ITEM#:	36
DATE:	03-28-23
DEPT:	P&H

## COUNCIL ACTION FORM

# <u>SUBJECT</u>: APPROVAL OF DEVELOPMENT AGREEMENT AND RURAL SUBDIVISION MINOR FINAL PLAT FOR HIDDEN CREEK, PLAT ONE

## BACKGROUND:

Hidden Creek Farms, LLC. is requesting approval of a Final Plat for Hidden Creek Farms Plat One, proposed as a rural subdivision within the two-mile fringe of the City of Ames. The proposed subdivision includes a request for wavier of City improvement requirements and to be approved as a minor subdivision that would create two lots. The Plat must also be approved by Story County per the terms of the current Ames Urban Fringe Plan (AUFP).

The subject property is located in Story County, on the north side of  $190^{\text{th}}$  Street across from the Quarry Estates Subdivision (Attachment A – Location Map). The Minor Final Plat is 30.07 Acres and consists of two lots and two street lots. Outlot A (13.5 acres) will be reserved for future development and will be restrict from being developed with this plat. Lot 1 (15.2 acres) may be developed in the future and is anticipated to be developed for a religious use, subject to approval of a conditional use permit within Story County. Two lots will be dedicated as public right of way, Lot A along 190<sup>th</sup> Street and Lot B along Grant Avenue (Attachment B – Final Plat).

City Council previously considered a request in August 2022 to waive all authority for subdivision review of the parcel. The Council declined to waive authority and determined it would review a Final Plat with specific waivers to the City's improvement requirements. A minor subdivision includes three or fewer lots and does not require additional public improvements. A minor subdivision does not require a Preliminary Plat and may be approved by the City Council as a Final Plat. The proposed project qualifies as a minor subdivision, as the property is located within Story County and no City utility public improvements will be required if the City Council approves the requested waiver with the accompanying development agreement.

The proposed subdivision lies outside the city limits of Ames. It is currently within the Story County Study Area Overlay, which lies between 190<sup>th</sup> and 180<sup>th</sup> Streets in the Ames Urban Fringe Plan. The site is designated as Ag and Farm Services. Per the terms of the AUFP (page 25) and accompanying 28E agreement with Story County, when subdivisions in the county occur within the study area each city retains their review authority of subdivisions under state code (Attachment C – Applicable Laws and Fringe Plan Policies). Therefore, Story County and the City of Ames must both review and approve the subdivision. Additionally, as an Ag and Farm services designation, no

new developable lots are to be created. With the proposed plat, there is no net increase in developable lots.

This plat was reviewed by the Story County Planning & Zoning Commission on March 1, 2023, and was recommended for approval with conditions. The Plat is set to be reviewed by the County Board of Supervisors on March 28. No recommendation from the Ames Planning and Zoning Commission is required for Council review of a Final Plat.

The property's county zoning is A-1, Agricultural. Future development of Lot 1 is intended for development of a church, which will require a Conditional Use Permit within the County. Although the City has authority over the subdivision process within the urban fringe in Story County, the City does not have authority over conditional use permits in the County.

City staff has met with the property owner's representative and Story County Planning staff over the course of several months to work through any potential conflicts related to future site development due to its proximity to existing City developments and its designation as an Urban Reserve Area within Ames Plan 2040. The development review process led to preparation of a Development Agreement between the City and developer to address the proposed waivers of City standards (Attachment D – Development Agreement).

The Development Agreement addresses conditional waivers of standards and retains City review of a future traffic analysis, access, and stormwater. It also includes providing for a future sidewalk connection, dedication of easements and right-of-way, and consent to annexation. In addition, it limits development of the site to one single-family dwelling, a religious use, or agricultural uses allowed by Story County.

A traffic study that includes the review of turning movements on 190<sup>th</sup> will be required to be submitted prior to development of Lot 1. Access will be required to meet spacing requirements of Story County and the City of Ames. If Outlot A were to be developed in the future, the width would allow for a future access to align with McFarland Avenue.

A portion of the site, on the approximate western one-third of the subdivision, lies within the Ada Hayden watershed. The proposed subdivision complies with the conservation and stormwater standards and necessary easements are being created. This site can be developed without any work occurring within the Ada Hayden watershed boundary.

