



City of Rochelle

420 N 6th Street
P.O. Box 601
Rochelle, IL 61068-0601
Tele: (815) 562-6161
Fax: (815) 562-3888

TO: Mayor Olson and City Council

**FROM: David S. Plyman
City Manager**

DATE: August 17, 2011

**SUBJECT: Third Amendment to Annexation Agreement Creekside Subdivision
Unit 1**

Spencer and Tim Hayden, through Creekside Land Holdings, LLC, are proposing to develop the Kings Crossing Planned Unit Development (PUD) into a 31 lot single family residential subdivision. The subdivision would be located north and west of the San Gabriel assisted living facility off of 20th Street.

The proposed 31 lot Creekside Subdivision cannot support financially the full infrastructure requirements of the originally planned Kings Crossing project. As such, during negotiations with city staff, the Haydens insisted on a number of contract terms that they believe are essential in order for this smaller project to go forward. These new provisions reduce their obligation, while increasing the City's contributions, beyond the terms found in prior agreements for similar residential projects. Notwithstanding that this agreement offers more incentives than the Council has approved in prior agreements, I am presenting it to you for consideration because the economic climate for residential projects has changed over the past few years. If the City desires to spur residential development, I believe it is appropriate for the City Council to consider changes in policy that will facilitate projects which would not otherwise occur.

Please find below a summary of the important policy changes that are included in this proposed agreement:

- 1) **Section 36. Repayment to City:** Under the original annexation agreement, the developer was to pay \$37,538.45 to reimburse the City for the construction of water facilities along Flagg Road from the west property line of the Rochelle Township High School Property to 20th Street. In the past, the City required developers to pay for off-site improvements when needed. The Haydens are

objecting to this reimbursement for past improvements. The proposed agreement does not require any repayment.

- 2) **Section 38. Construction of Water Mains:** Current policy has been for the developer to construct and pay the full cost of any required water mains. Under the original agreement, the developer was to pay for a twelve inch water main along 20th Street to connect to the city well on the north side of the high school property. The Haydens are agreeing to pay half the cost of this water main only if a second elementary school is constructed or if they construct another subdivision. The City has the option to construct the water main prior to one of these triggering events, but would only get reimbursed by the developer when a triggering event occurs. Unless the City installs the new water main, the subdivision and the new elementary school will not be on a looped system that Water/Water Reclamation Director Cooper and I believe are important to adequately serve the school and subdivision.
- 3) **Section 40. Construction of Sanitary Sewers:** The subdivision would be allowed to be served with a lift station with sewer service from the south instead of being served by the Akesson lift station which was the original plan as per the City's Master Plan for Sewer. It has been policy to follow the Master Plan for Water and Sewer, but the plan anticipated a much larger project.
- 4) **Section 41. General:** RMU's policy has been to require the developer to pay the cost of electrical and fiber optic services to each lot within a subdivision and to reimburse the developer the pro rata cost as each lot is sold and developed. Under the proposed agreement, however, the City will install electric and fiber optic facilities to each lot within the subdivision at no cost to the developer unless there are undeveloped lots after ten years. In this event, the developers would reimburse the City on a pro rata basis.
- 5) **Section 42. Street Lights:** The City will pay for labor for the installation of street lights. It has been policy for the developer to pay for labor.
- 6) **Section 43. General:** Four foot sidewalks will be constructed along Creekside Drive. A multi- use path will be constructed on the west side of 20th Street 450 feet which will stop at the projected entrance to the high school and elementary school property. A multi-use path will be constructed to connect the 20th Street path to the existing path along the west boundary of the high school property. Within 10 years or sooner if the property to the west is constructed, a multi-use path will be constructed from the 20th Street path to the west boundary of the subdivision. No sidewalk or path will be constructed along the west side of 20th Street. It has been policy that sidewalks and/or a shared use path be constructed on both sides of a street. This will not be the case for 20th street. Also, any public improvements such as the multi-use path from the 20th Street path to the west boundary of the subdivision is supposed to be constructed within two years from the start of the development, which will not be the case.

- 7) **Section 44. Street Construction Standards:** Creekside Drive will be constructed 31 feet back to back in a 60 foot right-of-way. Utilities will be constructed in the parkway and the parkway trees will be placed on an easement adjacent to the parkway. It will be the responsibility of the lot owners to maintain the trees. It has been policy to have a 66 foot right-of-way with the sanitary sewer being placed under the street. It also has been policy that parkway trees have been placed in the parkway not on an easement on a lot.
- 8) **Paragraph 4. Credit for the Cost of Installing Multi-Use Path:** The projected amount of park donation is \$20,006.25, which is a cash-in-lieu-of-land donation payment. The developer is to receive a credit for the cost of construction of the multi-use paths. It has been policy of the City not to include items such as required paths that replace sidewalks to be counted toward park impact fee donations.
- 9) **Paragraph 6. Phase One Completion:** The developer will not be obligated to complete Kings Crossing Phase One improvements that are not finished. Per the first amendment to the annexation agreement, the developer was to be required to complete any phase one obligations.
- 10) **Paragraph 7. Reimbursement to the City:** The developer will reimburse the City \$5,000 for engineering and legal fees. It has been policy that the developer pay actual review and legal costs associated with the development. The \$5,000 is a negotiated fixed amount.