

SUBJECT: ANNEXATION OF EIGHTEEN PROPERTIES GENERALLY LOCATED SOUTH OF THE CURRENT CITY LIMITS BETWEEN UNIVERSITY BOULEVARD/530TH AVENUE AND CEDAR LANE

BACKGROUND:

The City of Ames has received voluntary annexation petitions from eleven (11) property owners representing eighteen (18) parcels that total approximately 156 acres. The parcels are located south of the current city limits between University Boulevard/530TH Avenue and Cedar Lane. The annexation area includes land used for agricultural purposes, and land developed with single-family homes. This is a 100% voluntary annexation. See (*Attachment A – Location Map*), (*Attachment B – Annexation Plat*), and (*Attachment E – Summary of Gross & Net Acres*). City Council initiated the annexation at its May 14th meeting and included consideration of a pre-annexation agreement with the annexation application.

Land Use Policy Plan (LUPP) and Zoning. The City has a policy that annexations be consistent with the LUPP and the Ames Urban Fringe (AUF) Plan. The AUF Plan designates the land area as “Urban Residential.” See (*Attachment C –Ames Urban Fringe Plan*). Land within the “Urban Residential” designation is planned for future annexation into the City with development of urban densities and design standards. If approved for annexation, the LUPP designation would be “Village/Suburban Residential”, allowing for a broad range of residential development types.

“Allowable Growth Areas” identified in the LUPP are areas that have been determined by the City Council to be appropriate for future expansion of the municipal boundaries, based in part on the City’s ability to serve the areas with public services. **The proposed annexation is located in the “Southwest II Allowable Growth Area.”** See (*Attachment D – LUPP Designations & Allowable Growth Area Southwest II*),

As a property is annexed into the City, it is automatically zoned as “Agricultural.” Zoning would not change unless a request is initiated by an individual property owner or by the City Council. Any proposed zoning must be consistent with the LUPP land use designation. It is the intent of the developer working with three of the property owners that a portion of the agricultural land to be annexed will be rezoned to “F-PRD” (Planned Residence District) for development as single-family residential. This type of proposal will require review of a rezoning application and a Major Site Development Plan by the Planning and Zoning Commission, and approval by the City Council. Other property owners have not indicated a specific interest in development.

Infrastructure. As part of an annexation request, the City reviews the potential to serve development with City utilities. City infrastructure, consisting of water and sanitary sewer

mains, have been constructed for properties currently within the City boundaries adjacent to the north, east and west boundaries of the proposed annexation. Extension of infrastructure to serve all properties within the annexation area will be necessary as development occurs, and as individual properties choose to hook up to the public water and sanitary sewer service. Part of the territory has Xenia Rural Water service customers. These customers may remain on Xenia water, but at the time of development it is expected the territory will be transferred to the City for service. A pre-annexation agreement acknowledges this requirement for property owners (See Attachment F).

Electric service is currently provided to the area by Alliant Energy. As the land is annexed, electric service will continue to be provided by Alliant Energy for any new development of the annexed properties.

Outreach. As part of the state-mandated process for annexations, City staff invited the Washington Township Trustees and the Story County Board of Supervisors for a Consultation Meeting on May 23, 2019. Those in attendance included: Linda Murken, Chairperson of the Story County Board of Supervisors; Robert Finch, Washington Township Trustee; Jerry Moore, Planning Director for Story County Planning & Zoning; Keith Arneson, developer; Gene Dreyer, Surveyor for Bolton & Menk; Luke Ahrens, Bolton & Menk, and Ray Anderson, Planner for the City of Ames.

Planning and Zoning Commission. The Planning and Zoning Commission reviewed the request on June 5, 2019 and voted 4-0 to recommend the City Council. A property owner on White Oak Drive stated that he is supportive of the annexation; however, he does not want any high-density apartments in the annexation area. The Commission had questions about serving the annexation with sanitary sewer, and negotiation for a buy-out of Xenia water rights in the area.

Resolution of the Board of Supervisors. On June 18, 2019, the Story County Board of Supervisors passed Resolution No. 19-128 supporting the voluntary annexation of eighteen parcels of land, located on the south side of Ames, between Oakwood Road, Cedar Lane, and University Boulevard, as identified in the resolution.