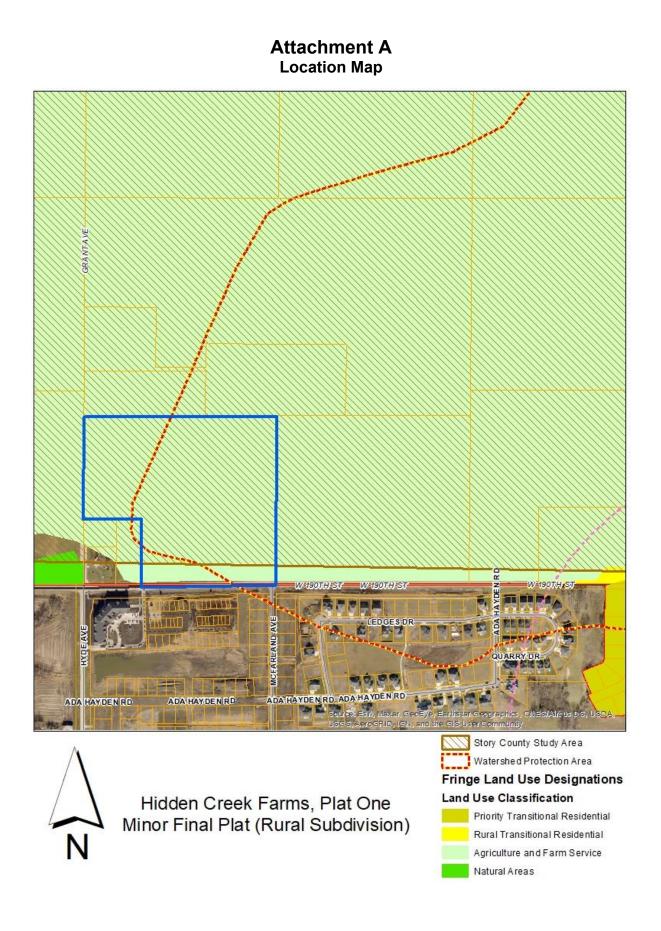
The site will not be served with city sewer or water. The site is within the territory where service by Xenia would be allowed and required to conform to City and SUDAS standards for water service. The property owner has signed an annexation and improvement agreement as typically required of rural subdivisions. A five-foot sidewalk easement is being provided along 190<sup>th</sup>.

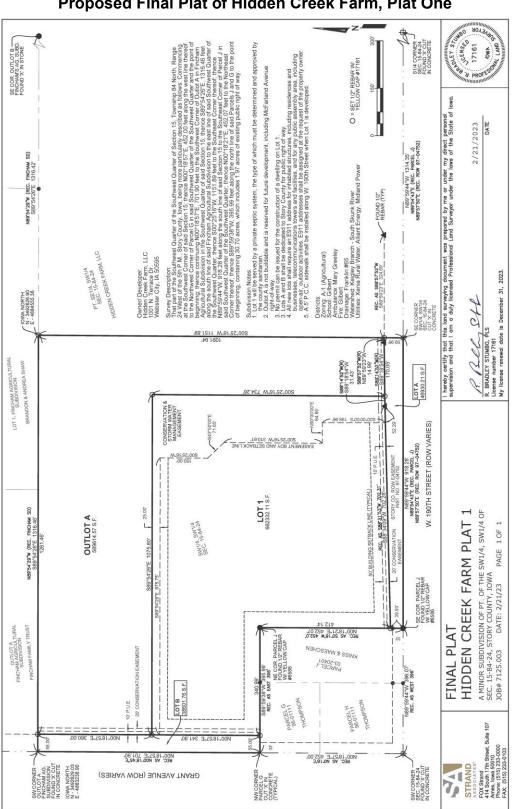
## ALTERNATIVES:

- 1. Approve the following, based on finding that the proposed subdivision conforms to City and State standards:
  - a. The attached Development Agreement
  - b. A waiver of improvement requirements
  - c. A Minor Final Plat for Hidden Creek Farm, Plat One
- 2. Do not approve the final plat for Hidden Creek Farm, Plat One, on the basis that the proposed subdivision does not comply with applicable ordinances, standards, or plans.
- 3. Defer approval until completion of the rezoning with master plan process.

