

Staff Report
SOUTH DUFF ACCESS STUDY UPDATE

April 28, 2015

BACKGROUND:

City Council last discussed this project at the August 19, 2014 Council workshop that included many businesses owners who would be affected in the South Duff corridor. At that meeting City Council supported staff moving forward with the signal and median project as previously directed. This included continuing to work to secure cross-access for the west and east side businesses.

Since that workshop, staff has held several meetings to further those efforts to secure cross-access easements and to gain as much consensus as possible on alternatives moving forward. After meeting with the local businesses owners, it became clear early on in the process for them to support or not support the project hinged heavily on what involvement there would be from Wal-Mart. Therefore, starting in January of 2015, staff refocused efforts on working with members of Wal-Mart's Realty Department out of their corporate offices in Arkansas. Staff has been in contact with Traftin Thompson, Wal-Mart's newly hired realty manager for Iowa, Minnesota, and Wisconsin.

Progress has been very slow when working with Wal-Mart. It can take four to six weeks to get feedback on information and ideas sent to them regarding this project. To date, staff has exchanged emails sending various staff reports and estimated project cost information to Wal-Mart. The reason for the delay is due to the fact that several internal departments at Wal-Mart must review the information before Mr. Thompson can provide feedback. Staff has also held a conference call with Wal-Mart and Iowa DOT District 1 staff to discuss conditions of Wal-Mart's access permit and how to move forward with the project. **To summarize these discussions, Wal-Mart is supportive of the signal and the median project as well as providing cross access to other businesses through their parking area. However, they are willing to contribute to only one of the following: Either \$50,000 towards a traffic signal, or the cost of a median in front of their South Duff access. (It is likely that Wal-Mart would seek the lower cost option.) Wal-Mart's position contrasts with the cost sharing option endorsed by City Council at the June 10, 2014 meeting.**

In 2013 when this project began it was estimated that a new traffic signal would cost \$200,000 and a median from S. 5th Street to the new signal would cost approximately \$125,000. At that time the total estimated cost was \$325,000. Construction costs have risen significantly since that time. Based on current construction costs for 2015, the traffic signal is estimated to cost \$275,000 and the median to cost \$145,000. Therefore, the updated estimate for the signal and the median is \$420,000. Of the \$420,000, U-

STEP funding from the Iowa DOT will pay \$231,000 (55%) and the local match would then come to \$189,000 (45%).

Current Conditions for Access:

In order to move forward it is important to reiterate some existing conditions that could affect the funding and implementation of a potential traffic signal and median project. Starting in 2008 with the redevelopment of sites along this section of South Duff Avenue, first with Wal-Mart (534 S. Duff Ave), then with Texas Roadhouse (519 S. Duff Ave.), and now with the Southpoint Centre (701 S. Duff Ave.), the Iowa DOT has started placing conditions in the access permits for these sites. For both the Wal-Mart and Texas Roadhouse (Bundy property) sites, their access permits state that it is the sole responsibility of the property owner to pay for and install a raised median along their South Duff frontage if the City and/or Iowa DOT determine the driveway to be a safety problem.

Iowa DOT's access permit for Southpoint Centre has still not been approved. The City approved the site plan for Southpoint Centre on August 25, 2014 with the understanding that the driveway shown would be a workable solution. However, the Iowa DOT will not approve a permit until the status of the traffic signal and median project is known. Because of this, Southpoint Centre has not been allowed to work in the DOT right-of-way and has been using existing driveway curb cuts to conduct as much construction as possible. Hunziker, the owner of Southpoint Centre, has informed the City and Iowa DOT that they have leased approximately 50% of the available retail space and those businesses are looking to open here in the summer of 2015.

Because of this issue, Hunziker, City staff and the Iowa DOT have held meetings to discuss potential options for Southpoint Centre's access should the signal not be built. **The Iowa DOT has stated that if the access is stop controlled (like typical accesses along South Duff Avenue), they will only approve the access if there is either the raised median or a right-in-right-out splitter island built similar to Wal-Mart's drive. It is important to note that the ongoing safety issues caused by motorists ignoring left-turn restricting signs by the right-in-right-out splitter island at Wal-Mart's entrance is one of the main reasons this project started. It has been the recent position of the Iowa DOT that redeveloped sites along South Duff that do not have multiple point of egress will have these types of access restrictions.**

Proposed Approach from Iowa DOT

At these recent meetings, the Iowa DOT District 1 staff stated their desire to move forward with the installation of the traffic signal and raised median from South 5th Street to the new signalized intersection as a City/DOT sponsored project. This would not include a full median to the south that would potentially block truck deliveries to Howe's Welding. It is the opinion of Iowa DOT staff that if viable cross-access routes cannot be willingly established between the various businesses, there will still be safety and operational issues that need to be addressed along South Duff Avenue (US HWY 69).