ALTERNATIVES:

1. The City Council can approve the annexation of approximately 156 gross acres, generally located south of the current City limits between University Boulevard/530th Avenue and Cedar Lane in Washington Township in Story County, as shown on Attachment B, approve the proposed pre-annexation agreement, and direct staff to file the annexation with the City Development Board.
2. The City Council can deny the request to annex approximately 156 gross acres, generally located south of the current City limits between University Boulevard/530th Avenue and Cedar Lane in Washington Township in Story County, Iowa, as shown on Attachment B.

3. The City Council can defer this item and request additional information from either city staff or the applicant.

CITY MANAGER’S RECOMMENDATION:

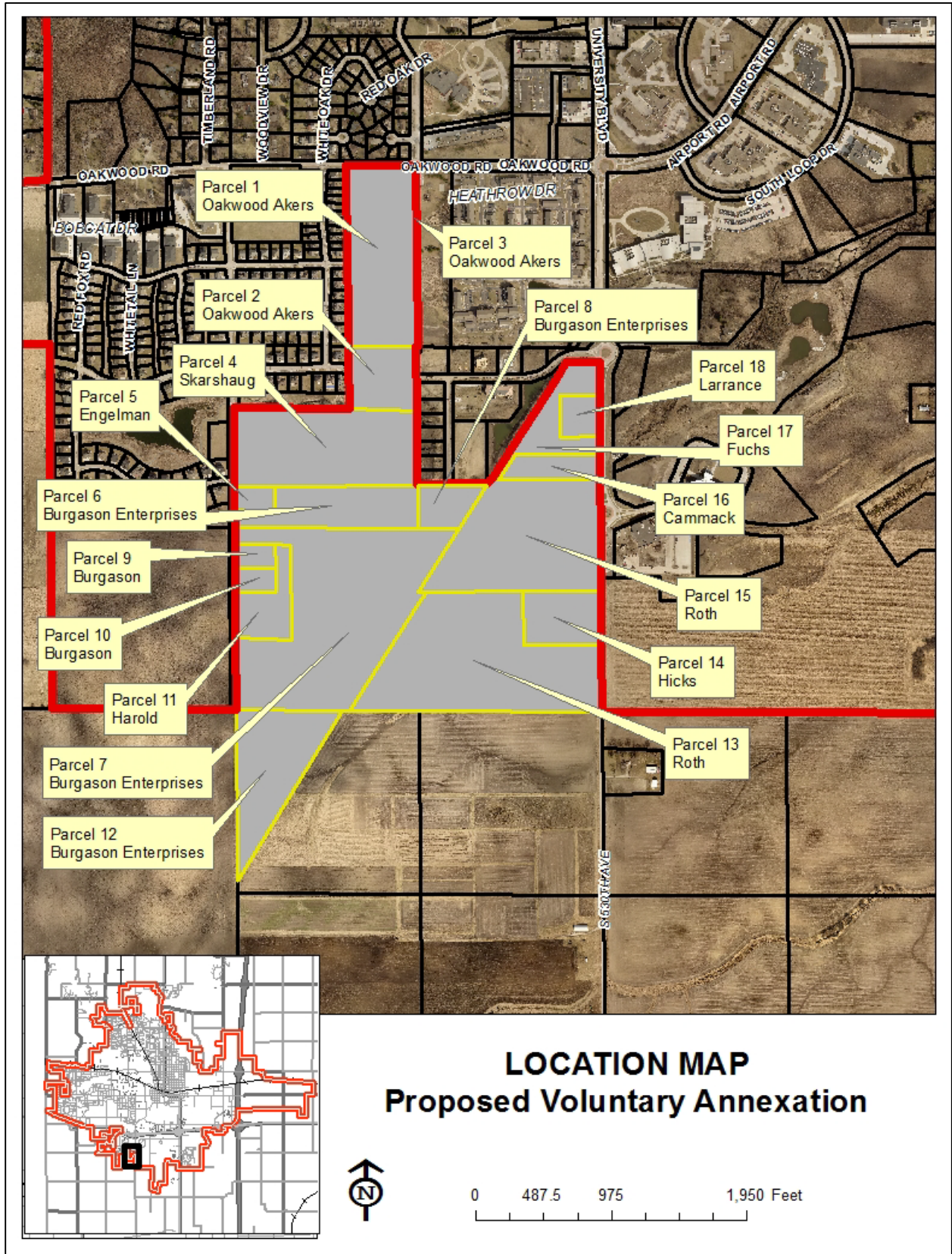
The proposed voluntary annexation is 100% consenting. Prior to petitioning for annexation, the applicants agreed in principal on a pre-annexation agreement with the City Council to address future connection fee requirements for existing homes and to address future water service needs, among other issues. The agreement will become effective between the City and the property owners upon approval of the annexation by the City Council.

