

ITEM #:	29
DATE:	07-28-26
DEPT:	P&H

COUNCIL ACTION FORM

**SUBJECT: ANNEXATION OF AMES GOLF AND COUNTRY CLUB AND IRONS
SUBDIVISION PROPERTIES**

BACKGROUND:

The proposed annexation is the result of the Ames City Council determining on May 13, 2025 to proceed with annexing properties that were developed as the Irons Subdivision by the Ames Golf and Country Club (AGCC).

At the time of the initial approval of the Irons Subdivision in 2014, the AGCC agreed to covenants for future annexation of its property as well as for all the future residential lots created within the Irons Subdivision. The covenants were a condition of approval for the rural subdivision proposed by AGCC. City Council confirmed the intent to annex the area on June 9 by initiating the annexation process to be completed consistent with state law requirements.

The former Borgmeyer Farm property south of the AGCC was annexed in 2025, making the AGCC/Irons property abutting to the City and therefore eligible to be annexed. City Council determined it was appropriate to proceed with the Borgmeyer Farm annexation in 2025 and to then subsequently proceed separately with executing the annexation language of the Irons Subdivision covenants.

Uniquely in state law for annexations, a City Council may approve a transition of the imposition of City taxes related to newly annexed land. The transition of taxes must apply to all properties within annexation if it is approved. The transition of taxes is not an abatement of value, but a lessening of the taxes collected by City to help ease the increase in overall taxes paid because of the additional city tax levy rate.

At the time of initiating the 2025 Irons Subdivision annexation process to receive annexation applications, the City Council offered an incentive of a 3-year property tax transition (75%,50%, 25% reduction) to encourage the submittal of annexation applications in a timely manner. This is the first time the City has utilized this option to facilitate an annexation application.

Complete annexation applications have been received from 20 property owners representing 143.12 acres in the planned annexation area (see the attached map showing the annexation area and consenting property owners). Although all property owners within the annexation area are required by the current covenants to voluntarily annex at the direction of the City Council, these 20 applicants represent 61% of the 33 total property owners and 93% of the total annexation territory.

Under Iowa Code Section 368, up to 20% of the total land area of a voluntary annexation may

be composed of nonconsenting properties (referred to as the 80/20 rule). This is allowed by statute to avoid creating islands or to create more uniform city boundaries. Because the land area of the consenting property owners in this instance is greater than 80% but not 100%, this annexation is considered an 80/20 annexation.

The proposed 80/20 annexation conforms to the State law requirements of including nonconsenting properties by creating more uniform boundaries of the City upon annexation. Without the uniform boundary there would be intermittent pattern of properties of County jurisdiction along with City jurisdiction properties, including along roadways.

Right-of-way (ROW) is included with the annexation as required by State law. The east half of GW Carver will be annexed from Cameron School Road to 190th Street. Along 190th Street the right-of-way that is south of the section line will be annexed. 190th Street is not centered in the ROW and “half of the road” will not be annexed in portions of the area because the road is located on other properties areas to the north of the annexation.

PLAN 2040 CONSISTENCY:

The area of annexation was originally developed in the County as an area of transition in anticipation of the growth of the City. Development was approved before the land could be annexed and developed in the City.

Ames Plan 2040 was subsequently adopted and this area is shown generally as a mix of RN-3 for the housing area and Open Space for the golf course area. These designations indicate the City would annex these areas, even though they were originally approved for development in the County, subject to future annexation.

OTHER ISSUES:

Upon annexation the residential properties will be zoned FS-RL to reflect their existing development pattern, rather than Ag zoning as is typical with annexation of undeveloped land. The AGCC property will remain Ag zoning, where golf courses are permitted under Park and Outdoor Area uses.

Planning at the time of the Irons Subdivision approval included the intention for changing to City water service territory from Xenia water service territory. No new water mains must be extended. Instead, existing water mains will be utilized. The water territory buyout terms were completed by the Developer at the time of Final Plat approval. When City water is extended adjacent to the Irons Subdivision, the water supply will then be switched to the City of Ames.

The homes are currently on septic systems. **A deferred installation of a sanitary sewer system was planned for the Irons Subdivision, subject to timing as determined by the Ames City Council. Installation of the sanitary system would be at the cost of the property owners.**

It is important to noted that the sewer extension is not contingent on annexation and is a separate issue of timing that will be determined in the future when sewer is extended with development to the south of the former Borgmeyer property planned as the Greenbriar development. Staff previously provided the property owners and City Council an overview of sewer alignment options for planning purposes in April 2026.

PLANNING AND ZONING COMMISSION:

The Planning and Zoning Commission reviewed the annexation for consistency with Ames Plan 2040 at its July 3 meeting. A resident of the Irons Subdivision spoke indicating that they did not support annexation and that there was no need for the properties to be annexed at this time.

The Commission found that annexation of the area was consistent with Ames Plan 2040 for the expansion of the City and recommended approval with a 5-0 vote, including that the residential properties be zoned as FS-RL.

PUBLIC COMMENT:

The City held the required agency consultation meeting in June. Representative of Story County attended the meeting and asked questions. No formal comments have been provided by any entity.

Prior to initiating the annexation process in May 2025 and since that time, the City Council has received public input from multiple residents of the Irons Subdivision expressing that they do not want to be annexed and did not see a reason or benefit to annexation. No additional comments have been received by staff since the public hearing notices were sent and published.

ALTERNATIVES:

1. Approve the annexation by adopting:
 - a. A Resolution approving the annexation of 143.12 acres, including right-of-way, as conforming to the recorded covenants for annexation, conforming to the City's Comprehensive Plan, including non-consenting properties is for the purpose of creating more uniform boundaries, and for the residential properties to be zoned FS-RL upon annexation and the AGCC property to be zoned Agricultural.
 - b. A Resolution approving the transition to the City imposition of taxes over three years on a 75%, 50%, 25% reduction schedule.
2. Modify the boundaries of the proposed annexation with the the 3-year transition of taxes.
3. Table the annexation and request more information.
4. Decline to proceed with the annexation at this time.

CITY MANAGER'S RECOMMENDED ACTION:

Although all property owners within the annexation area are required by the current covenants to voluntarily annex at the direction of the City Council, 61% (20 out of the 33) of the property owners representing 93% of the annexation territory submitted applications. Because of this, the annexation is considered an 80/20 annexation process under state law. The proposed 80/20 annexation conforms to the State law requirements of including nonconsenting properties by creating more uniform boundaries of the City upon annexation. Therefore, it is the recommendation of the City

Manager that the City Council approve Alternative No. 1.

With City Council approval of the annexation, the application will then be submitted to the State City Development Board of a hearing on approval of the annexation. Staff tentatively believes the application will be submitted in August and accepted in September for a hearing on October 7. The annexation will be final 30 days after state approval.

ATTACHMENT(S):

[Annexation_Area_Map.pdf](#)

[AGCC Annexation_Area_Map_Final.pdf](#)

[Annexation Location and Land Use Map.docx](#)