The way it was described to staff is that the Iowa DOT would still provide 55% funding from the Urban-State Traffic Engineering Program (U-STEP) grant and the Iowa DOT would bill Wal-Mart and Bundy's Property for their respective portions of the raised median. Money collected for the raised median would be counted towards the 45% matching funds required under the U-STEP agreement. The remainder of the 45% match would be split between the City of Ames and what the City determines to be Hunziker's share of the cost.

It should be emphasized that this proposed approach does not include funding for construction of cross-access routes along the east and west side properties. Those improvements would then become the responsibility of the businesses to work together to create cross-access connections to the new signal, if desired. Staff told the Iowa DOT staff that this approach was a significant departure from what had originally been discussed with local businesses, and that the City Council will need to be consulted to provide direction.

Below is the current direction that staff was given from the June 10, 2014 meeting. Areas that are in conflict with recent events have been underlined:

"Direct staff to move forward with the project creating a new signalized intersection between South 5th Street and the Squaw Creek Bridge with a raised median. This direction will require staff to:

- a. **Prepare funding agreements for Wal-Mart and Hunziker for one-third of the local match of the project cost.**
- b. Prepare a U-STEP grant to be submitted to the Iowa DOT.
- c. Solicit for engineering proposals for design.

"Under this option, staff will work with property owners along the corridor in an attempt to secure connecting cross access easements behind all of the businesses.

"This type of effort would be appropriate, since increasing traffic congestion might ultimately mandate similar improvements in the future which could be even harder to implement after additional properties are redeveloped."

As stated above, Wal-Mart is not willing to be responsible for a proportional share of the project. In emails to staff, Wal-Mart has stated that they feel they are only contractually obligated for an equivalent cost of installing a raised median per their approved access permit. This includes any contribution to the cost of reconfiguring their parking lot and making connections to the east side properties south of Wal-Mart. Businesses along the east side have voiced their willingness to provide cross-access; however, they were not willing to contribute monetarily to the project. An estimate has not been generated for the cost to reconfigure Wal-Mart's parking lot due to lack of feedback from their corporate offices on what would be considered an acceptable scope.

The west side businesses have been divided in their support of providing cross-access through their sites. Southpoint Centre and the Boy's and Girls' Club are willing to provide cross-access, whereas Bundy's property (Texas Roadhouse/AutoZone) and Flummerfelt's property (Enterprise) have not been willing. Therefore, if Council desires to establish a means of cross access along the west side, the only remaining option would be to build a separate facility rather than leveraging the back portion of existing parking areas.

It is estimated that a two-lane road connecting the west side properties from South Fifth Street down to Howes Welding would be around 1,100 feet long and would cost approximately \$400,000. This is based upon current construction prices the City sees for paving a concrete street built to a commercial standard. This does not include any cost for land acquisition for right-of-way. It should be noted that because this road would be outside of the Iowa DOT right-of-way, is unlikely that it would be eligible for U-STEP funding.

The local businesses should be recognized for the many hours of time they have committed by contributing feedback throughout the process. Below is a table summarizing the position each business on keys issues, such as installation of a traffic signal, a raised median, providing cross-access, and contributing monetarily. The table reflects the understanding of staff during the creation of this report:

