission ("MDC"). The MDC will also hold a public hearing and adopt a declaratory resolution, before referring the proposed District to the City-

County Council for consideration. The Council will receive public comments before acting upon the proposal. Finally, with Council approval, the District proposal goes back before the MDC for a confirmatory resolution to establish the Flood Control Improvement District.

HOW WILL I BE MADE AWARE OF THIS PROCESS?

At least 10 days before the event, the BPW must publish a notice in the local newspaper of its public hearing regarding the establishment of a District. The BPW must also mail each owner of a Special Flood Hazard Property within the proposed District a notice of the BPW public hearing, including information regarding the boundaries and flood control works of the proposed District.

Additionally, should the BPW make a recommendation to the MDC for establishment of a District, the BPW must again mail each District property owner a notice of this recommendation, including instructions on how to participate in the MDC's public hearing process.

WHEN WILL MY PROPERTY BE REMOVED FROM THE FLOOD ZONE? WHEN WILL THE FLOOD INSURANCE MANDATE BE DROPPED?

Both the mapping of flood zones as well as the mandate of properties with federally-backed mortgages to carry flood insurance are administered by FEMA. **The Department of Public Works ("Indy DPW") neither revises floodplain maps nor releases properties from the flood insurance mandate.**

However, on the completed construction of a flood control project, Indy DPW may submit documentation to FEMA requesting a change to its flood zone maps. On its own time line, FEMA may then review the project and accredit the map revision, at which point the flood zones would be redrawn and the flood insurance mandate would be lifted from affected properties.

FURTHER QUESTIONS?

WITH ADDITIONAL QUESTIONS FOR THE DEPARTMENT OF PUBLIC WORKS, CONTACT:

DPWEngineering@indy.gov • 317-327-2656

FLOOD CONTROL IMPROVEMENT DISTRICTS

GENERAL INFORMATION - FREQUENTLY ASKED QUESTIONS



WHAT IS A FLOOD CONTROL IMPROVEMENT DISTRICT?

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There may indeed be Special Flood Hazard Properties included in a District that are not required by FEMA to carry flood insurance.

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HOW CAN THE FUNDS BE USED FOR DISTRICT FLOOD CONTROL WORKS?

The District's "**flood control works**" include the planning, design, construction, maintenance, and various operations of the flood control infrastructure which protects the District. District funds can pay for the study, design, and construction of infrastructure, or to reimburse the Marion County stormwater fund for money already spent on similar activities. Funds can also be spent on the ongoing maintenance of infrastructure. This could include the removal of debris from channels, enlarging streams, mowing river banks, repairing levee walls, etc.

A District's funds can only be directed to pay for the provision of flood control works of that specific District.

ARE THERE PROPERTIES NOT INCLUDED IN THE DISTRICT THAT STILL BENEFIT FROM THE DISTRICT'S FLOOD CONTROL WORKS?

Properties that have a FEMA-approved Letter of Map Amendment (LOMA) dated before January 1, 2018 will be excluded from a Flood Control Improvement District, even if they do benefit from the District's flood control works. Property owners with a LOMA may submit documentation to the BPW for review and removal from the District.

Similarly, properties already included in a separate TIF district are to be excluded from a Flood Control Improvement District, according to state law.

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The Indianapolis BPW has the authority to propose the creation of a Flood Control Improvement District, defining boundaries and the flood control works. Upon holding a public hearing and receiving public comments, the BPW then may make a recommendation to the Metropolitan Development Commission ("MDC"). The MDC will also hold a

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HOW IS THIS PROCESS PUBLICIZED?

At least 10 days before the event, the BPW must publish a notice in the local newspaper of its public hearing regarding the establishment of a District. The BPW must also mail each owner of a Special Flood Hazard Property within the proposed District a notice of the BPW public hearing, including information regarding the boundaries and flood control works of the proposed District.

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Description and Location of Proposed Flood Control Works, per IC 36-7-15.6-9(c)

Alternative 3 of the Geotechnical Evaluation and Alternative Development – Rocky Ripple Local Flood Damage Reduction Project (LD-10-006) completed July 2018 for the City of Indianapolis Department of Public Works describes and illustrates the location of the proposed flood control works. The proposed flood control works include earthen levee beginning along the west bank of the water supply at approximately the intersection of Westfield Boulevard and Capitol Avenue. The proposed flood control works extend south along the east bank of the West Fork of the White River as a combination of reconstructed earthen levee and new flood wall. At about the intersection of 51st Street and Riverview Drive the proposed flood control works will be reconstructed earthen levee extending along the river to acceptable high ground elevation approximately 850 north of the intersection of 44th Street and Haughey Avenue.

