

STAFF REPORT

PUBLIC IMPROVEMENTS FOR SUBDIVISIONS**December 8, 2009**

The City Council recently requested information on what the City might do to address voids in infrastructure improvements, particularly street, sidewalks, and shared use path connections along the perimeter of subdivisions. The question pertains largely to how the City's codes and policies address infrastructure improvements at the time of subdivision, and particularly how we address (1) the timing of sidewalk improvements *within* the subdivision, and (2) the timing of all improvements along the perimeter of *phased* subdivisions. Related to both of these items is the question of who the responsible party is for installing the improvements and the method used to guarantee their installation (i.e., financial guarantees).

SURVEY OF LARGE IOWA CITIES

In an effort to determine how other cities in Iowa address public improvements at the time of subdivision, the following questionnaire was sent to seven cities in Iowa, including Des Moines, West Des Moines, Ankeny, Dubuque, Cedar Falls, Iowa City, and Council Bluffs. The survey addresses the types, location, timing and responsibility for public improvements. To encourage and facilitate responses, the survey was intentionally kept simple. Accordingly, questions were primarily designed for check-box type responses. Some respondents included written comments in the side margins next to the check boxes, so these have been recorded in the following responses to the questionnaire. Corresponding policies for the City of Ames are also shown below.

1. Which of the following improvements do you require along perimeter streets of new subdivisions? (check all that apply)

Turning Lanes

Des Moines, West Des Moines, Ankeny (if justified by traffic study),
Dubuque, Cedar Falls, Ames

Driving lanes (new or widened)

Des Moines, West Des Moines, Ankeny, Ames

Sidewalks

Des Moines, West Des Moines, Ankeny, Ames

Trails

Des Moines (4' only), **Ankeny** (4' only), **Ames**

Street Lights

Des Moines, West Des Moines, Ankeny, Ames

Street Trees
Des Moines, West Des Moines, Ankeny, Ames

Other **Ames (traffic signals)**

Observations: The cities most likely to require public improvements along perimeter streets of new subdivisions include Des Moines, West Des Moines, and Ankeny (our closest neighbors). The City of Ames has also required improvements along perimeter streets of new subdivisions. It appears that Ames would be in good company with our closest neighbors if we continue this practice. There have been some questions as to whether Ames should require improvements beyond streets, sidewalks, and trails. It appears that our neighbors also require street lights and street trees along the perimeter of new plats.

2. Are the above improvements required to be:

a. Full-width improvements (installed full width of right-of-way, both sides of street); or

Dubuque, Iowa City (did not specify which improvements in Question #1), **Ames** (only if based on traffic study and status of adjacent property within corporate limits)

b. Half-width improvements (installed along subdivision frontage extending to centerline of right-of-way)

Des Moines, West Des Moines, Ankeny, Cedar Falls, Ames

Observations: Most respondents, including our closest neighbors, required only half-width improvements rather than full width, although Iowa City (a similar university city) requires full width improvements along perimeter streets. The City of Ames has generally only required half-width improvements, although full-width improvements have been negotiated for some subdivisions when a traffic analysis warranted this or when the adjacent property was located outside of the corporate limits.

3. Do you require utilities to be extended full length along perimeter streets of new subdivisions?

Yes

Des Moines, West Des Moines, Ankeny, Dubuque, Cedar Falls, Iowa City, Council Bluffs, Ames

No

Observations: All cities questioned require utilities to be extended the full length along perimeter streets of new subdivisions. The connection point for utilities serving a subdivision may be at some mid point along the perimeter street, but it is not without precedent to require extension the full length of the subdivision frontage – even beyond the point of connection. This ensures a continuous stretch of utility line as each

property along a street develops or subdivides. A related issue is whether the system must be oversized, and whether the City will pay for the oversize and/or for the extension beyond the point of connection to the development. Ames pays for oversizing within the Priority Growth Areas and requires the developer to pay these costs in all other areas.