	Address	Owner/Business	Traffic Signal?	Raised Median?	Cross-Access?	Contribute Money?
West Side	505 S Duff	Texas Roadhouse/ AutoZone	✗ Does not support	✗ Does not support	✗ Does not support	✗ Does not support
	535 S Duff	Enterprise	✗ Does not support	✗ Does not support	✗ Does not support	✗ Does not support
	701 S Duff	Southpoint Centre	✓ Supports	✓ Supports	✓ Supports	✓ Supports (Willing to negotiate share)
	811 S Duff	Howe's Welding	⚠ Greatly concerned about queuing and its affect on access for truck deliveries	⚠ Supportive only if it does not affect turning trucks	✓ Supports	✗ Does not support
	210 S 5th	Boy's and Girl's Club	⚠ N/A	⚠ N/A	✓ Supports (only if adequate safety fence is provided)	✗ Does not support
	299 S 5th	Double D R S LC (vacant)	⚠ New Owner (Has not been contacted)	⚠ New Owner (Has not been contacted)	⚠ New Owner (Has not been contacted)	⚠ New Owner (Has not been contacted)
East Side	510 S Duff	Advanced Auto Parts	⚠ Unaffected	⚠ Unaffected	⚠ Unaffected	✗ Does not support
	520 S Duff	LOF	⚠ Supports (only if project provides wayfinding signs)	⚠ Supports (only if project provides wayfinding signs)	✓ Supports	✗ Does not support
	528 S Duff	Wendy's	⚠ Supports (with cross-access)	⚠ Supports (with cross-access)	✓ Supports	✗ Does not support
	534 S Duff	Wal-Mart	✓ Supports	✓ Supports	✓ Supports	⚠ Will only pay a fixed amount (~\$50,000)
	710 S Duff	U-Haul	⚠ Supports (with cross-access)	⚠ Supports (with cross-access)	✓ Supports	✗ Does not support
	716 S Duff	Bob Cummings (vacant)	⚠ Supports (with cross-access)	⚠ Supports (with cross-access)	✓ Supports	✗ Does not support
	806 S Duff	Verizon/Cy's Locker/ Aspen Dental	⚠ Supports (with cross-access)	⚠ Supports (with cross-access)	✓ Supports	✗ Does not support
	814/816 S Duff	Tuffy/Details	⚠ Supports (with cross-access)	⚠ Supports (with cross-access)	✓ Supports	✗ Does not support
	906 S Duff	Thomas Burke	⚠ Supports (with cross-access)	⚠ Supports (with cross-access)	✓ Supports	✗ Does not support
	902 S Duff	Jay Brown	⚠ Supports (with cross-access)	⚠ Supports (with cross-access)	✓ Supports	✗ Does not support

The following table summarizing the requirements that are in place for those properties along South Duff Avenue that have received an Iowa DOT permit since 2008:

Address	Owner/Business	Iowa DOT Access Permit Requirements
505 S Duff	Bundy properties (Texas Roadhouse/AutoZone)	Install a raised median across the S. Duff access at the sole expense of the owner if determined to be necessary by the Iowa DOT or City of Ames
534 S Duff	Wal-Mart	Install a raised median across the S. Duff access at the sole expense of the owner, or remove the S. Duff drive access and restore the ROW if determined to be necessary by the Iowa DOT or City of Ames
701 S Duff	Southpoint Centre	Install a raised median across access, or install a right-in-right-out splitter island in driveway approach* (*This is still in development)

Below is a summary of the Iowa DOT's positions related to these improvements:

- Due to the existing, unacceptable level of traffic congestion, the median and traffic signal must be installed for Southpoint Centre to receive an access permit to US 69.
- If the median and intersection are not installed, Southpoint Centre must install splitter islands at its entrance.
- The median must extend from South Fifth Street south to the new signal.
- If Wal-Mart is unwilling to immediately participate in this project, the median must still be installed and the signalized intersection will only serve Southpoint Centre.
- Iowa DOT will bring 55% USTEP funding to the portions of the project within the US HW 69 right-of-way.
- Iowa DOT will use its access permit conditions to have Wal-Mart, Bundy's property pay their proportional shares of the median cost.
- The City and Hunziker will be responsible for all other local costs of the median/intersection project.