Since a portion of the area to be annexed is within two (2) miles of the City of Kelley, the Iowa Code requires that the City Development Board (a board of the State of Iowa government) must review the proposed annexation, and approval by the City Council and the City Development Board is required for the annexation approval to be final.

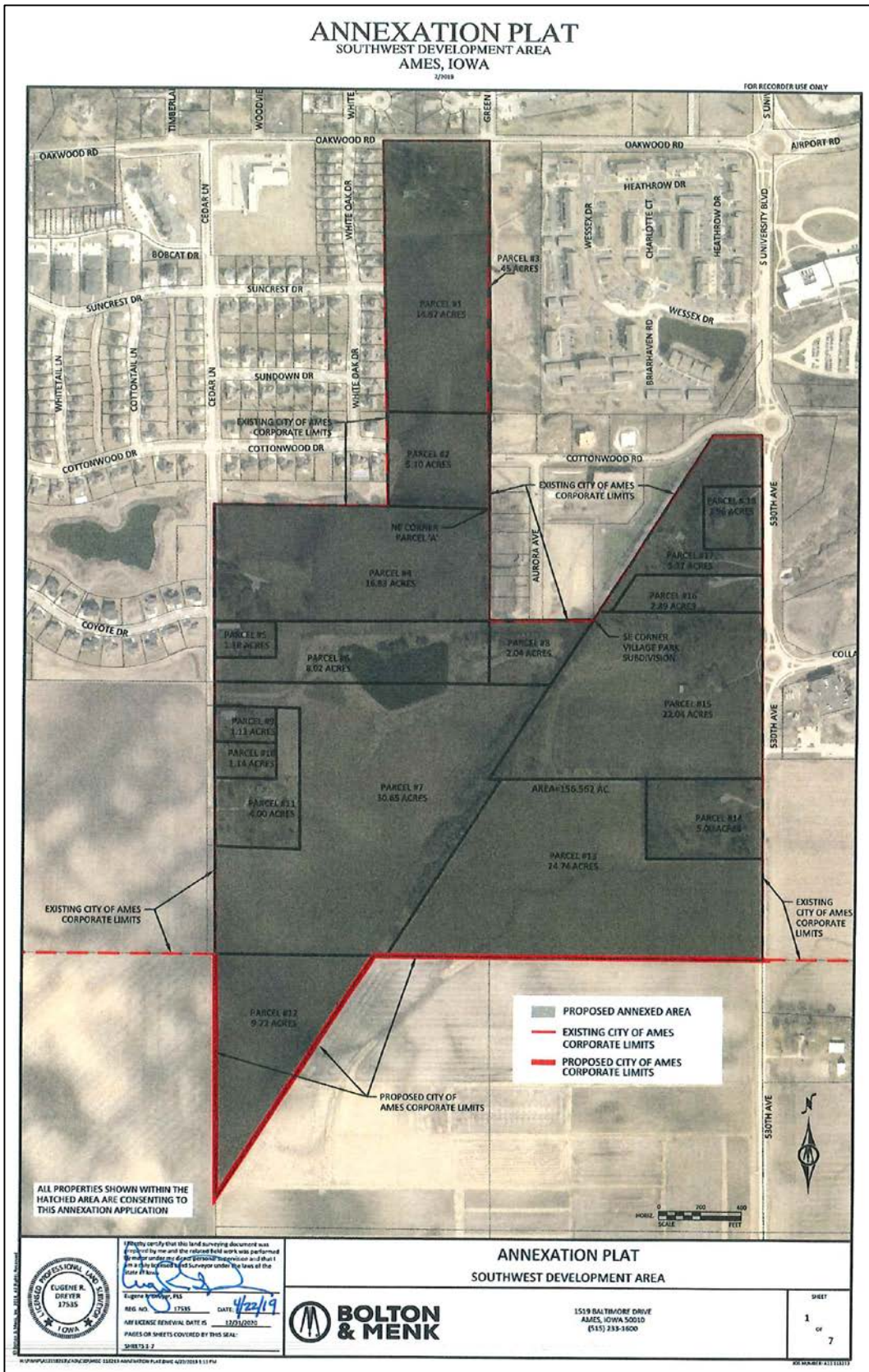
The proposed annexation is located in an area that has been identified as Urban Residential on the Ames Urban Fringe Plan, which are lands that are planned for inclusion into the City as the timing is appropriate. The designation on the Future Land Use Map for the land is Village/Suburban Residential, which is consistent with the AUF Plan.

