

**MINUTES OF THE SPECIAL MEETING
OF THE AMES CITY COUNCIL**

AMES, IOWA

APRIL 1, 2008

The Ames City Council met in special session at 7:00 p.m. on the 1st day of April, 2008, in the City Council Chambers in City Hall, 515 Clark Avenue, pursuant to law with Mayor Ann Campbell presiding and the following Council members present: Doll, Goodman, Larson, Mahayni, Popken, and Rice. *Ex officio* Member Luttrell was also present.

Mayor Campbell announced that the purpose of this workshop was to discuss the comparative costs of growing to the north as opposed to the northwest or southwest. She informed those present that public input would be accepted after the staff presentation on the updated study.

TARGETED GROWTH STRATEGY REFLECTED IN LAND USE POLICY PLAN (LUPP):

Planning and Housing Director Steve Osguthorpe advised that staff from multiple City departments had worked diligently to update the Northwest/Southwest Growth Study, which originated in 2006. He reviewed the history of former annexation studies, advising that the first one was prepared in 1969 and had anticipated that Ames would reach a population of 88,000 by 1990. Subsequent annexation studies were completed in 1999, 2000, and 2006. Mr. Osguthorpe said that the impetus behind these studies was the realization that waiting on voluntary annexation was not going to provide the buildable land necessary to meet the City's population targets. The idea was to ascertain if there should be policies established to focus on certain areas of the City that would provide direction and incentives for development. He continued by stating that the City's current Land Use Policy Plan (LUPP) contains policies pertaining to preferred areas of growth and what infrastructure costs would be borne by the City. According to Mr. Osguthorpe, the current LUPP reflects the Northwest/Southwest priority analysis and directs that growth will occur first in the Southwest, followed by the Northwest area. One of the growth determinates was whether there were willing property owners to offer their land for development. Mr. Osguthorpe noted that there has been interest in developing in the Northwest area, citing the Fieldstone Development as an example, but there has also been a great deal of interest in developing to the north.

Director Osguthorpe advised that the objective of the updated Study was to provide the City Council with further factual information on the relative costs of annexing and extending city services to the north.

Charlie Kuester, Planner, gave a summary of the updated Study. He advised that there were four objectives to the updated Study:

1. How do we meet the population targets of the LUPP
2. What growth opportunities are available in the three studied areas: Southwest, Northwest, and the North
3. What are the relative costs for annexing and providing services to those areas
4. How do we measure the benefits in terms of Net Developable Acres, dwelling units, and potential population

Mr. Kuester recalled that the 2000 Census indicated a population for Ames of 50,731. He said that the LUPP identifies population targets. It was clarified by Mr. Kuester that the planning area for the Study included the City of Ames as well as a two-mile radius around the City. For 2030, it was

anticipated that the population of the planning area would be 65,000 - 67,000, with 60,000 - 62,000 living within the Ames city limits; however, the boundaries of the city limits used then are not the same as they exist now. The boundaries of each of the study areas were pointed out by Mr. Kuester. He said that the boundaries for the Southwest and the Northwest areas are the same as were previously studied. The boundaries of the third area north of the city limits are between 200th Street to the south, 190th Street to the north, the Athen/Madison property to the west (lying just west of George Washington Carver), and Hwy. 69 to the east.

According to Mr. Kuester, the 2006 Study further broke down the Northwest and Southwest areas into four subareas that would allow for development in phases. The North area was divided into three subareas. Lands netted out include natural areas (identified from the 1995 Norris Study); floodplains, as determined by the Federal Emergency Management Agency; lands sloping at greater than ten percent; lands used for existing rights-of-way; identified wetlands; and lands owned by Iowa State University. Once those areas were removed, a further 20% was removed to accommodate the land needed during development for street rights-of-way, utility corridors, or other purposes. The result is the number of acres that could be developed solely for residential construction. Staff also calculated the percent of net developable acres to gross acres, which is an indication of how efficiently the land could be developed. Mr. Kuester also showed how the net developable acres can be expected to support a projected population. The results of the calculations of the net developable acres (NDA) were given, as follows: Southwest: 815.18; Northwest: 782.17; and North: 465.20.

Population targets were explained by Mr. Kuester. The current population estimate is 51,557. The 2006 Study estimated that there were about 990 lots available in active subdivisions; so, within the existing city limits, a population of approximately 52,800 could be accommodated. He explained the correlation between net developable acres and population. Staff took the density number used in 2006 of approximately five dwelling units/acre and multiplied it by 2.30 persons/unit (as determined by the 2000 Census). Combining the current population with the estimated 2,277 people that could occupy the 990 lots, the population that could be supported if development occurred in the Southwest was given as 63,209; in the Northwest, 62,829; and, in the North, 59,187.

