

Staff Report
NORTHRIDGE HEIGHTS PARK IMPROVEMENTS
April 24, 2012

As part of the Northridge Heights development north of Bloomington Road, the City and Uthe Development Co., LLC, entered into a development agreement in 2000. Under the terms of that agreement, the developer agreed to convey to the City, at no cost, a four acre area at the intersection of Harrison Road and Stange Road for use as a City neighborhood park. That conveyance was to count toward satisfaction of the City's open space requirements for the subdivision, and was to occur by the time 375 dwelling units had been constructed in the subdivision. The developer agreed to improve that land to meet the street improvement standards of the City, and to also pay the City \$80,000 in cash for park improvements and equipment. These commitments are shown as Subsection A on the attached sheet containing relevant sections of the development agreement.

As a general part of the development agreement, the developer also agreed to construct all street improvements and appurtenances throughout Northridge Heights subdivision in accordance with the City's requirements and specifications and at no charge to the City. This is included in sub-section B-2. As a part of this assurance, the developer agreed that bike path improvements would be completed along specified streets in the subdivision. This is included in subsection B-10. Also attached is a map showing the planned bike trails throughout the subdivision, including the trails along Harrison Road and Stange Road immediately adjacent to the park. This map was an appendix to the developer's agreement.

In preparation for approval of the final plat for Northridge Heights 15th Addition, the developer has installed needed water, sewer, storm sewer and electric service lines within this addition, and is currently constructing streets. Those infrastructure improvements must either be completed or financially secured before approval can be given to the final plat; and the final plat must be approved before lots can be legally created and conveyed. This recent work by the developer coincides with the Parks and Recreation Department's efforts to haul fill dirt onto the future park land to bring it up to grade. After the final plat is approved and the City accepts ownership of the park land, staff will bring in top soil for final site grading, seed the grassy areas, and lay concrete for the walking paths and basketball court.

As these improvements have been carried out, a question has now arisen regarding the responsibility for constructing bike trails along Harrison and Stange adjacent to the park.

As more general background, when the Council approves a preliminary plat for a subdivision, the developer assumes responsibility for installation of both bike path and sidewalk improvements throughout the subdivision. However, in contrast to the utility and street infrastructure mentioned above, these paths and sidewalks are not required

to be installed or financially secured prior to final plat approval. Instead, the developers typically pass those responsibilities on to the purchasers of each lot. Installation of sidewalks, and oftentimes bike paths, is thus usually delayed until each lot purchaser has completed their desired construction activity, after which the lot purchasers themselves fulfill this responsibility. The sidewalk and bike path systems throughout the subdivision are thus completed lot-by-lot as the subdivision develops. This approach is a matter of practice followed by developers and staff, rather than a policy spelled out by the Council.

In accordance with this standard practice, the Northridge Heights developer believed that the City would install the bike paths adjacent to the park, since the City will be the new owner of the land.

In contrast to the practice described above, both the development agreement and the terms of the preliminary plat clearly state that installation of bike paths across the entire subdivision is the developer's responsibility. The developer also assumes responsibility for construction of all street improvements and street appurtenances at no cost to the City.

To staff's knowledge, this question has not previously been raised. That may be due to the fact that the City has not heretofore had a subdivision development agreement that included dedication of park land with a monetary contribution to the City. In 1998 the City purchased 4.5 acres from the developers of the Bloomington Heights Subdivision, Knapp Revocable Trust, at a cost of \$91,745 for development of a neighborhood park. In that case, the developer sold the land to the City, and neither the developer nor the City installed sidewalks adjacent to the park. The land was improved entirely at the City's cost, and was ultimately dedicated as Lloyd Kurtz Park.

Because of this lack of consensus, staff promised that we would bring this matter before the Council for resolution.

Reasons for the City to assume responsibility for constructing these trails can be summarized as follows:

- The developer relied upon standard development practice across the community, and understood that the City would install the adjacent bike paths as would be done for other parcels within the subdivision.
- The developer already paid the City \$80,000 for park development, and understood that that payment would be used to pay for the bike paths along the streets adjacent to the park.
- The developer notes that the developer of the Bloomington Heights Subdivision was not required to install either sidewalks or a bike path; and that the City also has not done so since taking possession of that park land.

Reasons for the developer to assume responsibility for constructing these trails can be summarized as follows:

- As with other subdivision plat approvals across the City, the Northridge Heights developer accepted responsibility to see that all specified public sidewalks and bike paths are constructed within the subdivision. The development agreement for this subdivision clearly confirms that the developer has these responsibilities.
- The \$80,000 originally paid by the developer was intended to be for “park improvements and equipment” in developing the park itself; and staff did not anticipate a need to include the cost of bike trails adjacent to the park in the calculated charge.

The estimated cost to construct these paths is \$30-35,000. In the event that the Council decides that the City will bear this expense, funding can be taken from the Park Development Fund.

In the future, if a parkland development payment is ever included in a development agreement, staff will be certain to include the cost of sidewalk or bike path construction in the calculation used to determine the amount of the developer’s payment.