Therefore, the City Manager recommends that the City Council approve the annexation of approximately 156 gross acres generally located south of the City limits between University Boulevard/530th Avenue and Cedar Lane in Washington Township in Story County, and direct staff to file the annexation with the City Development Board.

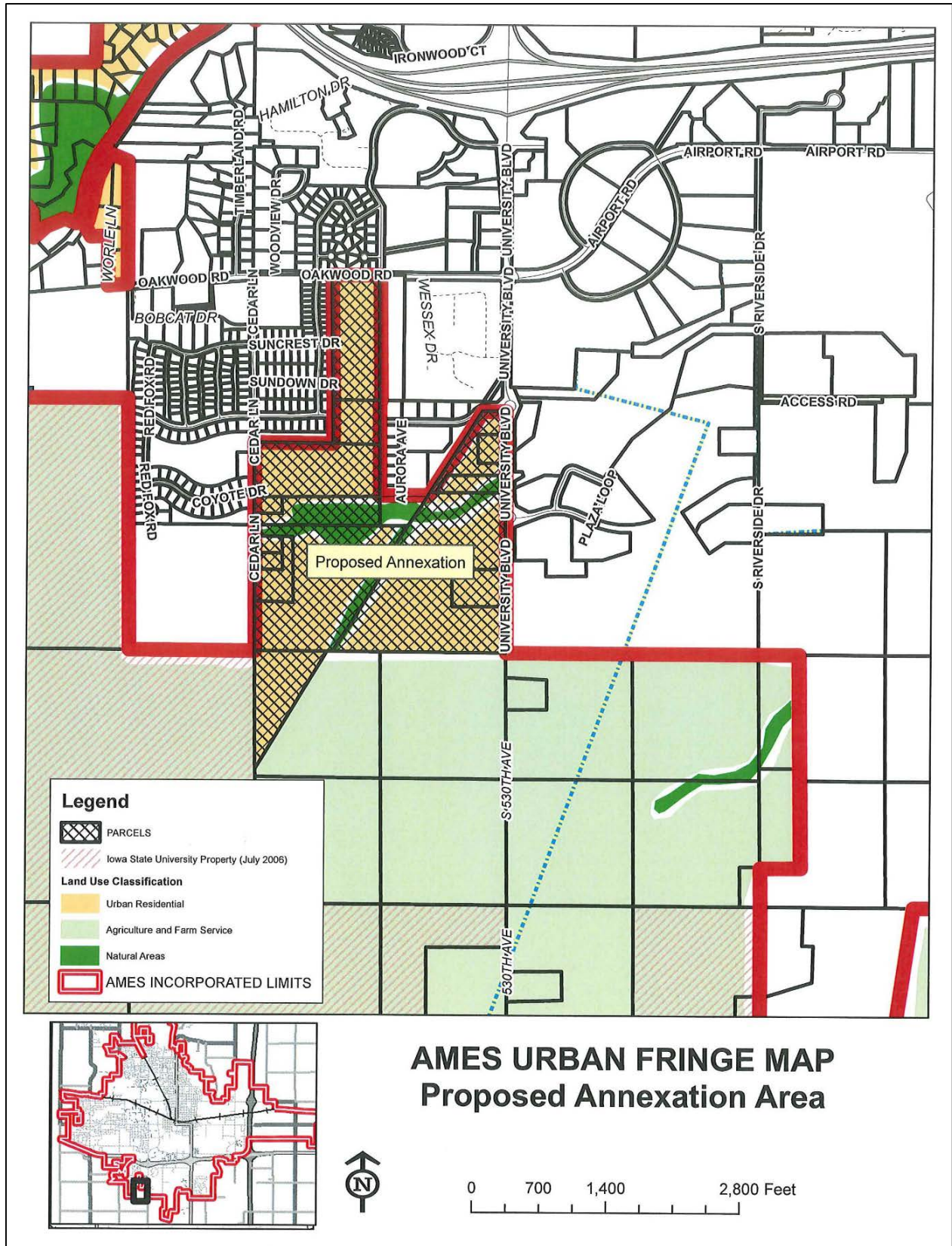
Attachment A – Location Map



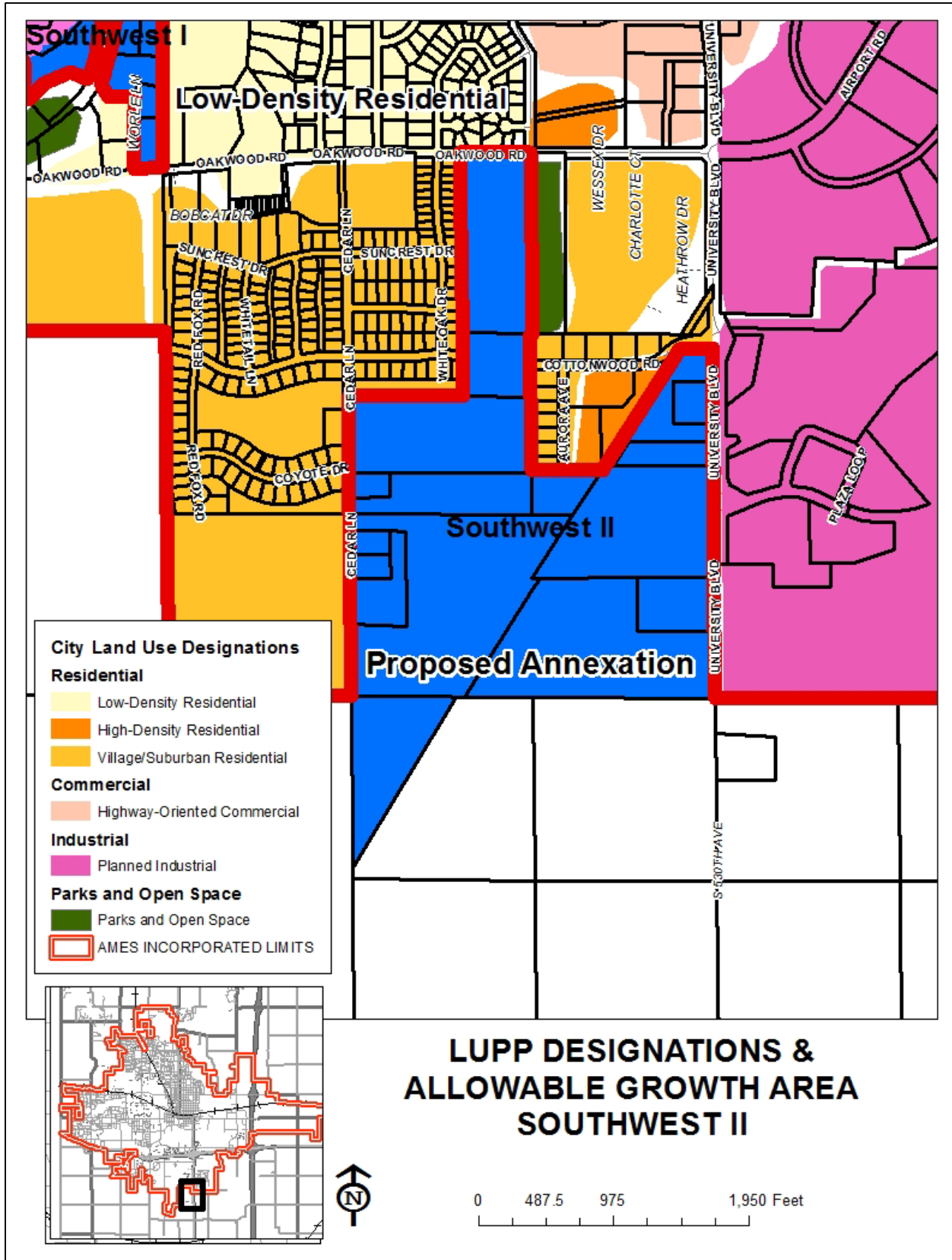
Attachment B – Annexation Plat



Attachment C – Ames Urban Fringe Map



Attachment D – LUPP Designations & Allowable Growth Area Southwest II



Attachment E – Summary of Gross and Net Acres

<u>Property ID</u>	<u>Address</u>	<u>Gross Acres</u>	<u>Net Acres</u>	<u>Owner</u>	<u>Type</u>	As of 2/11/19	
						<u>Gross Acres</u>	<u>Net Acres</u>
West of the Bike Path BOLTON'S numbers							
09-21-400-110	None	9.72	9.72	Burgason	Farmland	9.72	9.72
09-21-200-305	None	30.65	30.56	Burgason	Farmland	30.65	30.56
09-21-200-340	3618 Cedar Ln	4.00	3.85	Harold	Homestead	4.00	3.85
09-21-200-320	None	1.14	1.03	Burgason	Homestead	1.14	1.03
09-21-200-330	3314 Cedar Ln	1.13	1.03	Burgason	Homestead	1.13	1.03
09-21-200-165	None	8.02	7.93	Burgason	Farmland	8.02	7.93
09-21-200-155	3312 Cedar Ln	1.18	1.05	Engelman	Homestead	1.18	1.05
09-21-200-260	None	2.04	2.04	Burgason	Farmland	2.04	2.04