4. Who is responsible for the cost of public improvements along the perimeter of subdivisions?

- a. Developer
Des Moines, West Des Moines
- b. City
- c. Both (e.g., city pays for over-sizing)
Ankeny, Ames

Observations: Only three cities (again, our closest neighbors) responded to the question of who pays for improvements along perimeter streets. Both Des Moines and West Des Moines require the developer to pay for these improvements. Ankeny pays the oversizing cost of these improvements.

5. If public improvements are required along the perimeter of a subdivision, then:

(a) When must the improvements be installed? _____

Des Moines – No consistent policy

West Des Moines – Prior to final plat, or with financial security.

Ankeny – Prior to final plat, or with financial security.

Dubuque – Within 2 years of filing final plat, with financial security

Cedar Falls – Prior to final plat, or with financial security

Iowa City – No consistent policy

Council Bluffs – Not required (response inconsistent with question 3 response above)

Ames - Prior to final plat, or with financial security.

(b) Do you require financial security if not installed prior to final plat approval?

Yes

West Des Moines, Ankeny, Dubuque, Iowa City (for developed phase only), **Cedar Falls** (requires a 2-year maintenance bond), **Ames** (for developed phase only)

No

Des Moines (rely upon construction agreement instead)

Council Bluffs (improvements not required (response inconsistent with question 3 response above))

Observations: Responses to this question varied, but the majority of cities (including West Des Moines and Ankeny) require installation of perimeter improvements either

prior to final plat or with financial security. Des Moines stated that they rely upon a construction agreement instead. The City of Ames Subdivision Code (Section 23.409) requires that all required improvements either be installed prior to final plat approval, or that financial security be posted to cover the cost of the improvements. These are to be installed in a time agreed upon between the subdivider and the City, which may not exceed two years from the date of final plat approval. The City has typically applied this to current phases of a plat and not to future phases that are initially platted as outlots. This practice can leave the City without remedy to complete the improvements if the outlot phase of the subdivision is not completed in the two-year period, or is perhaps never completed. It can also result in voids in street or sidewalk improvements if the first developed phase of a subdivision leapfrogs over an outlot portion of the plat. (See response and observations under Question 9.)

6. Do you allow phased subdivisions?

Yes

All seven cities indicated that they allow phased subdivisions, as does **Ames**.

No (if no, skip to #11)

Observations: See observations with Question 7.

7. Is a phasing plan required as part of the preliminary plat approval (if applicable), or can the developer later determine the area to be phased?

a. Plan required at preliminary plat stage

West Des Moines, Council Bluffs

b. Developer can later decide

Des Moines – Phasing plan not required – phases can be determined at later date.

Ankeny – Phasing plan required, but will be flexible.

Dubuque

Cedar Falls

Iowa City

Ames – Phasing plan usually received, but will be flexible.

Observations: All cities questioned indicate that they allow some form of phased subdivisions. However, only West Des Moines and Council Bluffs requires a phasing plan at the preliminary plat stage. The remaining cities allow the developer to later decide the phasing of a subdivision.

A phased subdivision is an effective means of responding to current market demands and allows the subdivider to better manage the timing and expense of improvements. However, it typically results in the full build-out of the plat extending beyond the specified deadline for completing the subdivision. Specifically, the code requires a

preliminary plat to be finalized within two years, but local practice has been to consider the first phase as meeting the two year requirement, leaving no deadline to complete the remaining portions of the plat. It may be appropriate to consider a code provision that defines extended deadlines for completing phased subdivisions.

The potential problems with not having a phasing plan is that it cannot be determined up front if each phase will be self-sufficient in terms of required access, storm water management, and required densities. If future phases are never completed, the project may never comply with required codes. Also, the lack of phasing plans sometimes results in leap frog development along perimeter streets. These types of issues could be addressed with a phasing plan requirement in the code, but there is not much precedent in the State of Iowa to require such a phasing plan. Council Bluffs and Ankeny are the only known examples of this in Iowa, with Ankeny being the only city to have phasing provisions in its code (see Question 10).

