

ITEM #: 44
DATE: 02-14-23
DEPT: PW

COUNCIL ACTION FORM

SUBJECT: PRAIRIE VIEW INDUSTRIAL CENTER CONNECTION DISTRICTS

BACKGROUND:

The Prairie View Utility Extension Project consists of the extension of water and sanitary sewer mains to the recently annexed area east of Interstate 35 (I-35). A water main and a gravity sewer main have been constructed from 4100 East Lincoln Way (just east of Country Landscapes) to Teller Ave (580th) and are being further extended to Potter Ave (590th) this winter. Also, a sanitary sewer force main has been installed from Freel Drive to Teller Ave and a sanitary sewer lift station has been constructed south of East Lincoln Way at 207 S Teller Ave.

In order to recover the local costs (portion of project not funded by federal monies) from this project, sewer and water connection fee districts are being established for new industrial development area. When a connection is made to the new infrastructure, the per acre connection fee charge will be \$3,438.87 for Sanitary Sewer and will increase by \$207 each succeeding year. For Water, the per acre connection fee will be \$990.66 and will increase by \$60 each year. For existing single-family homes, the connection fees will be at the standard City rates which currently are \$30 per lineal foot of frontage for each Water and Sanitary Sewer connection using a typical lot frontage of 80 feet.

At the public hearing and first reading of the ordinance on January 31, 2023, City Council directed staff to include a one-time single-family residential exemption for Parcel 42, owned by Randy Brekke. Current zoning allows a single-family home to be constructed on this parcel and this addition to the ordinance will provide for water and sewer connections for the new home at the standard \$30 per lineal foot rate using a frontage of 80 feet. The ordinance, including this revision, is attached.

ALTERNATIVES:

1. Approve on second and third (final) readings an ordinance to amend Municipal Code of the City of Ames, Iowa, by enacting a new Chapter 28, Section 28.908 thereof, for the purpose of creating a water and sanitary sewer connection fee district as the Prairie View Industrial Center Connection District, and by enacting Appendix X setting forth the fees and map for said District, and repealing any and all ordinances or parts of ordinances in conflict to the extent of such conflict, and establishing the effective date.
2. Approve only on second reading the passage of the ordinance.
3. Direct staff to make changes to the ordinance.

CITY MANAGER'S RECOMMENDED ACTION:

Wyffels Hybrids has submitted a site plan to develop a facility at the southeast corner of Lincoln Way and Teller Avenue (Parcels 37-40), which will likely be ready for approval in the coming weeks. Staff is requesting final approval (second and third readings) of the ordinance so that it is in effect prior to the Wyffels site plan approval to make the connection fee process as clear and efficient as possible.

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

MEMO

Legal Department

To: Mayor Haila, Ames City Council

From: Mark O. Lambert, City Attorney

Date: February 10, 2023

Subject: Prairie View Industrial Center Water & Sanitary Sewer Connection Fee District ordinance.

SLS/MOL

At the January 31, 2023 Council meeting, the Council voted to amend the Prairie View Industrial Center Water & Sanitary Sewer Connection Fee District Ordinance to except one additional property by adding the parcel identified as “42” to the list of residential properties excepted under section (5)(a) of the ordinance.

Upon further review and discussions between the Legal Department and Public Works, we’ve decided that some additional wording changes are needed to effectuate the Council’s decision.

Staff recommends that the Council adopt the following amendment to the ordinance:

(5) Limited exception for **existing** residential properties.

(a) Parcels 5, 25, 29, 35, 36 **and**, 41 **and** 42, upon which are **or are deemed** single- and multi-family residential uses, shall have a limited exemption from the connection fees of paragraphs 2 and 3 of this section, and in lieu thereof, each of the said parcels shall be subject to the standard connection fee to the existing residence as described in Appendix F of the Ames Municipal Code and regardless of actual frontage shall make a one-time connection using an 80-foot lineal width for the connection fee calculation.

A new draft of the ordinance is in the packet, so the Council can make a motion to amend the ordinance consistent with the new version in the packet, before the second reading.

