

ITEM #:	<u>49</u>
DATE:	<u>05-13-25</u>
DEPT:	<u>P&H</u>

COUNCIL ACTION FORM

**SUBJECT: INITIATION OF VOLUNTARY ANNEXATION FOR MULTIPLE
PROPERTIES IN THE IRONS SUBDIVISION AND AMES GOLF AND
COUNTRY CLUB**

BACKGROUND:

On January 14, 2025, City Council initiated a voluntary annexation of approximately 400 acres of land in north Ames along George W. Carver and Hyde, including the properties owned by the Ames Golf and Country Club (AGCC) and the properties in the Irons subdivision.

The City has agreements for annexation of the AGCC and other properties in the Irons subdivision, as the City had previously waived certain subdivision standards to allow the Irons subdivision and its development prior to annexation. At the time of development, the area was planned for future City growth, but not yet adjacent to City boundaries. The agreement addresses multiple issues with a specific requirement for property owners to voluntarily annex at the direction of the City Council. City Council directed staff to notify property owners and obtain voluntary annexation applications because of the proposed annexation of the Borgmeyer property to the south.

This first outreach effort failed to secure a substantial number of annexation applications from AGCC and the Irons residents by February 28 as directed by Council. A number of owners indicated they did not desire to be annexed and were concerned about future sewer extension costs that would be triggered by future development. On March 21, 2025, City Council directed staff to again request that annexation applications be submitted by April 30 with an offer to transition to the City imposition of taxes over three years on a 75%, 50%, 25% abatement schedule. Separately from annexation, City Council also directed City staff to evaluate the timing and cost of future sewer extension.

Staff sent a letter to property owners requesting the applications and providing information regarding the transition of City taxes in early April. A Zoom meeting was held on April 21 to answer any questions. Several property owners attended the Zoom meeting to understand the property tax issue and timing of the process.

As of May 6, 22 property owners in the Irons and the AGCC have submitted voluntary annexation applications. This area totals 144.03 acres and represents 24 of the 39 parcels in the annexation area (see the attached map showing the annexation area and consenting property owners). The consenting territory is approximately 93% of intended annexation area.

The Council should note that staff is still working with two of these property owners to ensure these applications are complete (e.g., by providing certificates of trust). With the offer of the transition of taxes, any properties included in the annexation would benefit whether they signed the annexation application or not.

NEXT STEPS:

Although the City has yet to receive voluntary annexation applications from 100% of the property owners subject to agreement, Council could: 1) elect to proceed with annexation now as an 80/20 annexation, 2) seek 100% voluntary applications before proceeding, or 3) provide different direction to staff regarding defining the annexation territory compared to including all the area.

The territory boundaries could be tailored to specific properties within the limitations of state law for abutting properties and avoiding islands. **However, the pattern of applications received would not lend itself to including only the voluntary applications and leaving other properties out of the annexation at this time; other property would have to be included.** If the AGCC was annexed separately from the Irons, there would not be enough voluntary property area to include the remaining nonconsenting property owners.

If the City Council accepts the annexation applications and initiates the annexation process it will require several months to complete. Notice is mandated by statute, along with a City Council hearing and state City Development Board approval. This approval process is required for an annexation within two miles of another urbanized area (Gilbert) or as an 80/20 annexation. Staff would initiate these steps later in the summer after the processing of the Borgmeyer/North Ames Annexation and it would likely be concluded before the end of the year.

On March 25th City Council also directed staff to investigate the timing and cost of options for construction of the Irons sewer extension as a special assessment and to clarify responsibilities and timing of the individual homeowners for disconnection and abandonment of septic systems and connection to a new sewer main. Council provided this direction in response to many questions and concerns about the timing and cost of the project as defined in the agreements approved with the Irons Subdivision.

Public Works staff will evaluate a sewer alignment based upon the current easement through the subdivision and if there is a viable alternative that may be more readily serviceable for homeowners to connect to. Details on abandonment of septic systems will not be controlled by the City, but instead under the authority of the County Sanitarian. Staff will discuss septic abandonment options with the County as part of the process.

Staff has informed residents that the sewer evaluation is independent of the annexation. The evaluation will occur this summer as more information about the design and timing of the Borgmeyer sewer extension is known. An understanding of the Borgmeyer development plan and timing is critical to answering questions about when a sewer main extension may be possible.

ALTERNATIVES:

- 1. Initiate an 80/20 annexation of approximately 154 acres including the remaining properties in the Irons Subdivision that have not submitted applications as nonconsenting.**

With this option the City would accept the applications that have been submitted and initiate an annexation for all of the territory of the AGCC and Irons subdivision. The process for the annexation would not begin until later this summer with a public hearing scheduled with the City Council in the fall, and subsequent submission to the state City Development Board for final approval as an 80/20 annexation.

2. **Do not initiate the annexation at this time. Direct the City Attorney to compel the remaining Irons residents to submit annexation applications through court action and afterwards initiate a 100% voluntary annexation.**

The ability to secure performance (i.e., compel applications) through court is set out in the annexation agreement (see attachment). This process would add additional time to the process and include all properties as 100% voluntary. Staff would return for a formal initiation of annexation once all applications have been received.

3. **Direct staff to initiate a different annexation process than the alternatives presented above.**

City Council could choose to accept some or all of the submitted applications. If Council desires to annex at this time (less area than the area subject to the original agreement), it could initiate an application for less territory. The process would follow the same schedule as Alternative 1.

CITY MANAGER'S RECOMMENDED ACTION:

The City has made a concerted effort to secure the annexation applications as required by the annexation agreement(s). Alternative #1 would be the most efficient course of action to complete the annexation and proceed with discussions regarding the pending infrastructure installation. Therefore, assuming the Council wishes to proceed with this annexation at this time, it is the recommendation of the City Manager that the City Council adopt Alternative #1, as described above.

ATTACHMENT(S):

[Annexation Area Map.pdf](#)

[Covenant and Agreement for Annexation.pdf](#)