According to Mr. Kuester, an important aspect of land development within the City is the impact on School District enrollment figures. He said that the City Council and citizens have gained a growing awareness of the impact of level or declining student enrollments on the Ames Community School District. A chart indicating the impacts of projected growth on Ames, Gilbert, and United Community School Districts was explained. The Southwest area could accommodate 2,308 dwelling units in the Ames Community School District; the Northwest, 1,098 dwelling units; and the North, ten (10) dwelling units.

Capital costs for providing services to each of the three areas in question were given. Mr. Kuester noted that the estimated costs given for street improvements were those to be borne by the City; those required to be installed by the developer were not included. Sanitary sewer, water mains, and the total costs and "oversize" costs were summarized for each of the three areas. The definition given by Mr. Kuester for "oversize" costs was "the incremental cost of the increased size of the improvements to infrastructure as well as any system improvements that might be needed, but are not considered specific to a particular development." Network traffic improvements were

indicated as follows:

1. South Dakota Avenue Widening (Lincoln Way to Mortensen Road): \$2,000,000
2. Bloomington Road West (G.W. Carver Avenue to County Line Road): \$18,700,000
3. North Dakota Avenue Overpass over UP Tracks: \$5,000,000
4. Bloomington Road East (Grand Avenue to 570th Avenue): \$25,000,000
5. U. S. 69 Widening (190th Street to existing four-lane): \$3,200,000

Mr. Kuester said that if the City Council wants to see the impact of growth to the North, an update to the Long-Range Transportation Plan would be needed. Public Works Director John Joiner advised that staff will begin that update in Fall 2008. According to Mr. Kuester, if new priorities have been chosen by that time, they will be incorporated into the model. Council Member Popken asked if the model could depict “what-ifs.” Mr. Joiner stated that it could be shown where traffic would be generated from and going to on a proposed improvement, but the model is too large to do “what-ifs” without revising the entire system because a change in one area would have an effect on other areas.

Annual operating costs pertaining to the Fire Department and CyRide were also summarized for each of the three growth areas. Mr. Kuester pointed out that the LUPP has identified priorities in the Southwest and Northwest, and the Capital Investment Strategy reflects those priorities. He said that an additional fire station would be needed if growth to the North were allowed. To construct and equip another fire station would cost approximately \$3,340,000. Annual operating costs would be around \$868,000. Growth to the Northwest or to the Southwest would require the relocation of Fire Station #2 at an estimated cost of \$2,340,000. Regarding CyRide services, growth to the Southwest would require two additional CyRide buses, which is estimated to cost \$670,000 more than growth to the Northwest or North. Operational costs would be approximately \$160,000 more than if growth were allowed to the Northwest or North. City Manager Schainker advised that the City would need four fire stations to cover the northwest and the north if the same goal of responding to 85% of the community within five minutes was in place. Assuming that a fire station would be moved north to George Washington Carver, an overpass would be needed because, in a worst case scenario, a train could be blocking access to the northwest area.

Council Member Larson asked how the City’s fire response rate compares to communities of similar size and growth rate. City Manager Steve Schainker explained that staff will provide that information to the City Council.

At the conclusion of his presentation, Mr. Kuester gave the following findings of the updated analysis:

1. Growth to the Southwest provides the greatest net developable acres (815.18 acres), followed by growth to the Northwest (787.17 acres), then to the North (465.50 acres).
2. Growth to the Southwest provides the greatest population increase (9,375) followed by growth to the Northwest (8,995), then to the North (5,353).
3. The Land Use Policy Plan’s 2030 population targets could be met by the Southwest growth area alone (63,209); by the Northwest growth area alone (62,829); or by the North growth

area (59,187) in combination with some portion of the Southwest or Northwest.