## **CITY MANAGER'S RECOMMENDED ACTION:**

The proposed final plat for Hidden Creek Farm, Plat One will create two lots: Lot one would be developable for a religious use, a single-family home, or agricultural uses allowed per the Story County Zoning Code. Outlot A can only be used for agricultural purposes. Future development will comply with the applicable Zoning Agreement for this site. Therefore, it is the recommendation of the City Manager that the City Council accept Alternative #1, as described above.





Attachment B Proposed Final Plat of Hidden Creek Farm, Plat One

## Attachment C Applicable Laws and Fringe Plan Policies

The laws applicable to this case file are as follows:

*Code of Iowa,* Chapter 354.8 states in part:

A proposed subdivision plat lying within the jurisdiction of a governing body shall be submitted to that governing body for review and approval prior to recording. Governing bodies shall apply reasonable standards and conditions in accordance with applicable statutes and ordinances for the review and approval of subdivisions. The governing body, within sixty days of application for final approval of the subdivision plat, shall determine whether the subdivision conforms to its comprehensive plan and shall give consideration to the possible burden on public improvements and to a balance of interests between the proprietor, future purchasers, and the public interest in the subdivision when reviewing the proposed subdivision and when requiring the installation of public improvements in conjunction with approval of a subdivision. The governing body shall not issue final approval of a subdivision plat unless the subdivision plat conforms to sections 354.6, 354.11, and 355.8.

354.9 Review of plats within two miles of a city.

1. ...

2. If a subdivision lies in a county, which has adopted ordinances regulating the division of land, and also lies within the area of review established by a city pursuant to this section, then the subdivision plat or plat of survey for the division or subdivision shall be submitted to both the city and county for approval. The standards and conditions applied by a city or county for review and approval of the subdivision shall be the same standards and conditions used for review and approval of subdivisions within the city limits or shall be the standards and conditions for review and approval established by agreement of the city and county pursuant to chapter 28E. Either the city or county may, by resolution, waive its right to review the subdivision or waive the requirements of any of its standards or conditions for approval of subdivisions, and certify the resolution which shall be recorded with the plat.

3. If cities establish overlapping areas of review outside their boundaries, then the cities shall establish by agreement pursuant to chapter 28E reasonable standards and conditions for review of subdivisions within the overlapping area. If no agreement is recorded pursuant to chapter 28E, then the city which is closest to the boundary of the subdivision shall have authority to review the subdivision.

## Ames *Municipal Code* Section 23.303(3) states as follows:

(3) City Council Action on Final Plat for Minor Subdivision:

(a) All proposed subdivision plats shall be submitted to the City Council for review and approval in accordance with Section 354.8 of the Iowa Code, as amended or superseded. Upon receipt of any Final Plat forwarded to it for review and approval, the City Council shall examine the Application Form, the Final Plat, any comments, recommendations or reports examined or made by the Department of Planning and Housing, and such other information as it deems necessary or reasonable to consider.

(b) Based upon such examination, the City Council shall ascertain whether the Final Plat conforms to relevant and applicable design and improvement standards in these Regulations, to other City ordinances and standards, to the City's Land Use Policy Plan and to the City's other duly adopted plans. If the City Council determines that the proposed subdivision will require the installation or upgrade of any public improvements to provide adequate facilities and services to any lot in the proposed subdivision or to maintain adequate facilities and services to any other lot, parcel or tract, the City Council shall deny the Application for Final Plat Approval of a Minor Subdivision and require the Applicant to file a Preliminary Plat for Major Subdivision.

## Subdivision Waiver Standards Section 23.103

## Sec. 23.103. WAIVER/MODIFICATION.

(1) Where, in the case of a particular subdivision, it can be shown that strict compliance with the requirements of the Regulations would result in extraordinary hardship to the Applicant or would prove inconsistent with the purpose of the Regulations because of unusual topography or other conditions, the City Council may modify or waive the requirements of the Regulations so that substantial justice may be done and the public interest secured provided, however, that such modification or waiver shall not have the effect of nullifying the intent and purpose of the Regulations. In no case shall any modification or waiver be more than necessary to eliminate the hardship or conform to the purpose of the Regulations. In so granting a modification or waiver, the City Council may impose such additional conditions as are necessary to secure substantially the objectives of the requirements so modified or waived.