09-21-200-120	None	16.79	16.37	Skarshaug	Farmland	16.79	16.37
09-21-200-125	None	5.10	5.10	Oakwood Acres LLC		5.10	5.10
09-16-480-150	2212 Oakwood	14.67	14.21	Oakwood Acres LLC		14.67	14.21
09-16-480-205	None	<u>0.45</u>	<u>0.44</u>	Oakwood Acres LLC		<u>0.45</u>	<u>0.44</u>
East of the Bike Path BOLTON'S numbers							
09-21-200-450	None	24.74	24.11	Roth	Farmland	24.74	24.11
09-21-200-480	4125 530th	5.00	4.71	Hicks	Homestead	5.00	4.71
09-21-200-275	4025 530th	22.04	21.35	Roth	Homestead	22.04	21.35
09-21-200-280	3917 530th	2.89	2.75	Cammack	Investment	2.89	2.75
09-21-200-250	3581 530th	5.27	5.27	Fuchs	Homestead	5.27	5.27
09-21-200-240	3549 530th	<u>1.96</u>	<u>1.73</u>	Larrance	Homestead	<u>1.96</u>	<u>1.73</u>
	Total Acres	156.79	153.25				
NEED	80% of Total	125.43	122.60			156.79	153.25
						100.00%	100.00%

Attachment F

DO NOT WRITE IN THE SPACE ABOVE THIS LINE, RESERVED FOR RECORDER

Prepared by: City of Ames Legal Department, 515 Clark Avenue, Ames, IA 50010; Ph.: 515-239-5146
 Return document to: City Clerk, City of Ames, 515 Clark Avenue, Ames, IA 50010
 Legal Description: See Pages 21-24.

**PREANNEXATION AGREEMENT
 (Southwest Development Area)**

WHEREAS this Pre-Annexation Agreement (the “Agreement”), dated for reference purposes, _____ day of _____, 2019, is made and entered into by and between the City of Ames, Iowa, and certain property Owners located in the Southwest Development Area between Cedar Lane and University Boulevard; and