**NORTHRIDGE HEIGHTS SUBDIVISION DEVELOPMENT AGREEMENT
SELECTED SUB-SECTIONS**

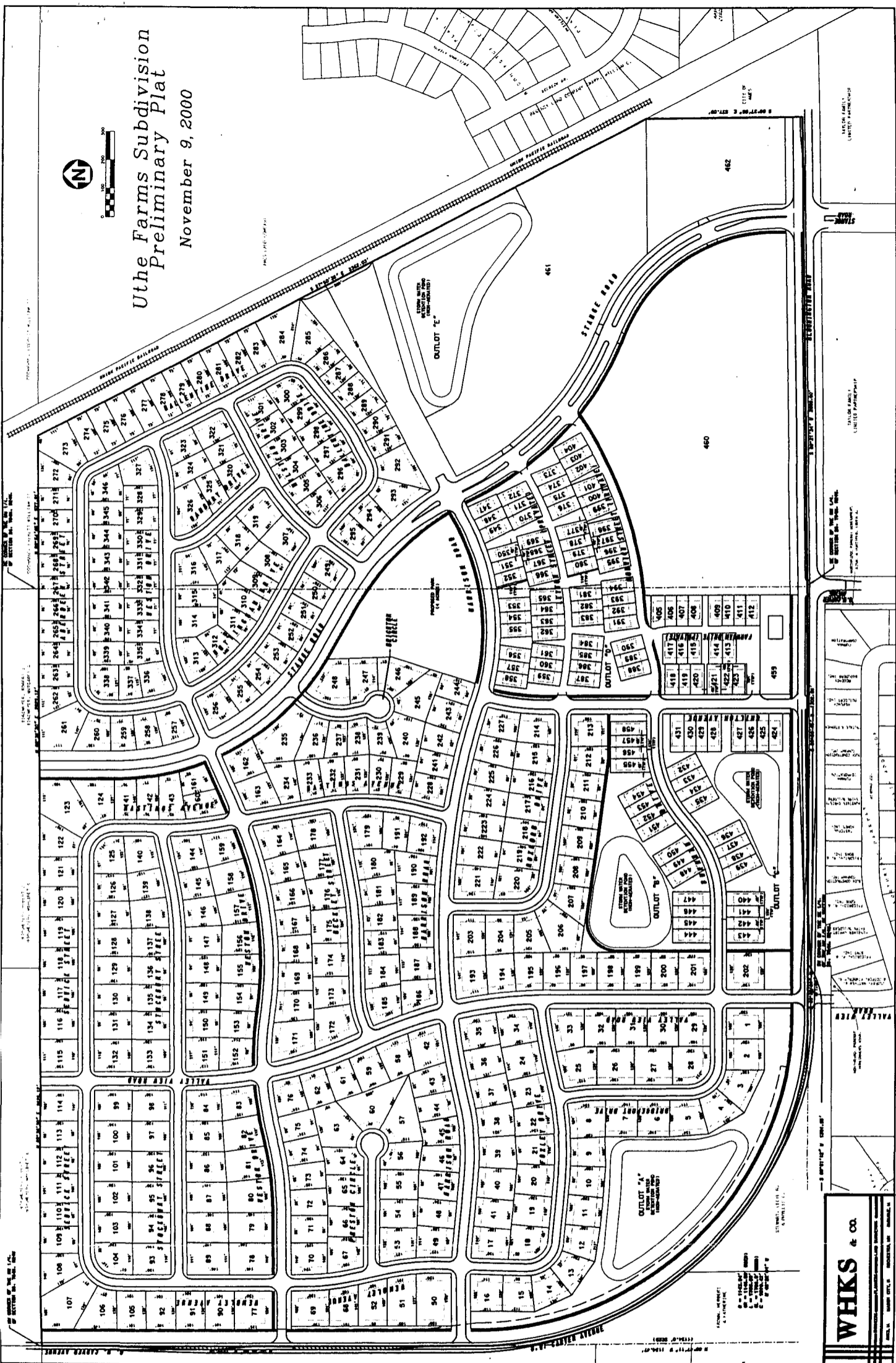
A. Park. Developer shall convey, by warranty deed to the City, at no cost or charge to the City, for use as a City park, a four-acre area of land and located at the intersection of proposed Harrison Road and Stange Road, as said area of land is shown and described on Appendix D. That conveyance to the City shall count toward satisfaction of the open space requirement of the City ordinances. The said deed shall be executed and delivered to the City not later than the date when 375 dwellings units have been constructed on the Site. If at the time of the execution and delivery of the said deed, the area of land to be conveyed to the City does not abut on an established City street, the Developer shall then convey to the City street land as show on the approved Preliminary Plat that will give the City public access to the said park land; and Developer shall at that time improve that land, at Developer's sole expense, to meet the street improvement standards of the City. Additionally, Developer shall pay to the City the sum of \$80,000 for park improvements and equipment, said payment to be made at the time of the approval of the final plat of the first Phase of Development of the Site.

B-2. The Developer shall, with respect to all streets as shown on Appendix E, construct all street improvements and street appurtenances in accordance with the requirements and specifications of the City, at no cost or charge to the City. That work shall be completed in accordance with the schedule set by the City at the time of approval of the final plat for the Phase Development in which the street improvement is included or on which such street improvement abuts, unless another time for construction of such improvements is herein specified.

B-10. The Developer shall, at its sole expense, and at no cost or charge to the City, construct bike path improvements as specified by the City. Those bike path improvements shall be constructed as shown on Appendix E [see following page] in accordance with the schedule and construction specifications set by the City at the time of approval by the City of the final plat of the land abutting a bike path.

Uthe Farms Subdivision Preliminary Plat

November 9, 2000



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