(2) The requirements of the Regulations for the platting of a Minor Subdivision may be waived by city staff when it is determined by city staff that:

(a) A clear and accurate description of the area of land will be provided by means of a plat of survey to be procured by the property owner, and in compliance with Section 23.307.

(b) With respect to that area of land, all substantive requirements and standards of the Regulations are already met.

#### Ames Urban Fringe Plan Excerpt-

#### Agriculture and Farm Service (AFS)

The designation encompasses large areas of highly valuable farmland, with farming and agricultural production as the primary activity. This designation also includes areas where the landowner has chosen not to use the land for agricultural production. The vegetative cover of this land may be native (either original or re-established) or introduced, but not part of the Natural Areas land use designation.

AFS Policy 1 Recognizing that agricultural land is a natural resource of the Ames Urban Fringe that should be protected, farming and agricultural production is and will continue to be the predominant land use of areas given the Agriculture and Farm Service designation. Land given this designation has been determined to be moderate to high value agricultural land with regard to one or more of the following general factors: soil productivity, effect of surrounding land uses on agricultural use, and physical characteristics that affect the ease with which the land can be utilized for agriculture. (Relates to RSACA Goals 2.1, 2.5)

AFS Policy 2: Recognizing that industrial and commercial land uses dependent on proximity to local agricultural land uses are essential to the continued feasibility of farming in Story County and Boone County, support these services within the Agriculture and Farm Service designation. (Relates to RSACA Goals 2.1, 2.5)

AFS Policy 3: Strategically locate such industrial and commercial uses in order to:

-utilitize existing adequate access and road capacity and otherwise assure the existence of adequate public facilities;

-protect productive soils and environmental resources;

-support the continued use of these areas for farming and agricultural production.

(Relates to RSACA Goals 2.1, 2.2, 2.3, 2.6)

AFS Policy 4: Limit non-agricultural residences in the Agriculture and Farm Service designation to homes existing at the time of this Plan or remaining scattered building sites where farmstead homes once existed or homes on very large parcels of ground typical of the agricultural setting. Otherwise, subdivision for the creation of new residential development lots is not supported within the Agriculture and Farm Service designation. (Relates to RSACA Goals 2.1, 2.5)

AFS Policy 5 Allow the clustering of agricultural-related development at a limited scale where properties have adequate access to a public road. Such development shall be configured and designed to be harmonious with agricultural activities and avoid negative impacts to agricultural operations.

SPACE ABOVE RESERVED FOR OFFICIAL USE Legal description: See page 6.

Return document to: City Clerk , 515 Clark Avenue, Ames IA 50010 Document prepared by: Mark O. Lambert. City of Ames Legal Department, 515 Clark Ave., Ames, IA 50010 – 515-239-5146

## AGREEMENT FOR DEVELOPMENT, ANNEXATION, WATER SERVICE AND IMPROVEMENTS

**THIS AGREEMENT** for the development of property located currently outside of the corporate limits of the City of Ames, is made and entered into by and between the City of Ames, Iowa (the "City"), and Hidden Creek Farm, LLC (the "Developer"), and its successors and assigns. City and Developer are hereinafter collectively referred to as the "Parties" or individually as a "Party". This Agreement shall be effective as of the date the last of the Parties hereto executes same.

#### RECITALS

WHEREAS, the Parties desire the division, improvement, and development of certain real properties in Story County, Iowa, as legally described on the attached Exhibit A (the "Site");

WHEREAS, the Site is located outside but within two miles of the corporate limits of the City and the City desires to exercise its authority under Iowa Code §354.9 to review the proposed division and to allow division and development subject to certain conditions; and

WHEREAS, the Developer requests waivers of certain subdivision standards of the Ames Municipal Code.