OPTIONS:

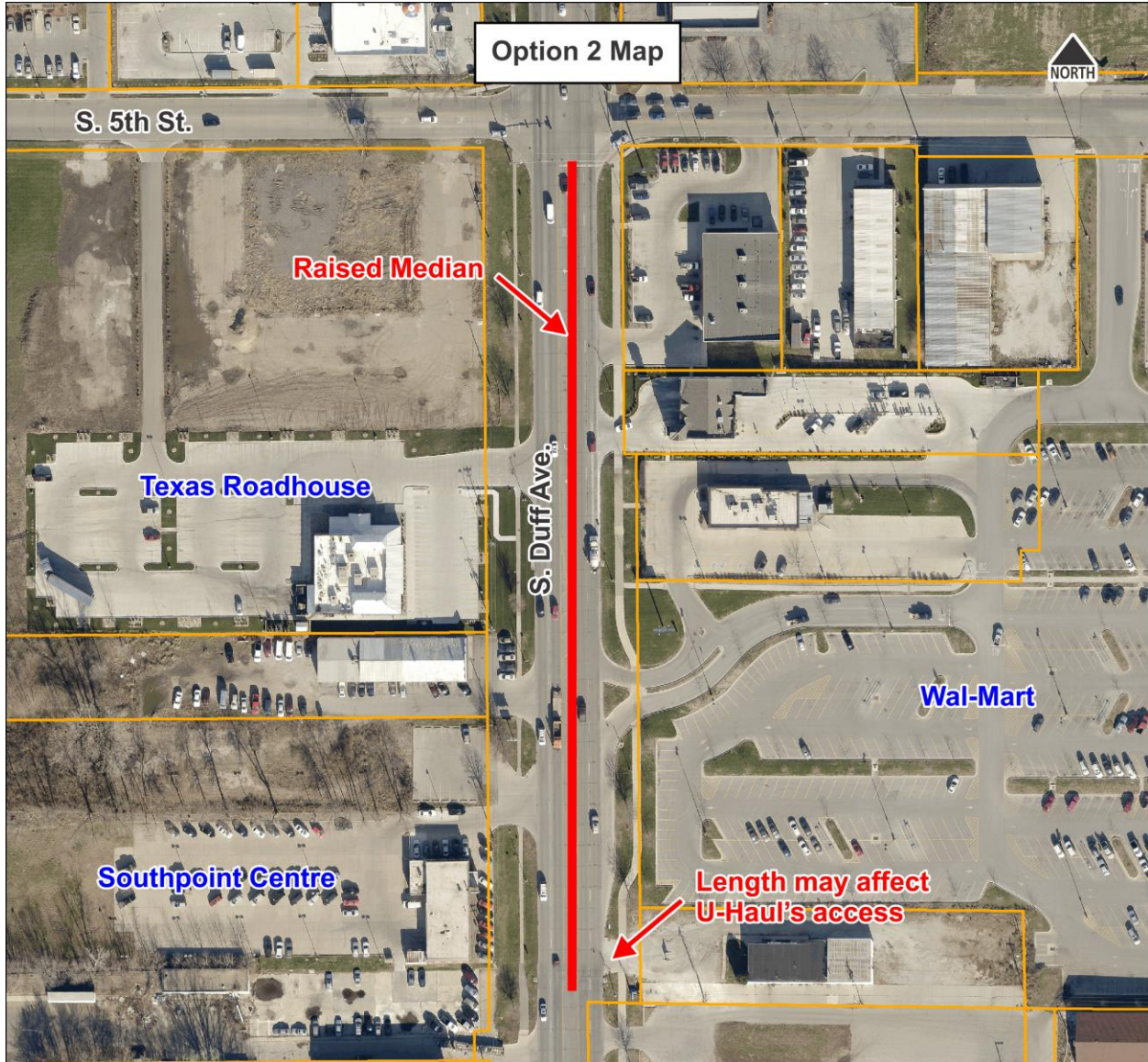
OPTION #1: Iowa DOT's position (Estimated Cost = \$420,000):

- a. Install a traffic signal at Southpoint Centre's entrance that would only serve Southpoint Centre and not Wal-Mart.
- b. Install a raised median between South 5th Street and Southpoint Centre's entrance.
- c. Bill the Bundy and Wal-Mart properties for their respective shares of the raised median.
- d. Negotiate an agreement with Hunziker for Southpoint Centre's share of the project costs.
- e. City submit a U-STEP grant to the Iowa DOT for a 55% share of the overall project costs.



OPTION #2: Construct raised median only (Estimated Cost = \$150,000).

Direct staff to work with the Iowa DOT to install a raised median from S. 5th Street along South Duff Avenue to Southpoint Centre's drive access, thereby billing the Bundy, Wal-Mart and Hunziker properties for their proportional shares of the median (estimated at \$50,000 each).



