

**COUNCIL ACTION FORM**

**SUBJECT: GRANT AVENUE PAVING PROJECT**

**BACKGROUND:**

The City fronted the costs for paving the gravel portion of Grant Avenue (now Hyde Avenue) from Hyde Avenue north to West 190<sup>th</sup> Street. Street construction costs were to be shared among the three developers and the City, and the Developer's portion of the costs were to be recovered through the special assessment process after the construction was done. The Pre-Annexation Agreements approved by the City Council on December 30, 2013, and signed by the three developers (Rose Prairie, Quarry Estates, and Hunziker Land Development Co.) confirmed that financing arrangement. Each Pre-Annexation Agreement included a Special Assessment Contract and Waiver executed by the respective developers. Pursuant to that contract, each Developer agreed to waive, agree or consent to specific components of the special assessment process found at *Iowa Code* Section 384, as follows:

1. Waiver of the Notice to property owners by publication and mailing;
2. Waiver of the right to a hearing on the making of the improvement, the cost of the Project, the assessment, and the final adoption of the Resolution of Necessity;
3. Consent to the adoption of a Preliminary Resolution, a plat, schedule of assessments and cost estimate, and Resolution of Necessity;
4. Waiver of any objections to the Project, its boundaries, its costs, the valuation of any lot, the assessment against any lot, or the final adoption of the Resolution of Necessity;
5. Agreement that the amount and proportion of the cost of the construction of the Project would constitute assessments against the respective properties and that the assessments would be paid by the developers within the time provided by law for the payment of special assessments for such improvement;
6. Waiver of the right to request deferment for agricultural land;
7. Waiver of the limitation that an assessment may not exceed 25% of the value of the lot;
8. Waiver of Notice to property owners by public and mailing relating to the Notice to Certification to the County Auditor of the Final Schedule of Assessments;

9. Provide warranties that the real estate was free and clear of all liens and encumbrances;
10. Agreed to subordinate the sale of any part of the property to the terms of the Agreement; and
11. Agreed to pay the assessed amounts if the Project or Assessment is declared in whole or in part invalid or beyond the City's authority.

The Paving Project was bid on May 6, 2015, and a contract with Manatt's, Inc., of Brooklyn, Iowa, was approved on May 26, 2015. On January 24, 2017, the City Council accepted the roadway construction as complete in the amount of \$2,690,709.35. Engineering, Administration, and Acquisition costs were \$338,340.44, bringing the total roadway costs to \$3,029,049.79. The project assessment also needs to include installation of street lighting, which had final costs of \$79,544.20. **This brings total final assessment costs to \$3,108,593.99.**

The Developer's Agreement calls out for the Project is to be split as shown below:

Rose Prairie	37%	\$1,150,179.77
Hunziker	23%	\$714,976.62
City	23%	\$714,976.62
Quarry Estates	<u>17%</u>	<u>\$528,460.98</u>
	100%	\$3,108,593.99

The items associated with this Council Action Form are the final steps before applying the assessments to the property owners included in the final schedule (Exhibit A).

**ALTERNATIVES:**

1. Approve the Preliminary Resolution, the Resolution of Necessity, and the Resolution adopting the plat and final assessment schedule and amending, confirming, and levying assessments for the Grant Avenue (now known as Hyde Avenue) Paving Project.
2. Direct staff to pursue modifications to the project.

**MANAGER'S RECOMMENDED ACTION:**

By approving Alternative No. 1, the property assessments as outlined on the final schedule (Exhibit A) can be applied to the respective properties.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.

**Grant Avenue Paving Assessment  
Hyde Avenue to W 190<sup>th</sup> Street  
Schedule A**

	<b>Name and Address</b>	<b>Legal Description</b>	<b>Assessment</b>	<b>Percent of Cost</b>
1	Sansgaard Group, LLC 1529 Broad Street Story City, Iowa 50248  <b>Successor</b> Diligent Rose Prairie, LLC 12119 Stratford Drive Suite B Clive, Iowa 50325	Rose Prairie Final Plat, Lot 2, Story County, Iowa  Address: 5571 Grant Ave (05-21-200-150)	\$1,119,093.83	36
2	Sansgaard Group, LLC 1529 Broad Street Story City, Iowa 50248  <b>Successor</b> Diligent Rose Prairie, LLC 12119 Stratford Drive Suite B Clive, Iowa 50325	Rose Prairie Final Plat, Outlot X, Story County, Iowa  Address: 4397 Grant Ave (05-21-400-001)	\$31,085.94	1
3	Hunziker, Erben & Margaret Hunziker Apartmenst LLC 105 S 16 <sup>th</sup> St Ames, IA 50010-8009	S ½ SE Ex Parcel 'D', Slide 10 Pg 3 % Ex RR ROW, Story County, Iowa  Address: 4397 Grant Ave (05-21-400-310)	\$621,718.80	20
4	Hunziker Land Development Co LLC 105 S 16 <sup>th</sup> St Ames, IA 50010-8094	S ½ BG 540.9' NW ¼ CR NE 510.4' NE 648.2' NE 479.6' W 1479.9' S 557.4' to Beginning, Story County, Iowa  Address: Franklin Township (05-22-100-320)	\$93,257.82	3
5	Quarry Estates LLC 100 6 <sup>th</sup> St Ames, IA 50010-6338	Parcel "L" in the North Half (N ½) of Section 22, Township 84 North, Range 24 West of the 5th P.M., Story County, Iowa; as shown on the Plat of Survey filed in the Office of the Recorder of Story County, Iowa on January 17, 2012 and recorded as Instrument # 2012- 00000476. Contains 84.46 gross acres  Address: 904 W. 190 <sup>th</sup> Street (05-22-100-100)	\$528,460.98	17
6	City of Ames 515 Clark Ave Ames, IA 50010-6135	Parcel 'J' NW, Slide 112 Pg 3, Ames, Iowa  Address: 5300 Grant Ave (05-22-100-340)	\$466,289.10	15

**Grant Avenue Paving Assessment  
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Schedule A**

7	City of Ames 515 Clark Ave Ames, IA 50010-6135	Section 22, Township 84 Range 24, NW, SW, Ames, Iowa  <u>Address:</u> 5000 Grant Ave <b>(05-22-300-100)</b>	\$248,687.52	8
			\$3,108,593.99	100.0