4. Development of the Southwest growth area provides the greatest growth for the Ames Community School District (2,308 dwelling units), followed by the Northwest (1,098 dwelling units), and the North (10 dwelling units).
5. Further growth beyond the Southwest and Northwest growth areas is constrained by ISU-owned land.
6. Growth to the Southwest has the greatest capital and infrastructure total cost (\$22,299,495).
7. Growth to the Northwest has the least capital and infrastructure total cost (\$12,145,692).
8. Growth to the Southwest has the greatest capital and infrastructure oversize cost (\$7,318,492).
9. Growth to the Northwest has the least capital and infrastructure oversize cost (\$5,022,116).
10. Growth to the North has the greatest capital and infrastructure total cost per net developable acre (\$30,134).
11. Growth to the Northwest has the least capital and infrastructure total cost per net developable acre (\$15,528).
12. Growth to the North has the greatest capital and infrastructure oversize cost per net developable acre (\$13,730).
13. Growth to the Northwest has the least capital and infrastructure oversize cost per net developable acre (\$6,421).
14. Growth to the North requires an additional fire station to construct and equip (\$3,340,000).
15. Growth to the Northwest and/or the Southwest requires the relocation of Fire Station #2 (\$2,340,000).
16. Growth to the Southwest requires two additional Cy-Ride buses (\$670,000) more than growth to the Northwest or North.
17. Growth to the North requires annual operational costs of a new fire station (\$868,000).
18. Growth to the Southwest requires annual operational costs of CyRide (\$160,000) more than growth to the Northwest or North.

Other issues to be considered were outlined by Mr. Kuester, as follows:

1. The City Council should also take into consideration directional growth that allows the City

to best protect valued environmental resources, such as Ada Hayden Heritage Park.

2. While the Council may desire to choose the most-cost-effective direction for growth, unless property owners are willing to make their land available for development, the City will not be able to reach its growth needs in that given direction.
3. In addition to the cost-benefit analysis, the City Council might also want to consider the potential for expansion beyond the 2030 time frame of the LUPP for each of the growth areas.
4. In terms of long-range transportation planning, the Council should also consider how changes in the priority growth areas impact the Long-Range Transportation Plan and the proposed network traffic improvements. Answers to those types of questions will not be available until the new Plan is completed, which is anticipated to be October 2010.
5. Although the current LUPP draws a growth boundary at the Boone County line, the Council could consider moving across that roadway. To do so would involve an analysis of the infrastructure requirements to serve an expanded area directly to the west of the current planning area.

Story County Supervisor Wayne Clinton asked if City planners ever look at peak travel time for CyRide and attempting to shift buses into those areas at those times, especially when areas are still developing. City Manager Schainker advised that CyRide does make those shifts, however, the analysis assumes that the same level of service would be followed; to redirect buses would take them out of existing areas to serve other areas, which would result in a decreased level of service for some areas. Mr. Kuester explained that demand would drive the decision to extend or add a route. The expectation is that when the area is built-out, a level of service equivalent to the rest of the community would be provided.

City Manager Schainker pointed out that one of the goals of the City Council was to “define desired growth.” As part of the implementation of that goal, the targeted growth strategy outlined in the LUPP was to be reviewed. According to Mr. Schainker, this workshop was to open up discussion with interested parties on the priority growth areas and will ultimately lead to a decision by the City Council to reaffirm or modify that strategy.

Mayor Campbell noted that it is very important to keep in mind that, although the growth strategy is being looked at according to cost, the impacts to the Ames School District are not measurable in dollars.

Mayor Campbell asked for public input.

Cindy Hildebrand, 57439 - 250th Street, Ames, pointed out that there was a new sewer line shown on the maps for the northwest corridor and asked if that was the determined location for the line. Public Works Director Joiner advised that the line was purely conceptual, and its alignment is nowhere near being set.

Keith Arneson, 2426 Yorkshire Circle, Ames, read a statement on behalf of the 147 members of the Ames Homebuilders Association and the hundreds of people employed by them. In summary,

the Homebuilders Association was not endorsing one area for development over another, but asked that the decision center on land availability and customer choice.

Erv Klaas, 1405 Grand Avenue, Ames, speaking as Commissioner of the Story County Soil and Water District, explained why he is requesting that the City develop to the north, even though it has been estimated to be the more expensive alternative. He emphasized that Ada Hayden Heritage Park is recognized as a major asset of the City's park system, is heavily used, and the lake and water in it must be protected by whatever measures are necessary. Mr. Klaas pointed out that it would be much more expensive to clean it up after it has become polluted. His first choice of a remedy would be for all undeveloped land bordering the Park to be put into public ownership and planted in perennial vegetation, e.g., native prairie. It would be undesirable to deny developers the right to develop their land because the farmers who are renting the land are not using adequate conservation practices, and silt and nutrients are flowing into the Park's constructed wetlands and lake unabated.