WHEREAS the Owners are all of the owners of certain real property shown in the attached Annexation Plat marked as Exhibit ‘A’ and hereafter described collectively as the “Real Estate;” and

WHEREAS the individual Owners and their respective tracts of property are as follows:

Parcel	Owner	Parcel ID	Acres
1	Oakwood Akers, LLC	09-16-480-150	14.67
2	Oakwood Akers, LLC	09-21-200-125	5.10
3	Oakwood Akers, LLC	09-16-480-205	.45
4	David P. Skarshaug and Jeanne P. Skarshaug	09-21-200-120	16.83
5	Jon Engelman and Patrice Engelman, as Trustees of the Jon Engelman Living Trust dated May 14, 2018, (a ½ interest) and Patrice Engelman and Jon Engelman, as Trustees of the Patrice Engelman Living Trust dated May 14, 2018 (a ½ interest)	09-21-200-155	1.18
6	Burgason Enterprises, L.L.C.	09-21-200-165	40.71
7	Burgason Enterprises, L.L.C.	09-21-200-305	
8	Burgason Enterprises, L.L.C.	09-21-200-260	
9	Steven W. Burgason and Anne Frances Burgason	09-21-200-330	1.13
10	Steven W. Burgason and Anne Frances Burgason	09-21-200-320	1.14
11	Steven B. Harold and Sonia M. Harold	09-21-200-340	4.00
12	Burgason Enterprises, L.L.C.	09-21-400-110	9.72
13	James A. Roth and Jeanne R. Roth, as Trustees of the James A. Roth Revocable Trust u/d/o 11-21-14 (a ½	09-21-200-450	24.74