Appendix X

SANITARY SEWER CONNECTION DISTRICT MAPS AND SCHEDULE OF FEES AND WATER CONNECTION DISTRICT MAP AND SCHEDULE OF FEES

SANITARY SEWER CONNECTION DISTRICT SCHEDULE OF FEES

Prairie View Sanitary Sewer Connection District (All parcels)

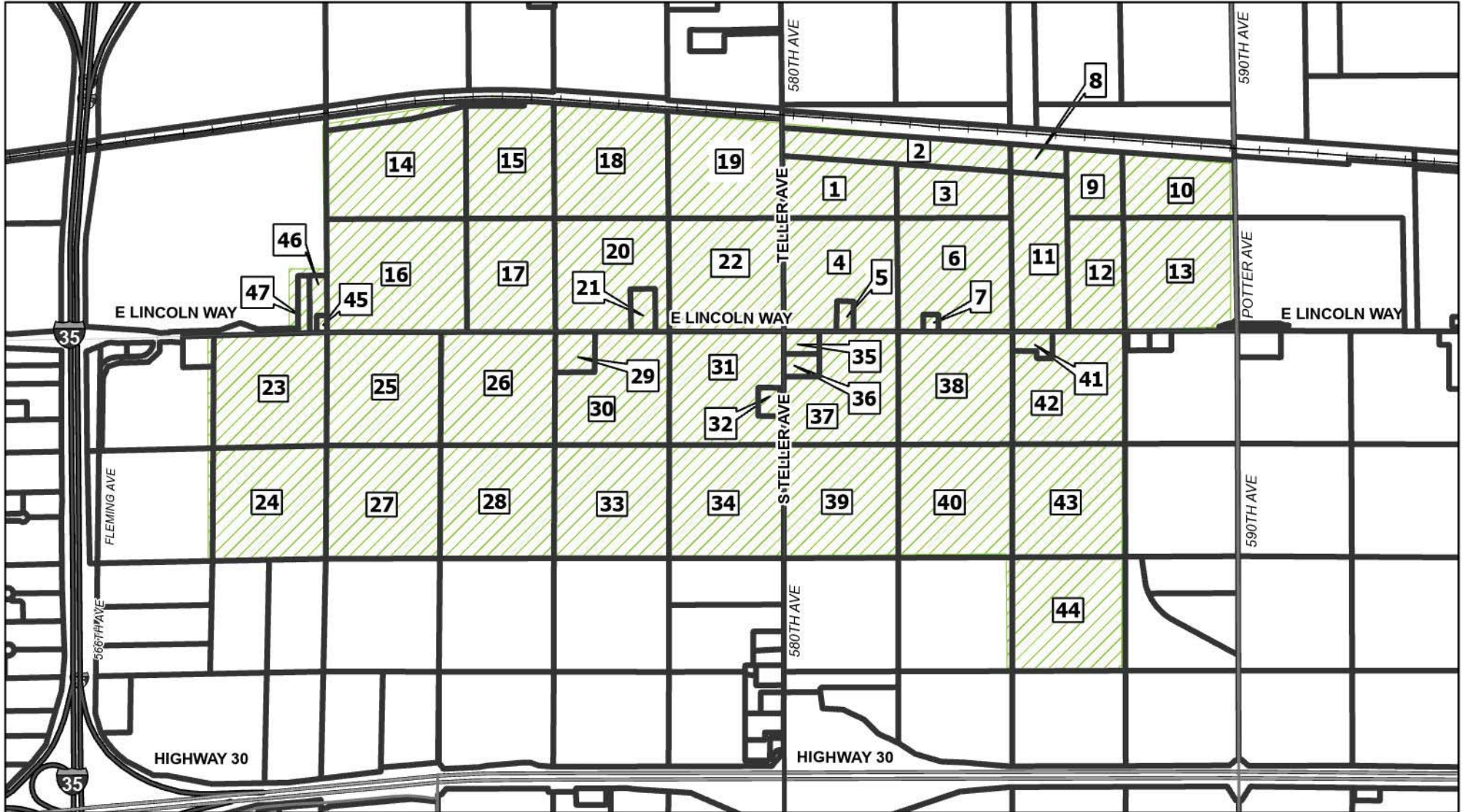
Effective Date	Connection Fee (\$/acre) Annual Increase equal to 6% of original connection fee
Adoption of Ordinance	\$3,438.87
July 1, 2023	\$3,646.00
July 1, 2024	\$3,853.00
July 1, 2025	\$4,060.00
July 1, 2026	\$4,267.00
July 1, 2027	\$4,474.00
July 1, 2028	\$4,681.00
July 1, 2029	\$4,888.00
July 1, 2030	\$5,095.00
July 1, 2031	\$5,302.00
July 1, 2032	\$5,509.00
July 1, 2033	\$5,716.00

WATER CONNECTION DISTRICT SCHEDULE OF FEES

Prairie View Water Connection District (All parcels)