Mr. Klaas advised that, in 2007, Story County Supervisors approved the rezoning of about 250 acres of land adjoining the west boundary of the Park from agriculture to rural residential, and a local developer has submitted a plan for a low-impact residential subdivision, i.e., Rose Prairie of about 300 homes. Such developments are designed with 30-40% open space that is used to treat and infiltrate storm water. According to Mr. Klaas, retention and infiltration of storm water into the ground is generally thought to be preferable to putting it directly into storm sewers and piping it directly to streams and rivers. However, if new home owners use fertilizers containing phosphorus, surface water runoff infiltrated into the ground could cause further contamination of ground water that may eventually run into Ada Hayden Lake. If the proposed Rose Prairie development is allowed to go forward without connecting to the City's sanitary sewer lines, the developers will need to treat sanitary waste on site with some kind of centralized septic system. If that is the case, there is the potential for additional phosphorus to be added to the already contaminated groundwater, which will eventually reach the Lake.

Mr. Klaas referenced reports issued by Dr. John Downing, an ISU Aquatic Ecologist who has been monitoring the Lake's water since 2002, and ISU Hydrogeologist Dr. Bill Simpkins, which, respectively, indicate nutrient levels are already too high and that shallow groundwater immediately adjacent to the north and west sides of Ada Hayden Lake contains relative high levels of phosphorus. It was emphasized by Mr. Klaas that maintaining the health and water quality of the Lake has implications for the larger Ames aquifer. Mr. Klaas also gave nine remedies to protect water quality at Ada Hayden Heritage Park.

Sharon Wirth, 803 Burnett Avenue, Ames, representing the League of Women Voters, spoke to a couple of main themes: (1) strong support for public participation and involvement in the process and (2) support for policies that look at long-range effects. She also advised that the League supports environmental policies relating to sustainability.

Mark Hanson 3212 Sumac Circle, Ames, questioned the costs per acre given for infrastructure. He asked if those costs could be broken down further to indicate revenue from the taxes per household. It was clarified that he was not asking for per capita costs. Mr. Hanson explained that the income from property taxes would yield a net gain for the City. Mr. Schainker said that the annual revenue was not calculated, but neither were the operating costs (other than for CyRide and

Fire). Director Osguthorpe noted that estimated property taxes to be received cannot be calculated at this point because the value of the houses to be built is not known. He added that it is assumed that the value of each dwelling unit would be equal in each of the targeted growth areas.

Matt Eller, 200 Timber Creek, Ames, indicated that he was the developer proposing the low-impact development called Rose Prairie and pointed out that three of the City Council's goals are promoted in his proposal for that development. He stated that developers look at the amenities surrounding the area before they decide to develop in a certain location. Ultimately, there are different strategies that the City can take; it should not just be a numbers game, but should recognize what people want.

Chuck Winkleblack, representing Hunziker & Associates, 105 SE 16th Street, Ames, said that he had looked at this issue from a numbers perspective. He pointed out that he has spoken to the City Council for years about his increased concerns over the availability of lots and refuted that there are 990 buildable lots available. Mr. Winkleblack advised that he had reviewed Ames' development history since 1993. The total number of single-family and townhouse lots developed in nine subdivisions located in North Ames is 1,942, with 258 of those being vacant. The total number of units built north of 24th Street and including Arbor on the Green is 1,684 since 1993. In the remaining areas of Ames, a total of 1,335 lots were platted in that same time frame of which there are 563 single-family and townhouse lots still vacant. Therefore, the total number of units built in the rest of Ames compared to the North since 1993 is approximately 772. That means that 70% of the single-family homes and townhomes built in the entire Ames community since 1993 have been north of 24th Street. Mr. Winkleblack believes that is a compelling argument that the majority of people aspire to live in the north part of Ames. He concurred that there is a great amenity in Ada Hayden Park, and people want to live around it. Mr. Winkleblack said that if "a land is drawn in the sand" and the Urban Fringe Plan is completed, it is likely that the 800 acres in question will be developed. Those people will come into the City, and he believes that the City should give serious consideration to bringing in that tax revenue.

Another concern of Mr. Winkleblack is availability of land. He pointed out that 17 subdivisions will be closed-out in the near future. If nothing is done, by 2009, there will be only a few choices for locations to build homes in the City: Northridge Heights, Sunset Ridge, Ringgenberg Park, and Aspen Ridge, which allows townhomes only. He asked the City Council to give serious consideration to "making something happen." For single-family homes, only approximately 550 lots currently remain, and a number of subdivisions will be built-out by 2009.