	interest) AND Jeanne R. Roth and James A. Roth, as Trustees of the Jeanne R. Roth u/d/o 11-21-14 (a ½ interest)		
14	Christopher A. Hicks and Tamara Hicks	09-21-200-480	5.00
15	James A. Roth and Jeanne R. Roth, as Trustees of the James A. Roth Revocable Trust u/d/o 11-21-14 (a ½ interest) AND Jeanne R. Roth and James A. Roth, as Trustees of the Jeanne R. Roth u/d/o 11-21-14 (a ½ interest)	09-21-200-275	22.04
16	Audrey K. Cammack and Mark W. Cammack	09-21-200-280	2.89
17	Daniel J. Fuchs and Carmen J. Fuchs	09-21-200-250	5.27
18	Robert William Larrance and Lora Lee Larrance	09-21-200-240	1.96

WHEREAS, the City Council, after due and careful consideration, has concluded that the voluntary annexation of real estate by the City on the terms and conditions hereinafter set forth would further the growth of the City, would provide for the harmonious development of the City, would enable the City to control the development of the area, and would serve the best interests of the City of Ames.

NOW THEREFORE, IN CONSIDERATION OF THE PROMISES AND THE MUTUAL COVENANTS AND AGREEMENTS HEREIN CONTAINED, IT IS HEREBY AGREED AS FOLLOWS:

SECTION 1. AGREEMENT PURSUANT TO IOWA CODE CHAPTER 368. This Agreement is made pursuant to and in accordance with the provisions of Iowa Code Chapter 368. The forgoing preambles and recitations are made a part of this Agreement.

SECTION 2. TERM. The term of this Agreement is from the _____ day of _____, 2019, until the annexation of the real estate to the City is completed.

SECTION 3. PETITION FOR ANNEXATION. Each Owner, contemporaneous with the execution of this Agreement, will submit to the City Clerk a Voluntary Petition for Annexation of the real estate 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, Owner 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 4. ADMINISTRATIVE COSTS. City agrees to pay the administrative costs associated with the annexation of the Real Estate, which includes filing, publication and recording costs. The cost of preparation of any Annexation Plats required shall be the responsibility of the Owners and not the City.

SECTION 5. CITY WATER SERVICES.

5.1 Upon annexation, each Owner (which includes each Owner's heirs, successors and assigns), will obtain City water services to the Owner's property in accordance with the following:

5.1.1 Each Owner shall be allowed to make a single connection to the City water distribution system to serve the Owner's existing dwelling *at the time of the Owner's choosing*, once the City's infrastructure has been installed and made operational. At the time each Owner chooses to connect water services, the City will require the Owner to pay a connection fee for an 80-lineal foot width lot at the connection fee rate then in effect under the City Code.

5.1.2 Each Owner agrees that the Owner shall be responsible for all costs associated with the installation of water service from the connection point at the main to the Owner's dwelling.

5.1.3 Each Owner agrees that, if any additional water connections are made to their property or to any future subdivisions of their property, the Owner shall pay the balance of the connection fee for water, less any amounts previously paid for connections to their dwelling.

5.2 If an Owner obtains water services from a federally protected rural water provider, said Owner shall be responsible for payment of any amount that may become due and owing to any rural water provider as a result of the annexation of the Owner's Property which are related to buyout of rights to serve the property 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 Owner. Each Owner 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 all or any part of each Owner's property, following annexation of the Real Estate to the City.

5.3 If an Owner obtains City water services, Owner will pay the regular City water rate paid by all other residents for such services.

5.4 If an Owner operates and maintains a private well to supply water to the Owner's property, the Owner will be allowed to keep, maintain and replace such well indefinitely upon annexation, if the Owner chooses to do so, consistent with City ordinances.

5.5. It is the intention of the parties that the owner of each of the eighteen separate parcels identified in Exhibit 'A' shall constitute an 'Owner' for the purposes of this Section.

SECTION 6. CITY SEWER SERVICES.