WHEREAS, the Site may be annexed to the City in the future as provided in Chapter 368 and the Parties desire to memorialize certain terms and conditions of said future annexation;

**NOW**, **THEREFORE**, in consideration of the Recitals and of the mutual covenants contained herein, and reliance on the same, the receipt and sufficiency of which is hereby acknowledged, the Parties do hereby agree as follows:

## I. <u>Covenants Regarding Annexation, Public Improvements, Water Service and</u> <u>Driveway Standards</u>

Section A. Annexation. The Site is located in an area that may be annexed to the City, as provided in Iowa Code Chapter 368. The Developer agrees to have the Site annexed to the City upon certain terms and conditions as hereinafter set forth since the Site is contiguous to the City. The City Council may, at some time, require annexation of the Site to the City and shall then notify the Developer of the City's desire to annex the Site, or any portion thereof. Upon such notification, the Owner will submit to the City Clerk a Voluntary Petition for Annexation of the Site by the City. The City Clerk will file the Petition, submit it to the City Council for consideration at such time and under such circumstances as the City Council deems appropriate, and comply with the requirements of Iowa Code Chapter 368. Pursuant to Iowa Code section 368.7(e), upon execution of this Agreement, Developer hereby irrevocably waives the right to withdraw or rescind the Petition and hereby irrevocably waives the right to withdraw its consent to the Petition and waives its right to object to annexation.

Section B. Public Improvements. In anticipation of the possibility that the City may at some time deem it to be in the public interest to cause construction of certain public improvements, including, but not limited to, street paving, curbs and guttering, sewer service, water mains, sanitary sewer mains and sidewalks by means of City awarded contracts to be paid by special assessments to be levied against the Site, Developer does hereby covenant and agree that by execution of this instrument shall pay and shall be bound to pay the City, the costs of the aforesaid improvements, by action of the City Council, after notice and hearing as provided by Iowa Code §384.50, the provisions of §384.38 notwithstanding. Furthermore:

- (1) It is understood and agreed by the Parties that when and if the City Council conducts a hearing on a proposed resolution of necessity to assess public improvement costs to the Site, or any portion thereof, the owners of such land may then appear before the City Council and be heard.
- (2) Notwithstanding the foregoing, Developer, in consideration of the benefits derived from the approval of the division and development of the Site, Developer covenants and agrees that it will not sue the City, or any officer of employee of the City, to test the regularity of the proceedings or legality of the assessment procedure, to appeal the amount of the assessment, to enjoin, set aside, overturn or reduce the amount of such assessments levied against the Site by the City.

Section C. Water Service. The Site currently obtains water service from a federally protected rural water service provider, Xenia Rural Water Service. Developer shall not be required by the City to connect to City water service for development of the site or upon annexation. Developer is solely responsible for development of water infrastructure to City standards as set forth in the *Agreement for Water Service and Territory Transfer* between the City and Xenia with an effective day of February 1, 2022, and recorded as Instrument No. 2022-01065, and agrees to be bound by all the terms and conditions of said Agreement for the Site. Developer is responsible for the cost and expense of coordinating with Xenia for verification of adequate water flow, water pressure, water mains, fire hydrants and all related improvements needed to meet City standards at the time of development of the Site.

For purposes of making provision for future City water services to the Site, Developer shall be responsible for payment of any amount that may become due and owing to any rural water provider because of the development of the Site which is related to the buyout of rights to serve the Site or any portion thereof with water. The City shall not be required to advance any funds or costs due and owing to a rural water provider on behalf of any Developer. Developer shall hold the City harmless and indemnify the City from any and all amounts required to pay a rural water provider service provider as a settlement for resolution of any claims, disputes, objections, protest or litigation related to or arising out of the City providing water service to the Site, or any portion thereof. Section D. Driveway Standards. The Developer understands a traffic study and access assessment may be required by the City to allow for future access at the time of development. Any driveway, or portion thereof, constructed by the Developer that connects to West 190<sup>th</sup> Street shall be a minimum of 200 feet away from the westernmost point of McFarland Avenue abutting West 190<sup>th</sup> Street and a minimum of 170 feet away from the eastern most point of Shimek Drive abutting West 190<sup>th</sup> Street. Any and all access points are subject to approval by the City. Developer shall be responsible for the cost of any turn lane or street improvements needed to meet City standards.

*Section E. Sidewalks.* Developer shall install a public sidewalk no less than five feet wide running parallel to 190<sup>th</sup> Avenue. The public sidewalk shall run the length of the southern boundary of the Site abutting 190<sup>th</sup> Avenue. Developer shall provide an easement acceptable to the Story County Planning and Development Department at no cost to be approved and recorded upon Story County approval of the Subdivision. Developer shall promptly provide the City with a copy of the recorded Sidewalk Easement.