Effective Date	Connection Fee (\$/acre) Annual Increase equal to 6% of original connection fee
Adoption of Ordinance	\$990.66
July 1, 2023	\$1,051.00
July 1, 2024	\$1,111.00
July 1, 2025	\$1,171.00
July 1, 2026	\$1,231.00
July 1, 2027	\$1,291.00
July 1, 2028	\$1,351.00
July 1, 2029	\$1,411.00
July 1, 2030	\$1,471.00
July 1, 2031	\$1,531.00
July 1, 2032	\$1,591.00
July 1, 2033	\$1,651.00

Prairie View Industrial Utility Connection District



ACREAGE COMPUTATION BY PARCEL

PARCEL	PARCEL ID	Acres
1	1004300130	19.59
2	1004300225	19.62
3	1004300230	16.57
4	1004300305	36.21
5	1004300375	1.34
6	1004300405	37.89
7	1004300450	0.6
8	1004400125	4.9
9	1004400130	11.76
10	1004400140	28.35
11	1004400250	20.71
12	1004400325	19.25
13	1004400405	37.42
14	1005300120	43.1
15	1005300225	31.32
16	1005300305	47.94
17	1005300405	29.04
18	1005400105	39.72
19	1005400205	35.47
20	1005400305	35.8
21	1005400375	2.69
22	1005400400	37.18
23	1007200200	37.38
24	1007200400	40
25	1008100100	38.6
26	1008100200	38.49
27	1008100300	40
28	1008100400	40
29	1008200105	4.65
30	1008200110	34.35
31	1008200205	35.77
32	1008200270	1.93*
33	1008200300	40
34	1008200400	38.64
35	1009100105	2.04
36	1009100110	2.04
37	1009100120	33.15
38	1009100200	38.49
39	1009100300	38.64
40	1009100400	40
41	1009200100	2.44
42	1009200120	35.56
43	1009200300	40
44	1009400100	40
45	1006400285	0.54
46	1006400280	2.23
47	1006400275	1.85

* Not included with connection fee calculations

ORDINANCE NO.

AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA, BY ENACTING A NEW CHAPTER 28, SECTION 28.908 THEREOF, FOR THE PURPOSE OF CREATING A WATER AND SANITARY SEWER CONNECTION FEE DISTRICT IN THE PRAIRIE VIEW INDUSTRIAL CENTER CONNECTION DISTRICT; AND BY ENACTING APPENDIX X SETTING FORTH THE FEES AND MAP FOR SAID DISTRICT, AND REPEALING ANY AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT TO THE EXTENT OF SUCH CONFLICT; AND ESTABLISHING AN EFFECTIVE DATE.

BE IT ENACTED, by the City Council for the City of Ames, Iowa, that:

Section One. The Municipal Code of the City of Ames, Iowa shall be and the same is hereby amended by enacting a new Chapter 28, Section 28.908 as follows:

“Sec. 28.908 PRAIRIE VIEW INDUSTRIAL CENTER WATER AND SANITARY SEWER CONNECTION FEE DISTRICT

(1) There is hereby established pursuant to Sec. 384.38(3) Code of Iowa, 2021, a water and sanitary sewer connection fee district shown on the map in Appendix “X” the legal descriptions for which are as follows:

Parcels 1, 3, 4, 6 and 10:

The Southwest Quarter lying South of the Chicago and Northwestern Railroad Right-of-way, and the West Quarter of the Southeast Quarter lying South of said railroad right-of-way, all in Section 4, Township 83 North, Range 23 West of the 5th P.M. in Story County, Iowa, EXCEPT highways, and EXCEPT the following:

Beginning at a point on the South line of said Section 4 which is 861 feet West of the South Quarter corner thereof: and run thence West along said South line 179 feet, thence North 197 feet, thence East 179 feet, and thence South 197 feet to the point of beginning; and

ALSO, EXCEPT: Beginning at a point on the South line of the Southwest Quarter of said Section 4, 609.9 feet East of the Southwest corner of said Section, thence North 0 ° 57' East 269 feet, thence South 88°37' East 264.3 feet to the South line of said Southwest Quarter, thence West 200.4 feet to the point of beginning; and commencing at the Southwest corner of said Section 4, thence East 609.9 feet, thence North 0°57' East 269 feet to the point of beginning, thence continuing North 0 ° 57' East 84.3 feet, thence South 88°26' East 193.2 feet, thence South 0°57' West 83.68 feet, thence North 88°37' West 193.2 feet to the point of beginning;

and ALSO, EXCEPT: Parcel A of the North Half of the Southwest Quarter and the Northwest Quarter of the Southeast Quarter, in Section 4, Township 83 North, Range 23 West of the 5th P.M. in Story County, Iowa. (Parcel A is about 24.86 acres, including 0.34 acres of highway right-of-way).

