

ITEM #:	<u>21</u>
DATE:	<u>01-13-26</u>
DEPT:	<u>P&amp;H</u>

## COUNCIL ACTION FORM

**SUBJECT:           AMENDMENT TO THE KINGSBURY SUBDIVISION FIFTH ADDITION  
DEVELOPMENT AGREEMENT APPROVING THE SECOND  
SUPPLEMENTAL AGREEMENT**

### **BACKGROUND:**

Back in November, Chuck Winkleblack, representing property owners in Kingsbury's Subdivision 4th and 5th Addition, requested an amendment to the Development Agreement for Public Improvements in the Kingsbury's Subdivision Fifth Addition of Southeast 3rd Street to have the City share in the cost of paving the street extension. City Council directed staff to prepare an amendment to the agreement which would split the cost of constructing approximately 152 feet of street within existing right-of-way between the City and both property owners. Staff has finalized an amendment to the agreement and the property owners have agreed to the terms of the amendment. Specifically, the portion of unbuilt street lies between Lot 3 of Kingsbury's Fifth Addition and Lot 2 of Kingsbury's 4th Addition. (See Attachment A- Location Map)

An original Development Agreement was approved in 2021 and a supplemental agreement in 2022. Both agreements assumed the City would extend SE 3rd as part of the former Cherry Avenue extension, but if that did not occur the property owners had improvement responsibilities. Since 2022, the Cherry Avenue extension project has been removed from the City's CIP plan and is no longer a planned improvement by the City. Given that the City no longer intends to extend Southeast 3rd eastward to connect with Cherry the owners of the properties are proposing to amend the existing Development Agreement.

**The terms of the amendment include having the City of Ames pay for 50% of the cost - or- no more than \$30,000, whichever is less for the cost of construction. The two owners of the lots will pay the other half of the costs equally.** The items covered under this agreement are for the paving of the unbuilt street section only which include curb, gutter and hot mix asphalt (HMA). (See Attachment B- Agreement Amendment) . The street must be constructed to City standards and staff will verify costs from the developer.

### **ALTERNATIVES:**

1. Approve the Second Supplemental Agreement for Public Improvements in the Kingsbury Subdivision.
2. Deny the Second Supplemental Agreement for Public Improvements in the Kingsbury Subdivision.

### **CITY MANAGER'S RECOMMENDED ACTION:**

**The property owners are agreeable to the terms in the Second Supplemental Agreement which amends the obligations for construction of 152 feet of Southeast 3rd Street. The City will verify that the construction has occurred to City standards and will verify costs from the Developer upon completion before reimbursing for the City's share of the cost of street construction. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1.**

As noted in November, the City typically must follow a public bidding process to participate in a public improvement, but in this case the improvement is less than the bidding threshold and can be a reimbursement.

### **ATTACHMENT(S):**

[Attachment A- Location & Lots.pdf](#)

[Attachment B-Second Supplemental Agreement- Kingsbury's Fifth.pdf](#)