The Developer requests deferral of sidewalk construction and a waiver of security otherwise required by the municipal code for sidewalk construction. As a condition of granting the deferral and waiver of security, the Developer agrees to construct a sidewalk to City specifications concurrent with the development of Lot 1. Sidewalks shall be within the right of way or within a sidewalk easement on the site. The sidewalk extension to the west on Outlot A shall be constructed to allow a connection to McFarland Avenue, unless otherwise later deferred by City Council.

Section F. Street Improvements and Sewer Extension. The City agrees to waive improvements and extension of public infrastructure related to street widening, curb and gutter, water, sanitary sewer, street lights shall be waived except as stated in this agreement for sidewalks, water, driveways, and stormwater. Said waiver is conditioned on the limited use of Lot 1 for one residential unit, agricultural uses, or religious institution, and the City grant said waiver only for this plat.

Section G. Storm Water. Prior to the development of Lot 1, the Developer shall submit a stormwater management plan to the City for review. Developer shall not proceed to develop Lot 1 unless and until the City approves the proposed stormwater management plan.

#### II. Binding Effect

This Agreement shall be binding upon and insure to the benefit of the parties hereto, their heirs, successors and assigns and shall be recorded with the Recorder of Story County. The Agreement shall be binding upon all successors and assigns of the Parties. Developer shall be liable to the City for each and every obligation imposed under the terms of this Agreement. The obligations under this Agreement shall constitute a covenant running with the land. Both the City and the Developer shall constitute parties for the purpose of filing a verified claim to extend the covenants contained herein. The City and the Developer may take any action, including legal, equitable or administrative action, which may appear necessary or desirable to enforce performance and observance of any obligation, agreement or covenant under this Agreement.

#### III. Miscellaneous Provisions

If any provision of the Agreement is held invalid, such invalidity shall not affect any of the other provisions contained herein. This instrument constitutes the entire agreement between the parties with respect to the

subject matter thereof and supersedes all prior oral or written agreements, statements, representations, and promises. No addition to or change in the terms of this Agreement shall be binding upon the parties unless it is expressed in a writing signed and approved by the parties.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed effective as of the date first above written.

Hidden Creek Farm, LLC

By:

Philip D. Voge, Manager

STATE OF IOWA, COUNTY OF <u>Hermilton</u>, SS.: This instrument was acknowledged before me on <u>March</u> <u>13</u>, 2023, by Philip D. Voge, as Manager of Hidden Creek Form 11 C



NOTARY PUBLIC

Passed and approved on \_\_\_\_\_\_, 2023, by Resolution No. 23-\_\_\_\_\_ adopted by the City Council of the City of Ames, Iowa.

#### CITY OF AMES, IOWA

By:

John A. Haila, Mayor

Attest:

Renee Hall, City Clerk

#### STATE OF IOWA, COUNTY OF STORY, SS.:

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This instrument was acknowledged before me on \_\_\_\_\_\_, 2023, by John A. Haila and Renee Hall, as Mayor and City Clerk, respectively, of the City of Ames, Iowa.

NOTARY PUBLIC

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## Exhibit 'A' - Legal Description of Site

к. <sup>у п</sup>

That part of the Southwest Quarter of the Southwest Quarter of Section 15; Township 84 North, Range 24 West of the 5th P.M., Story County, Iowa, being more particularly described as follows: Commencing at the Southwest Corner of said Section 15; thence N00°18'57"E, 452.00 feet along the west line thereof to the Northwest Corner of Parcel G in said Southwest Quarter of the Southwest Quarter and the point of beginning; thence continuing N00°18'57"E, 701.90 feet to the Southwest Corner of Outlot A in Fincham Agricultural Subdivision in the Southwest Quarter of said Section 15; thence S89°54'26"E, 1316.46 feet along the south line of said Fincham Agricultural Subdivision to the east line of said Southwest Quarter of the Southwest Quarter; thence S00°25'16"W, 1151.89 feet to the Southeast Corner thereof; thence N89°59'44"W, 918.28 feet along the south line of said Section 15 to the Southeast Corner of Parcel J in said Southwest Quarter of the Southwest Quarter; thence N00°18'21"E, 452.07 feet to the Northeast Corner thereof; thence S89°59'38"W, 395.99 feet along the north line of said Parcels J and G to the point of beginning, containing 30.70 acres, which includes 1.97 acres of existing public right of way.