8. Which of the following methods do you use to record the phased plat?
- a. Record a plat of entire subdivision, but designate balance of the area beyond the first phase as a single outlot for future phasing.
Ankeny
Iowa City
Dubuque (??? – Dubuque also specified method “b” below)
Ames
- b. Record a plat only for the developed phase.
Des Moines (leave balance of lot unplatted)
West Des Moines (leave balance of lot unplatted or plat as outlot)
Cedar Falls
Council Bluffs
Dubuque (??? – Dubuque also specified method “a” above)

Observations: Most cities surveyed record plats only for the developed phase of a subdivision. As stated under Question 7, the recording of a plat for only the developed portion of the preliminary plat takes the balance of the preliminary plat beyond the code’s deadline for recording a final plat.

9. If you utilize the outlot method for phasing subdivisions, where do you initially require installation of improvements?
- a. Around the perimeter of the entire subdivision (including outlots).
West Des Moines
- b. Only along the perimeter of the developed phase of the subdivision
Ankeny, Dubuque, Iowa City, Ames

Observations: Only West Des Moines requires installation of public improvements around the entire subdivision, including outlots. Ankeny, Dubuque, and Iowa City (along

with the Ames) require these improvements only along the perimeter of the developed phase of the subdivision. The other surveyed cities do not use the outlot method for platting, so this is not applicable to them. This method may result in voids as indicated in observations from Question 5.

10. Do you have provisions in your code that define the subdivision phasing process?

Yes

Ankeny (Section 200.13 of Ankeny Code)

No

Des Moines (There are deadlines nevertheless)

West Des Moines

Dubuque

Cedar Falls

Iowa City

Ames

Observations: Only Ankeny has provisions in its code that define the subdivision phasing process. Although Ankeny is unique in this regard, it may nonetheless be helpful to look at its example. Although Ames does not require or define this by code, it is often received as part of the Preliminary Plat submittal.

11. What method do you use to secure sidewalks required within (i.e., internal to) the subdivision?

a. Bond or other financial guarantee

Ankeny

b. Withholding occupancy permits until sidewalks are installed

Council Bluffs, Ames (code needs to be updated to reflect current practice)

c. A combination of the above. (Explain)

Des Moines (requires both methods)

West Des Moines (at 80% completion, all owners are given one year notice to install, or they will be assessed)

Dubuque (requires both methods)

Cedar Falls (installed prior to occupancy, or in 5 years city will install and assess abutting owner)

Iowa City (requires security when building permit is issued, and occupancy is withheld as well)

Observations: Other than Ames, only Council Bluffs relies solely upon issuance of occupancy permits to secure installation of sidewalks. All other surveyed cities require some form of financial guarantee. The most unique approaches are those of Des Moines and West Des Moines. The City of Des Moines' code specifies that no certificate of occupancy shall be issued for the final 10% of lots until all required improvements have been fully completed. West Des Moines sets a threshold of 80%

completion before notifying remaining owners that they need to install the sidewalk or be assessed for its installation.

Sidewalks are typically postponed in Ames until occupancy permits are granted to avoid the risk of damaging sidewalks during construction. Although our current code requires either installation of sidewalks or financial security prior to final plat approval, common practice (per Council-approved waiver) has been to rely upon issuance of occupancy permits for sidewalks in lieu of financial securities. Also, it should be noted that streets around the perimeter of subdivisions are typically not the point of access to individual lots, so it is often not necessary to postpone installation of sidewalks on these streets until after construction.

EXISTING MISSING INFRASTRUCTURE ON ARTERIAL STREETS IN AMES

Presented below is an inventory of missing infrastructure (voids) as they currently exist along arterial streets within the City's corporate limits. Aerial maps from the GIS system are also attached to show these locations.