Parcels 2 and 8:

Parcel "A" located in the North Half of the Southwest Quarter and in the Northwest Quarter of the Southeast Quarter, all in Section 4, Township 83 North, Range 23 West of the 5th P.M., Story County, Iowa.

More particularly described as follows:

Commencing at the West ¼ Corner of said Section 4-83-23, Story County, Iowa; Thence S 0°31'37"E 270.81' along the west line of the Southwest Quarter of said Section 4 to the Point of Beginning; Thence, S85°53'23"E 3319.23' along the south right of way line of the Union Pacific Railroad as presently established, to a point located on the east line of the West Half of the Northwest Quarter of the Southeast Quarter of said Section 4; Thence S0°46'55"E 327.33' along said east line; Thence N85°53'23"W 3320.69' to the west line of the Southwest Quarter of said Section 4; Thence, N0°31'37"W 327.21' along said West line to the Point of Beginning, as shown on Plat of Survey recorded in Book 344 at Page 2. Parcel "A" contains 24.86 acres including 0.34 acres of presently established road right of way.

Parcel 5: Beginning at a point on the South Line of the Southwest Quarter of Section 4, Township 83 North, Range 23 West of the 5th P.M., Story County, Iowa. 609.9 feet east of the Southwest Corner of said Section 4, thence North 0 ° 57' east 353.3 feet, thence South 88 ° 37' east 193.2 feet, thence South 0 ° 57' West 83.68 feet, thence South 0 ° 37' East 264.3 feet, thence West 200.4 feet to the point of beginning.

Parcel 7: Beginning at a point on the South line of Section 4, Township 83 North, Range 23 West of the 5th PM, Story County, Iowa, a distance of 861 feet West of the South Quarter Corner of said Section 4, thence continuing West along said South line 179 feet, thence North 197 feet, thence East 179 feet, thence South 197 feet to the point of beginning.

Parcels 9, 11, 12, and 13:

All that part of the East three-fourths (E3/4) of the Southeast Quarter (SE ¼) of Section Four (4), Township Eighty-three (83) North, Range Twenty-three (23) West of the 5th P.M., Iowa, lying South of the right-of-way of the Chicago and Northwestern Railway, except the following: beginning on the East line of said Southeast Quarter SE¼) of Section Four (4) at a point in the South right-of-way line of the Chicago and Northwestern Railway, thence South 100.37 feet, thence North 85°03' West, 100 feet distant from and parallel to the said right-of-way line 1977 .68 feet, thence North 100.3 7 feet to said right-of-way line, thence South 85°03' East along said South right-of-way line, 1977.68 feet to the point of beginning.

Parcel 14: Parcel "J" a part of the Southwest Quarter (SW¼) and of the South Half (S½) of the Northwest Quarter (NW ¼) of Section Five (5), Township Eighty-three (83) North, Range Twenty-three (23) West of the 5th P.M., Ames, Story

County, Iowa, as shown on the Plat of Survey recorded on May 15, 2018. as Inst No. 18-04082. Slide 604. Page 6.

Parcel 15: Parcel "K" a part of the Southwest Quarter (SW 1/4) and of the South Half (S1/2) of the Northwest Quarter (NW1/4) of Section Five (5), Township Eighty-three (83) North, Range Twenty-three (23) West of the 5th P.M., Ames, Story County, Iowa, as shown on the Plat of Survey recorded on May 15, 2018, as Inst. No. 18-04082, Slide 604, Page 6.

Parcels 16 and 17:

The South Half (S1/2) of the Southwest Quarter (SW1/4) of Section Five (5), Township Eighty-three (83) North, Range Twenty-three (23) West of the 5th P.M., Ames, Story County, Iowa.

Parcels 18, 19, 20, and 22:

The Southeast Quarter (SE¹/₄) of Section Five (5), Township Eighty-three (83) North, Range Twenty-three (23) West of the 5th P.M., Iowa, lying South of the Chicago and Northwestern Railroad Company's right-of-way, subject to public highways, EXCEPT Commencing at a point on the South line of the Southeast Quarter of Section 5, Township 83 North, Range 23 West of the 5th P.M., Story County, Iowa, 883 Feet East of the Southwest Corner of said Southeast Quarter, thence East along said Section line 270 Feet, thence North 484 feet, thence West 270 Feet, thence South 484 feet to the point of beginning, subject to roads and easements of record AND the Southwest Quarter (SW¹/₄) of the Northeast Quarter (NE¹/₄) of Section Five (5), Township Eighty-three (83) North, Range Twenty-three (23) West of the 5th P.M., lying South of the Chicago and Northwestern Railroad Company's Right-of-Way.

