

Staff Report

**PAVING REQUIREMENT FOR CEDAR LANE
RELATED TO THE ANSLEY DEVELOPMENT**

August 22, 2023

BACKGROUND:

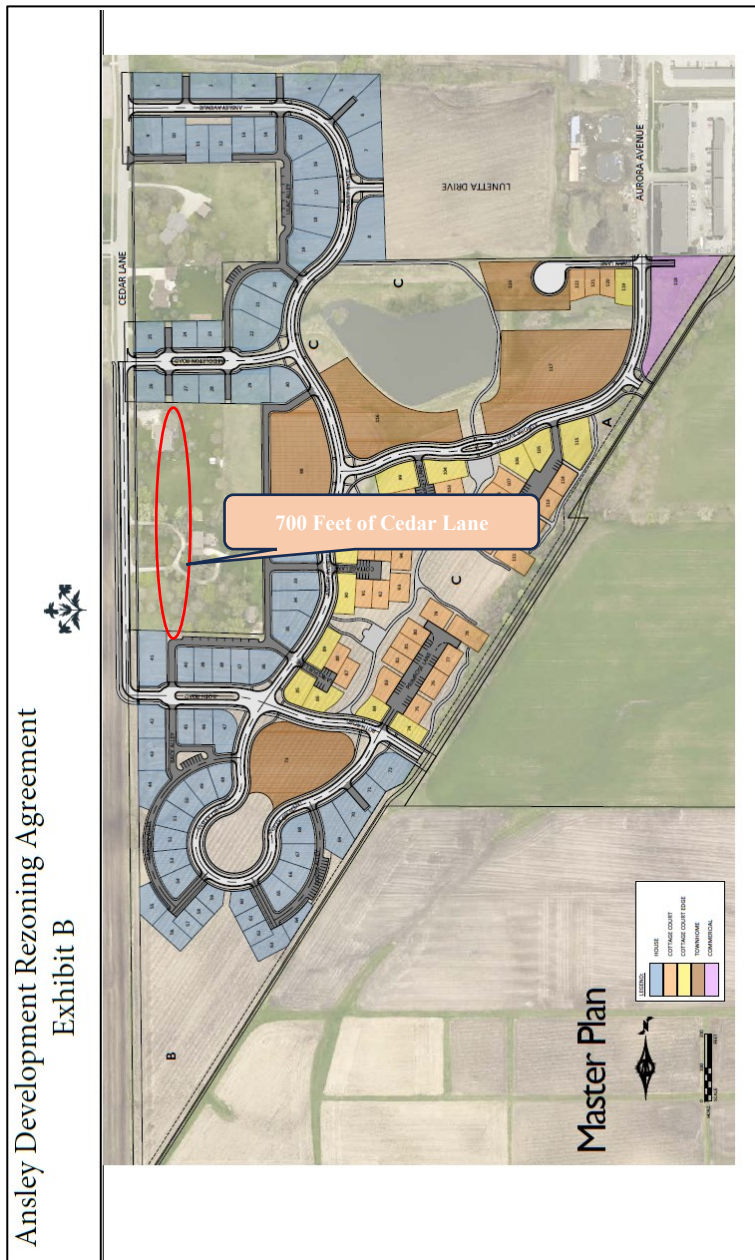
City Council referred a request (see attached) on June 27, 2023, from Steve and Anne Burgason, as the owners and developer of the Ansley Subdivision, to modify the development requirement that requires them to pave approximately 700 feet of Cedar Lane adjacent to their development with future phases of their project. City Council directed on July 14 to put the request on an agenda for discussion.

On April 12, 2022, City Council approved 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 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 southernmost entrance to the development, but maintained the requirement for paving of Cedar Lane between the 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.**

It should be noted that the City has an agreement that half 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 west side 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 currently 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.



The request from the developer to the City Council is for the obligation to pave the portion of Cedar Lane that is not adjacent to their frontage to be removed as an obligation with a future phase.

OPTION 1: Subdivision Amendment For No Paving Of 700 Feet Of Cedar Lane

This option would require the developer to seek approval of a new preliminary plat as a major amendment to the approved preliminary plat in order to remove paving of 700 linear feet of Cedar Lane. **This option would allow for consideration of a new plat and would not specify any obligation for paving of Cedar Lane related to the**

development. Future paving of Cedar Lane would be accomplished over time only if and when each of the properties along this road section is further subdivided. In the meantime, the road segment will remain unpaved.

With this option, the Developer would apply for a major amendment to the Preliminary Plat to consider approving the development without the paving requirement.

OPTION 2: A New Agreement For City To Assume Half Of The Paving Cost For The 700 Feet Of Cedar Lane, Rather Than The Developer

This option would not require an amendment to the subdivision approval. However, it 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, with ISU, rather than the Developer. Based upon Public Works estimates, paving 700 feet of a 26-foot-wide local street would cost approximately \$400,000. This cost would be split with ISU per the Ringgenberg development agreement. **The City's cost currently is estimated to be approximately \$200,000 for half of the improvement costs of paving the road. However, the paving would not be required until three or more years after the start of the first phase.**

With this agreement, the developer would be responsible for providing plans for the improvements, but the City would be responsible for constructing the project.

As an alternate, the City Council could commit to provide partial funding of developer's share to improve the 700 feet of Cedar Lane, rather than 100% of their obligation.

With this option, staff would prepare an agreement for coordination of plans and cost sharing with the Developer as directed by the City Council. No amendment to the Preliminary Plat would be required. The agreement would be required prior to final plat approval for a future phase that would require paving of Cedar Lane.

OPTION 3: No Action at this Time

The developer is looking forward to future phases of the project and desires clarity as to 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: 1) take no action on the request at this time by determining that the improvements to be constructed with the development are required for the project as approved, or 2) take no action at this time because the paving issue will not be required until a later phase of the project when updated cost estimates will be known to guide a City Council decision.**

STAFF COMMENTS:

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 700 feet of street improvements the responsibility of the developers of future non-Ansley subdivisions along Cedar Lane. In the meantime, the road segment will remain gravel. Option 2 would commit the City through an agreement to participate either fully or partially in the future street improvement. Paving of this segment of Cedar Lane would not be part of the first phase and would be coordinated with the timing of the start of the southern phase of Ansley. Currently, it is anticipated that this coordination would be a few years into the future.

Attachment A: Letter to Council

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