Mr. Winkleblack also advised that determining who is a willing seller must be considered. It has been discovered that there are not a lot of willing sellers to the south or southwest. He pointed out that the City cannot tell people where to live and said that, from his office on South Duff, he can be in Ankeny in the same time as he can be in North Ames. If people are not given options here, they will locate outside of Ames.

Bill Spencer, Regency Land Development Services, 6600 Westown Parkway, West Des Moines, asked the City Council to just make a decision on which direction the City will allow development. Until that decision is made, the development community and the building community cannot focus on any area. They do have an active project that can be built in the Northwest, but they need a

decision from Council as to where it will allow development to take place. After that decision is made, developers will be able to work with City staff to get projects approved and provide availability of lots to meet the demand of the community.

Cindy Hildebrand expressed strong support for the inclusion of consideration of environmental impacts as this decision is made. She again expressed her concerns about a sewer line that is projected to go through the northwest area, and specifically Onion Creek. Because she worked on developing the Ames Natural Areas Inventory, she knows that some of the best woodlands left in Ames are along that Creek. Heavy equipment and construction would be very detrimental to

the woodlands. Ms. Hildebrand also emphatically encouraged protection of the Ada Hayden Watershed.

Holly Fuchs, 806 Brookridge Avenue, Ames, asked to see data substantiating the need for housing. She said that she was disturbed by the City having a population goal; she knew there were projections, but not targets. Ms. Fuchs pointed out that people were sold on the referendum for Ada Hayden Park because they were told that it would protect the City's water supply, not its water quality. She feels that is mentioned only because they want a nice-looking lake, but, in her opinion, adjacent land owners should be responsible for that.

Keith Barnes, 2130 Ashmore Drive, Ames, said that the question about what land would be available for resale had been brought up several times. He asked if that would be the next step for the City staff and Council to determine. Mr. Barnes pointed out that it doesn't do any good to study it if the land will never become available. Director Osguthorpe advised that staff is aware of where interest had been expressed. The next step could be a request for proposals to determine what interest there is in selling or developing land. City Manager Schainker pointed out that staff had made inquiries in the past; however, owners are not always willing to share that information.

Mr. Winkleblack said he is more concerned that, when there is such a small targeted area for development, the landowners increase the price of their land exponentially. He would prefer for the City to allow development in more than one area. If it is the philosophy of the City to allow growth only in one targeted area, development will occur outside the City's corporate boundaries. Also, it was Mr. Winkleblack's opinion that, if growth is only allowed in one small targeted area, it doesn't make for a very long-range plan and these groups will be back arguing about this same topic.

Council Member Goodman said that, traditionally, when land became available, a town would grow in that direction. The downside to that method is that current citizens end up subsidizing development, i.e., if it costs less to grow in one direction versus another, but development only occurs where there is available land, tax dollars are used to support that investment. He concurred with Mr. Winkleblack that land prices will go up as targeted growth areas are created; however, he thinks that, if a city grows only by where there is available land, it punishes current residents in regards to taxes. Erv Klaas pointed out that nearly all the land in the North area is currently already owned by developers.

Noting the subareas created in each priority growth area, Council Member Larson pointed out that the total costs change if annexation does not occur or promote development in a certain area. City

Manager Schainker pointed out that each subarea could be developed independently in the north; however, in the southwest and northwest areas, certain subareas need to be developed before others.

Catherine Scott, 1510 Roosevelt Avenue, Ames, advised that she was concerned about how much water is available in the aquifers that service Ames. She asked if water were a limiting factor to the growth of Ames. City Manager Schainker advised that the City is currently working with Professor Simpkins of Iowa State University to determine that and will report back when the information becomes available later this year.

Noting that school enrollment is an issue, Council Member Rice asked if there was anyone from the Ames School Board in attendance. It was noted that there were no representatives present.

City Manager Schainker pointed out that, regardless of which direction is chosen, it is important for a decision to be made as soon as possible. Developers are frustrated that City staff cannot give them answers. The City Council will need to decide on the next steps to be taken.

Council Member Goodman asked if staff could look at the growth areas independently. Public Works Director Joiner advised that staff could break it down into subareas. Mr. Goodman said that he thinks it would be beneficial for the City to provide more information on the costs to grow to the north and one other area.

Council Member Doll asked that the Power Point slides used in the staff's presentation be e-mailed to the City Council members.

COMMENTS: Mayor Campbell announced that a Special Meeting of the City Council will be held at Noon on Thursday, April 3, regarding repairs to Unit #8 Cooling Tower.

ADJOURNMENT: The meeting adjourned at 8:44 p.m.

Diane Voss, City Clerk

Ann H. Campbell, Mayor