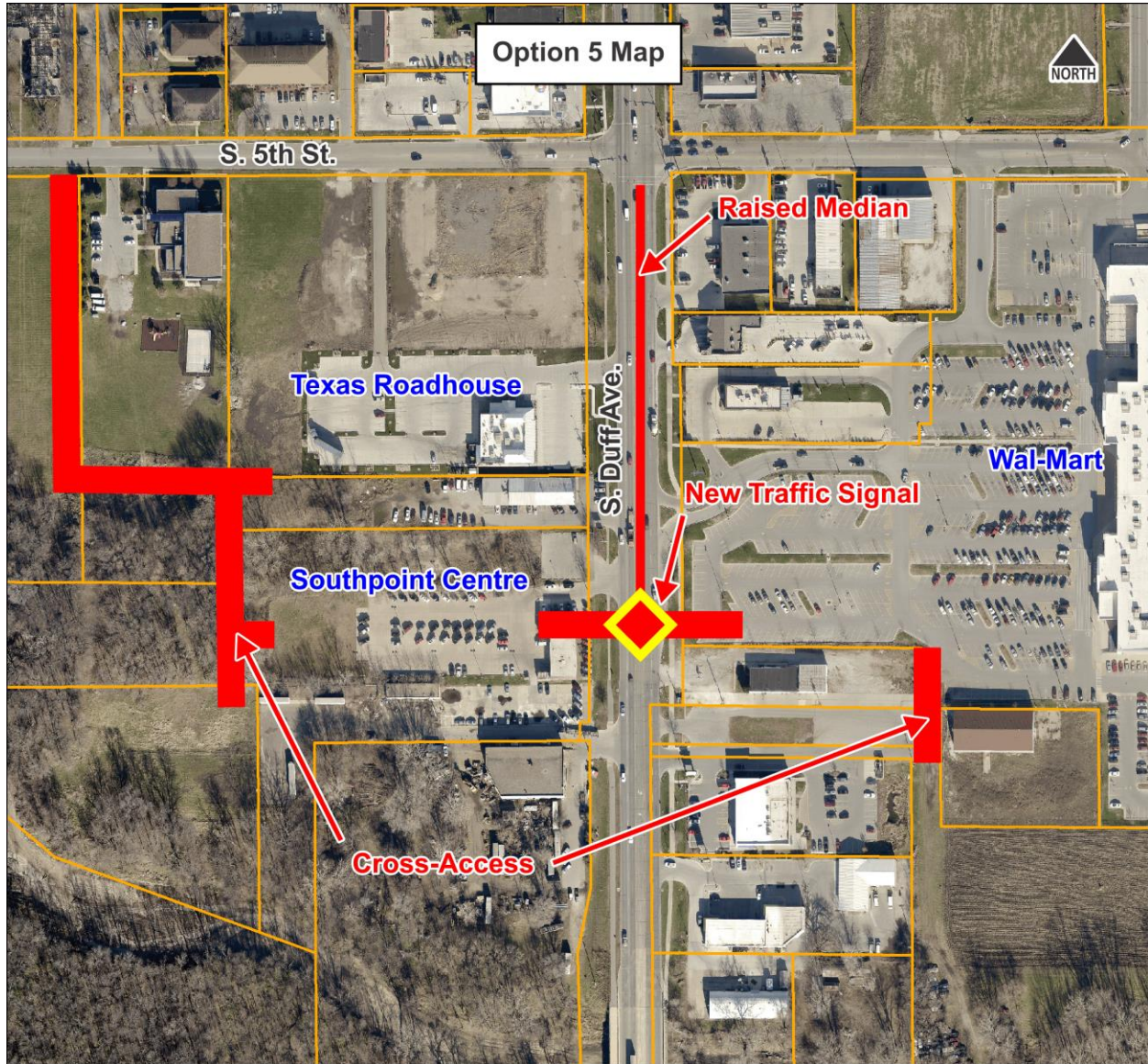
OPTION #3: Access restriction to Southpoint Centre (Estimated Cost = \$5,000 by Hunziker).

Direct Staff to work with the Iowa DOT to have Southpoint Centre install a right-in right-out splitter island in their drive access at the sole cost to Hunziker.



OPTION #4: Median and signal with east-and west-side access (Estimated Cost = \$920,000+).