6.1 Upon annexation, each Owner (which includes each Owner's heirs, successors and assigns), will obtain City sanitary sewer services to the Owner's property in accordance with the following:

6.1.1 Each Owner shall be allowed to make a single connection to the City sanitary sewer system to serve the Owner's existing dwelling *at the time of the Owner's choosing*, once the City's infrastructure has been installed and made operational. At the time each Owner

chooses to connect to sanitary sewer services, the City will require the Owner to pay a connection fee for an 80-lineal foot width lot at the connection fee rate then in effect under the City Code.

6.1.2 Each Owner agrees that the Owner shall be responsible for all costs associated with the installation of sanitary service from the connection point at the main to the Owner's dwelling.

6.1.3 Each Owner agrees that, if any additional sanitary sewer connections are made to their property or to any future subdivisions of their property, the Owner shall pay the balance of the connection district fee for sewer, less any amounts previously paid for connections to their dwelling.

6.1.4. Each Owner understands and agrees that nothing in this paragraph is intended to modify or supersede State and County standards for septic systems.

6.2 If an Owner obtains City sanitary sewer services, Owner will pay the regular City sanitary sewer rate paid by all other residents for such services.

6.3 It is the intention of the parties that the owner of each of the eighteen separate parcels identified in Exhibit 'A' shall constitute an 'Owner' for the purposes of this Section.

SECTION 7. EASEMENTS. Each Owner agrees to grant to the City, at no cost, any temporary or permanent construction easements, utility easements or right-of-way required by the City in a form deemed acceptable to the City. This requirement is limited to properties with frontage along Cedar Lane, Oakwood Drive, and 530th Avenue. The City will pay for any survey costs and acquisition plat preparation associated with said easements and right of way. The City shall also make appropriate restoration to City standards of the vegetation or landscaping improvements affected by the construction.

SECTION 8. BINDING AGREEMENT. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, successors and assigns and shall be recorded and will apply to any subsequent plats and/or subdivisions of the Real Estate. This Agreement shall constitute a covenant running with the land and may be extended by any of the parties to the Agreement, including the City, by the filing of a verified claim.

SECTION 9. EFFECT OF INVALID PROVISION. If any provision of the Agreement is held invalid, such invalidity shall not affect any of the other provisions contained herein.

SECTION 10. ENTIRE AGREEMENT. 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.

SECTION 11. DEFAULT.

11.1 Failure by each Owner to substantially observe or perform any material covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement constitutes an Event of Default.

11.2 Whenever any Event occurs and is continuing, City may take any or more of the following actions after giving written notice by City to each Owner of the Event of Default, but only if the Event of Default has not been cured within sixty (60) days following such notice, or if the Event of Default has not been cured within sixty (60) days following such notice, or if the Event of Default cannot be cured within sixty (60) days and the Owner does not provide assurances to City that the Event of Default will be cured as soon as reasonably possible thereafter:

11.2.1 City may suspend any part of or all of its performance under this Agreement until it receives assurances from the Owner, deemed adequate by City, that the Owner will cure its default and continue its performance under this Agreement;

11.2.2 City may cancel and rescind this Agreement;

11.2.3 Each Owner will reimburse City for all amounts expended by City in connection with this Agreement with respect to the Owner's property, and City may take any action, including any legal action it deems necessary, to recover such amounts from each Owner.

SECTION 12. CROSS OBLIGATIONS. This Agreement is between the City and each Owner and it is not intended to create any rights or obligations between the various Owners. Except as it may be expressly stated, nothing in this Agreement shall be construed as giving any person or entity, other than the parties hereto and their successors and permitted assigns, any right, remedy or claim under or in respect of this Agreement or any provision hereof.

SECTION 13. DEVELOPMENT STANDARDS. This Agreement does not anticipate all requirements or standards related to development of property and each Owner recognizes that rezoning and development of property is subject to city ordinances, policies and standards in effect at the time.

S I G N A T U R E P A G E S F O L L O W

Passed and approved on _____, 2019, by Resolution No. 19-_____
adopted by the City Council of the City of Ames, Iowa.

CITY OF AMES, IOWA

By:

John A. Haila, Mayor

Attest:

Diane R. Voss, City Clerk

STATE OF IOWA, COUNTY OF STORY, SS.:

This instrument was acknowledged before me on _____, 2019, by John A. Haila and Diane R. Voss, as Mayor and City Clerk, respectively, of the City of Ames, Iowa.

NOTARY PUBLIC