Parcel 21: Commencing at a point on the South line of the Southeast Quarter (SE 1/4) of Section Five (5), Township Eighty-three (83) North, Range Twenty-three (23) West of the 5th P.M., Ames, Story County, Iowa, 883 feet East of the SW Corner of said SE 1/4; thence East along said Section line 270 feet; thence North 484 feet; thence West 270 feet; thence South 484 feet to the point of beginning.

Parcels 23 and 24:

The East Half (E1/2) of the Northeast Quarter (NE1/4) of Section Seven (7) Township Eighty-three (83) North, Range Twenty-three (23) West of the 5th P.M., Ames, Story County, Iowa.

Parcels 25 and 27:

The West One-half (W 1/2) of the Northwest Quarter (NW 1/4) of Section 8, Township 83 North, Range 23 West of the 5th P.M., Story County, Iowa; subject to easements of record.

Parcels 26 and 28:

The East Half (E1/2) of the Northwest Quarter (NW1/4) of Section Eight (8), Township Eighty-three (83) North, Range Twenty-three (23) West of the 5th P.M., Ames, Story County, Iowa.

Parcel 29: Beginning at the Northwest corner of the Northeast Quarter (NE¹/₄) of Section 8, Township 83 North, Range 23 West of the 5th P.M., Iowa, thence East along the North line of said Section 8, 464 Feet; thence South 470.9 Feet, thence West 461 Feet to the West line of said Northeast Quarter (NE¹/₄); thence North along the West line of said Northeast Quarter (NE¹/₄) 470.9 Feet to the point of beginning.

Parcels 30 and 33:

The West Half of the Northeast Quarter of Section 8, Township 83 North, Range 23 West of the 5th P.M. in Story County, Iowa, EXCEPT beginning at the Northwest corner of said Northeast Quarter, run thence East along the North line thereof 464.0 feet, thence South 470.9 feet, thence West 461.0 feet to the West line of said Northeast Quarter, thence North along said West line 470.9 feet to the point of beginning.

Parcels 31 and 34:

The East half (E¹/₂) of the Northeast quarter (NE¹/₄) of Section Eight, Township 83N, Range 23W of the Fifth (5th) P.M., Story County, Iowa, subject to any easements of record. EXCEPT Parcel "G" and Parcel "H."

Parcel 32: Parcels 'G' and 'H' in the Northeast Quarter of the Northeast Quarter (NE¹/₄ NE¹/₄) of Section 8, Township 83 North, Range 23 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 6, 2020, and recorded as Instrument No. 2020- 00146.

Parcel 35: The West 25 rods of the North 16 rods of the Northwest Quarter of the Northwest Quarter of Section 9, Township 83 North, Range 23, West of the 5th P.M., except the road area on the North and West sides, containing approximately 2.5 Acres, more or less. This being Parcel No. 10-09-100-105 in the Story County Treasurer's Office as of February 28, 2002.

Parcel 36: The West 25 rods of the South 16 rods of the North 32 rods of the Northwest Quarter of the Northwest Quarter of Section 9, Township 83 North, Range 23 West of the 5th P.M.

Parcels 37, 38, 39 and 40:

The Northwest Quarter (NW¹/₄) of Section Nine (9), Township Eighty-three (83) North, Range Twenty-three (23) West of the 5th P.M., Ames, Story County, Iowa, EXCEPT commencing at the NW Corner of Sec. 9-T83N-R23W of the 5th P.M., Ames, Story County, Iowa running thence East 25 rods, thence South 32 rods, thence West 25 rods, thence North 32 rods to the point of beginning and also except legally established highways.

Parcel 41: Parcel "C" in the NW 1/4 of the NE 1/4 of Section 9, Township 83 North, Range 23 West of the 5th PM, Story County, Iowa, as shown in the Plat of Survey filed in the Office of the Story County Recorder on May 16, 1994, in Book 12, Page 65.