Street	From	To	Extra Lane	Curb	Bike Path	Responsibility	Comments
Bloomington Road	Stange	east			X	Developer	Sidewalk for convenience store
Mortensen Rd	South Dakota	Pinon	X	X		City	
Ontario St	Idaho	City limits	X	X	X	City	Sidewalk exists on north side, CIP bikepath
S 16th St	626 S 16th	Fountainview	X	X		Developer	
S 16th St	Apple PI	University		X		ISU	Owned by ISU
SE 5th St	S Dayton	Industrial Park	X	X		Developer	Connect existing segments of SE 5th St
Stange Rd	Kingston	Bloomington	X	X	X	Developer	
Stange Rd	Tiverton	north			X	Developer	west side bikepath

POSSIBLE POLICY CHANGES TO PREVENT GAPS IN INFRASTRUCTURE

Should the City Council desire to take some action that would eliminate many of the situations that result in gaps in our infrastructure (for streets, sidewalks, and shared use paths), the following policy changes could be considered:

Option 1 – Require the Developer to Install Infrastructure around Entire Perimeter of Plat at One Time

Rather than allow the developer to install infrastructure improvements in phases as the subdivision is developed, as is our current practice, the City Council could require all improvements along the full perimeter of the plat to be installed up front.

This new policy would prevent many of the situations where we have encountered gaps in the infrastructure along subdivision perimeters. It would typically not conflict with construction activities on individual lots, since lots are usually accessed from internal roadways, and there would be no concern over the uncertainties of where the builder may wish to locate a curb cut for driveway access. However, this new approach would impose greater financial impacts on the developers. This new obligation would require expenses that are well in advance of the market that will help repay the developers for these improvements.

Option 2 – Where Gaps Exist, Have the City Install the Improvements

In those situations where gaps in the infrastructure exist because of a delay in developing adjacent property, the City could be proactive and install the infrastructure at the public's cost.

An attempt could be made to assess the costs of these improvements back to the adjacent property owners. Unfortunately, because of the possibility of agricultural deferments, valuation deficiencies, or property outside the city limits, in many cases the City will not be able to recoup the cost of infrastructure improvements. In addition, it should be remembered that the City does not have the authority to assess Iowa State University properties. In each of these cases, the issuance of General Obligation bonds for these purposes might have to replace other worthy projects that the City Council hopes to accomplish.

Option 3 – For Sidewalks and Shared Use Paths, the City Council Can Order the Improvements In

A process is in place where the City Council could order adjacent property owners to install a sidewalk or four feet of a shared use path. If an abutting property chooses not to proceed with the improvement, the City can then install it and assess the property owner for the costs.

Taking more advantage of this existing assessment procedure could reduce the situations where gaps occur in regards to sidewalks. In the past, we have avoided ordering in sidewalks adjacent to undeveloped properties for fear the improvement would be destroyed when construction occurs on the site at a later date. As explained under Option 1, however, this is typically less of a problem along a subdivision's perimeter. Potential problems with this approach are reflected in Option 2, where agricultural deferments, valuation deficiencies or University property could result in the City not recouping the up-front costs to install the infrastructure through an assessment process.

Option 4 – Require Sequential Phasing of Development

Under this option, a developer would not be allowed to develop the next phase of a subdivision unless it is adjacent to existing infrastructure. In this way, leapfrogging of infrastructure would not occur.

There are times when developer receives interest from a party for a lot in a subdivision that is not immediately adjacent to existing infrastructure. Unless that particular lot is made available, the party may look elsewhere to locate their business. This new policy would limit the potential market for the developer.

It is important to emphasize that there is no one policy change that will assure that the City does not experience any gaps in our infrastructure in regards to streets, sidewalks, and share use paths. Fortunately, as staff reviewed the data, it appears that there are relatively few instances throughout the City where this situation exists along major arterial streets.