Direct staff to follow the provisions under Option 1 above, thereby installing a traffic signal and raised median. In addition, construct cross-access roads along the east and west side businesses connecting them to the new signalized intersection. (This will likely include additional cost to buy easements/right-of-way).



Option 4 would still be eligible for U-STEP funding for the traffic signal and the median. As shown above that equates to \$231,000 from the Iowa DOT, and \$189,000 in local funds (totaling \$420,000). The additional \$400,000 for the west cross-access routes and \$100,000 for the east would need to be added to the local share, thereby totaling \$689,000 from a combination of local public and private funding sources.

OPTION #5: Reject the project and maintain access along South Duff Avenue in its current configuration.

This option would prevent Southpoint Centre from constructing their access to South Duff Avenue as shown on their approved site plan, and would require them to reconstruct their site to utilize either the old Quality Motors or Happy Joe's access.

STAFF COMMENTS:

As properties continue to redevelop along the South Duff Avenue commercial corridor, the Iowa DOT is taking a stronger approach to managing access. Because of the current safety and operational issues that exist, Iowa DOT staff feels strongly that the appropriate action is to move forward with installation of a new signal and raised median. If this does not happen, the Iowa DOT will most likely restrict Southport Centre access to a right-in right-out driveway using the splitter island described in this report. Splitter islands will also likely become the norm for controlling access for other redeveloped properties in the future. Current experience shows that these types of right-in right-out accesses are difficult for the Police Department to enforce and are an ongoing source of confusion and frustration to motorists.

The need for more effective traffic control along redeveloping South Duff is very evident. City staff has spent nearly two years working with affected property owners and the IDOT to identify an approach that meets most stakeholder needs. Unfortunately, it has not been possible to find that ideal solution.

Not all property owners on the west side of Duff are willing to collaborate in granting cross easements across their rear parking lots. Not all of the businesses adjacent to the proposed signal are ready to fulfill the City Council's desired cost-sharing arrangement. The other businesses on the east side of Duff support shared cross-access easements, but are unable to commit until Wal-Mart's parking lot geometrics are better defined.

Further, not all of the businesses on both sides feel the same sense of urgency or desire to have this project move forward. Meanwhile, the Iowa DOT's position has become stronger that stricter access management controls must be implemented along South Duff Avenue. Since the existing traffic congestion continues while another new traffic generator (Southpoint Centre) awaits an Iowa DOT access permit before its new businesses can open this summer.

At this point in time, it appears necessary to disconnect the competing desires that drove the previous City Council directive on this project. Not all affected parties agree on the need for the raised median and traffic signal. Not all affected parties are willing to help pay for those improvements. Not all property owners on the west of Duff are willing

to grant cross access easements, and easements on the east of Duff are up in the air pending Wal-Mart's slow decision-making process.

Given the lack of consensus among property owners, combined with the Iowa DOT's strong position that the raised median and traffic signal should now be constructed, it would seem prudent to focus on the most urgent needs in the area. These include addressing overall traffic congestion while providing access to the new commercial development. **Option #1** accomplishes these two goals. Funding for this option would come from an Iowa DOT USTEP grant of approximately \$231,000, median contributions of an estimated \$100,000 from the Wal-Mart and Bundy properties, and the balance of \$89,000 to be negotiated between Southpoint Centre and the City of Ames. If Wal-Mart later decides to access the new intersection, they would be 100% responsible for all costs to do so, including modifying the signal and adding the needed southbound left-turn lane.

If Council believes that the public benefits of this signal do not merit such a financial investment, Option #2 or Option #3 could be chosen. **Option #2** would still involve installation of the raised median, which could negatively affect access to several businesses in the area. However, it would address congestion and safety issues seen at the existing Wal-Mart and Texas Roadhouse entry points.

Alternately, **Option #3** would include neither the raised median nor the traffic signal. In that case, the sole step taken to address traffic congestion would be installation of a split island (right in, right out) driveway approach for Southpoint Centre.

Should Council choose to proceed with installation of the median and signal, staff should be instructed to work with Iowa DOT to receive written commitments for the USTEP funding and the median contributions from the three businesses, and to negotiate a cost-sharing agreement with Southpoint Centre for the balance of the local costs. In the event that there ends up being a City contribution to the project, staff could also be directed to identify possible funding sources.