

TO: Mayor and City Council

FROM: Kelly Diekmann, Planning & Housing Director

DATE: July 18, 2023

SUBJECT: Request to Amend Cedar Lane Paving Requirement for Ansley Subdivision

City Council referred a request (see attached) on June 27th from the Steve and Anne Burgason, as the owners and developer of the Ansley Subdivision, to modify the development requirement to pave approximately 700 feet of Cedar Lane adjacent to their development with future phases of their project.

City Council approved on April 12, 2002 the rezoning of the site to FS-RL with a PUD Overlay with a Master Plan that includes three access points from Cedar Lane and a zoning agreement that specifies that the 700 feet of intervening Cedar Lane frontage between the planned southern and middle entrance would be paved by the developer. (see map next page) The zoning agreement specifies that the timing and plans for its improvement would be part of the subdivision approval.

The subdivision Preliminary Plat was approved by the City Council on November 8, 2022. The intervening area of Cedar Lane was shown as an improved paved 26-foot roadway with the preliminary plat. At the time of preliminary plat approval, City Council approved the waiver of extending Cedar Lane to the south of southern most entrance to the development, but maintained the requirement for paving of Cedar Lane between middle and southern entrances. Timing of the actual paving of Cedar Lane would be tied to a later phase of development related to the southern entrance.

Notably, the City has an agreement that half of the cost of paving of Cedar Lane is the responsibility of Iowa State University. ISU inherited this paving requirement when it acquired the unbuilt phases of the Ringgenberg development on the westside of Cedar Lane. Therefore, the developer is only responsible for the cost of half of this segment of roadway paving.

The paving requirement was tied to desire for a complete paved street network to serve the planned development. No development is anticipated between the entrances of the project and paving of Cedar Lane would connect the development together. As noted above, the developer is responsible for half of the cost in this situation. The City's Subdivision Code requirements of 23.403 related to street improvements were identified within the Preliminary Plat approval as the requirements for street improvements with the development of the site.

Option 2-Developer Agreement for City Participation in the Cost of Paving Cedar Lane

This option would not require an amendment to the subdivision approval, but would require an agreement with the City to share in the cost of paving Cedar Lane, specifically for the 700 feet between the entrances of the subdivision. Based upon Public Works estimates, 700 feet of 26 foot-wide local street paving would cost approximately \$400,000. This cost would be split with ISU per the Ringgenberg development agreement. The City's cost is estimated at approximately \$200,000 for half of the improvement costs of paving the road. **With this agreement, the developer would be responsible for providing plans for the improvements, but the City would be responsible for constructing the project. City Council could commit to either partially sharing in the cost, or fully taking on the total cost of the improvement.**

Option 3- No Action at this Time

The developer is looking forward to future phases of the project and wants to have clarity on their future obligations. The current request is based upon cost escalation of the overall development since the time of the original approval related to their first phase. Future phases to the south are anticipated being ready for development three or more years from the start of the first phase. **City Council could either take no action on the request determining that the improvements paid by the development are required for the project as approved or take no action because the issue is not ripe for discussion based upon future unknown circumstances.**

Staff Comments

If Council is interested in consider Option 1 or 2, the item should be referred to a future City Council meeting. The primary distinction between Option 1 and Option 2 is whether the City would affirmatively commit to providing some level of funding for the Cedar Lane improvement. Option 1 would make the street improvements dependent on future subdivisions independent of Ansley. Option 2 would commit the City to participate either fully or partially in the future street improvement. The improvement project would be coordinated with the timing of the start of the southern phase of Ansley. This coordination would still be a few years into the future.

To the Attention of: Ames City Council

June 14, 2023

Re: Request from the Ansley Development for the City of Ames to waive the 700 feet of frontage that is offsite frontage for the Cedar Lane extension. This request is for 1/2 the cost of this frontage as Iowa State University will be assuming the other 1/2 of the cost of this frontage.

Basis for Request:

- this request for waiver impacts the timing of the construction of the approximately 170 homes in the approved Ansley preliminary plat. The first addition of the Ansley development has begun this year with contractors in place to have Phase One final platted this year. Originally, the Ansley project included this Cedar Lane road cost in our plans with the city. However, development costs were more significant than anticipated in the first addition as indicated in the following points. This request is to remove this obligation, as subsequent phases will be impacted by the obligation for the cost of paving half of the 700 feet of Cedar Lane.
- extensive front end costs of connecting sanitary sewer from Aurora due to the end points for sanitary sewer on Cedar Lane being inaccessible without extensive Cedar Lane road reconstruction. (the sanitary sewer was not required to be continued to the end of the paved Cedar Lane but stops 300 feet short on the west side of Cottonwood). This connection adds an additional 1500 feet of upfront installation of sanitary sewer line at a cost of approximately \$120,000.
- extensive storm water expenses, including the additional storm water flow added when the pipes installed under Cedar Lane (9-10 years ago at the finished Cedar Lane end point) were tripled in their flow capacity (two of them...one from Ringgenberg stormwater and one from ISU field stormwater). At the same time, ISU tiled the normally wetland area in that corner (several acres of their field) which also increased the stormwater flow. This has resulted in an increase to a 4' x 4' box culvert or 60" pipe needed to handle this additional flow. As well, it requires additional pond storage. We are also digging an additional pond on the Roth property to handle temporary storm storage. These additional costs are easily over \$300,000.
- This section of road is all non-development properties on both sides of the Cedar Lane.
- Ansley development is paying for three stub roads for future Ames development on the east side of the development. One on Roth Road heading East, one off Aurora going East and one heading East off of Ansley Blvd. connecting the future Domani last phase of development.
- Ansley has had the additional expenses of paying Xenia \$3000 an acre for water buyout. (Development cost of \$180,000.)
- We have brought in 100% of the current homeowners into the City of Ames (10 property owners) and to do so we paid four of them their increased property tax expense for the five years after annexation.
- We have purchased \$100,000 of wetland buyback.
- The cost of this project in today's bid amounts (for 1/2 of this section of Cedar Lane) is approximately \$150,000.

We are extremely grateful that the city was willing to limit the length of Cedar Lane during our Preliminary Plat approval process. That was a critical piece for us in moving forward with the Ansley Project. We realize we need to constantly be evaluating this development as a whole when it comes to keeping it financially sound. Thank you for your consideration of this request.

Sincerely,

Steve and Anne Burgason