Parcel 42, 43, and 44:

The West Half (W $\frac{1}{2}$) of the Northeast Quarter (NE $\frac{1}{4}$) and the Northwest quarter (NW $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$) of Section 9, Township 83 North, Range 23 West of the 5th P.M., except Highway, and except

PARCEL "C" in the Northwest Quarter (NW $\frac{1}{4}$) of the Northeast Quarter (NE $\frac{1}{4}$) of Section 9, Township 83 North, Range 23 West of the 5th P.M., Story County, Iowa, as shown in the Plat of Survey filed in the office of the Story County Recorder on the 16th day of May 1994 and recorded in Book 12 at Page 65.

Parcel 45: The East 119.1 Feet of the South 199 Feet of the recorded Warranty Deed in Book 279, Page 79, in the Story County Recorder's Office, Story County, Iowa.

Parcel 46: The East Twelve (12) rods of the South Forty (40) rods of the Southeast Quarter (SE $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$) of Section Six (6), Township 83 North, Range 23 West of the 5th P.M.

Parcel 47: The West Two (2) acres of the East Half (E $\frac{1}{2}$) of the Southeast Quarter (SE $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$) of Section Six (6), Township 83 North, Range 23 West of the 5th P.M., also described as the West Eight (8) rods of the East Twenty (20) rods of the South Forty (40) Rods of the Southeast Quarter (SE $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$) of Section Six (6), Township 83 North, Range 23 West of the 5th P.M.

(2) The fee for connection of a property within the aforesaid district to the water or sanitary sewer utility shall be applied according to the acreage shown in Appendix X, as follows:

(a) The connection fee for sanitary sewer service for all parcels is \$3,438.87 per acre of property served by this connection including reasonable interest.

(b) The connection fee for water service is \$990.66 per acre of property served by this connection including reasonable interest.

(3) Annual increase in connection fees are as follows:

(a) For the purposes of accounting for the costs incurred by the City of Ames to finance improvements, the connection district fee shall increase on an annual basis.

(b) The fees shall increase annually at a rate of approximately six percent (6%) of the original connection fee for a period of at least ten (10) years.

(c) The annual increase in the connection district fees shall be based on six percent (6%) of the original connection fee of \$3,438.87 per acre for sanitary sewer connection and \$990.66 for water connection and will be rounded to an even dollar amount per year. Thus, the connection district fee will increase at a rate of \$203 per year for sanitary sewer connections and \$60 per year for water connections. Appendix "X" shows the tabulations of the connection district fees for each of the ten years beginning on the date of adoption of this ordinance, and increasing on July 1st for each year following, and ending on July 1, 2033.

(d) After July 1, 2033, the connection district fees will continue to increase at a rate of \$203 per year for sanitary sewer connections and \$60 per year for water connections, unless the connection fee annual increases are modified by the City of Ames.

(4) Exception for Parcel 32. The City-owned Parcel 32 (207 S Teller Avenue) is exempted from water and sewer connection fees because it provides the water and sewer infrastructure to serve the connection district area and no facilities will be constructed requiring water or sewer service.

(5) Limited exception for residential properties.

(a) Parcels 5, 25, 29, 35, 36, 41 and 42, upon which are or are deemed single- and multi-family residential uses, shall have a limited exemption from the connection fees of paragraphs 2 and 3 of this section, and in lieu thereof, each of the said parcels shall be subject to the standard connection fee to the existing residence as described in Appendix F of the Ames Municipal Code and regardless of actual frontage shall make a one-time connection using an 80-foot lineal width for the connection fee calculation.

(b) Unless for good cause shown and approved by the City Council waiving enforcement of the district connection fees, if a parcel described in subparagraph (a) is subdivided for other than existing residential uses, the owner shall be liable for and pay the connection fees of paragraphs 2 and 3 of this section.

(6) Subject only to the limited exception set forth above, for purposes of determining the amount and timing of fees due under paragraphs 2, 3, and 7 of this section, a “connection of a property” shall be deemed to include the individual parcel for which a service connection is requested and all other adjacent or contiguous parcels, or both, within the district that are under common ownership of one person or two or more related parties. As used herein, “related parties” has the same meaning as used in 26 U.S. Code section 267.

(7) The fee required by this section shall be paid to the City as required by section 384.38 of the Code of Iowa, prior to final plat or site plan approval, including all future phases, whichever event occurs first, which shall be deemed by the City to be a utility connection application as described in the Code of Iowa.

Section Two. All ordinances, or parts of ordinances, in conflict herewith are hereby repealed to the extent of such conflict, if any.

Section Three. This ordinance shall be in full force and effect from and after its passage and publication as required by law.

Passed this _____ day of _____, 2023.

Renee Hall, City Clerk

John A. Haila, Mayor