

WORK SESSION

Residential Subdivision

Incentive Ordinance

(02/8/2023)

Residential Subdivision Incentive Ordinance



Sec. 86.1-06. Incentives to be provided by the city.

When determined to be in the best interest of the city and a project has scored at least sixty (60) points under Sec. 82.1-04, the city council may enter into an agreement with the developer to reduce or otherwise modify the following fees and payments due to the city by up to fifty per cent (50%):

- (a) Regulatory fees
- (b) Water and sewer system capital recovery fees
- (c) Aid-to-construction fees

In acceptance for receipt of incentives, developer agrees to utilize services of professional engineering and planning (if applicable) firms in good standing with and approved by the city.



Sec. 86.1-01. Purpose.

In order to encourage the development of residential subdivisions inside the corporate limits, the city may provide incentives to developers for property meeting the following criteria, subject to the competitiveness of application score. The city reserves the right not to incentivize any residential subdivision or portion of a residential subdivision.



Sec. 86.1-02. General qualifying program criteria.

- (b) The subdivision must be developed in reasonably-sized phases so as not to place a financial strain on either the developer or the city.
- (c) The subject property must be zoned R-1, R-2, R-4, R-5, or PUD (but only for single-family residential development) to qualify.
- (d) The proposed development shall consist of no less than ten (10) lots and no more than 150 lots. (As used in this subsection the term development shall be inclusive of all phases by a developer in the same geographic area which are adjoining.)
- (e) The proposed subdivision shall result in lots where there is no more than one primary dwelling unit per lot.
- (f) The proposed subdivision may not include any land subject to a development agreement or other similar agreement between the city and the developer or any previous owner of the land proposed for subdivision.
- (g) The subdivision shall be developed using underground electric, underground telephone/internet/cable television/fiber optic utilities, natural gas utilities at each home (where available), curb and gutter, sidewalks on at least one side of each street, and decorative street lights and poles.
- (h) A homeowner's association with subdivision covenants, acceptable to the city, must be recorded (prior to building permit issuance). It is the intent that said association will provide oversight of development standards and maintenance of common areas. Covenants must require, at a minimum:
- (1) At least 30 per cent of exterior cladding to be of a different material, composition, or color from the remainder of the exterior cladding;
 - (2) Minimum one car garage;
 - (3) Landscaping;
 - (4) Architectural shingles or standing seam metal roofs; and
 - (5) Concrete driveways;



Sec. 86.1-03. Specific criteria.

- (a) Have proximity to schools, public parks and/or other like public facilities.
- (b) Provide architectural design and high-end amenities that surpass minimum standards
- (c) Provide residential design consistent with the city's residential design policy guide as adopted by the St. Marys Planning Commission.
- (d) Contribute to the desirability of the proposed location, considering surrounding developments and zoning of undeveloped property.
- (e) Provide useable open space and recreation facilities for the use of residents within the proposed subdivision.
- (f) Provide a tree-save plan for the entire site that eliminates wholesale clear-cutting
- (g) Provide a buffer where the neighborhood adjoins an arterial or collector street.



Sec. 86.1-04. Application procedure.

Any property owner wishing to participate in this program shall file with the city the following submission documentation:

- (a) A letter requesting program participation;
- (b) A timeline delineating when the development will begin and estimated time of completion;
- (c) A proposed subdivision concept plan showing the lots and road configuration; and
- (d) Adequate illustrative plans and concepts that clearly delineate and demonstrate the intent of the developer to meet the "general qualifying program criteria" as per section 82.1-02 and the "specific criteria" as per section 82.1-04.



Sec. 86.1-05. Agreement required.

The developer must enter into a written development agreement with the city delineating the developer's and city's respective responsibilities for the various components of development. This agreement must be approved by the city council before commencement of development.



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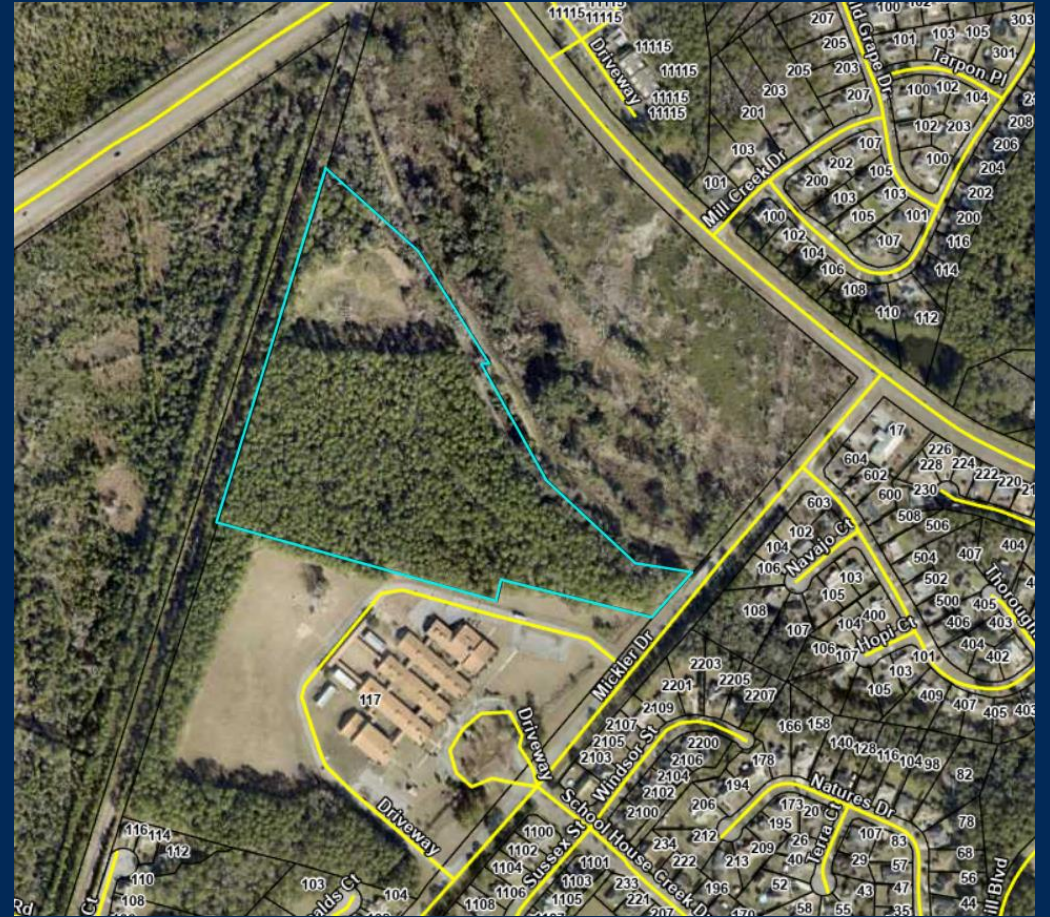
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Example

- 40 lot subdivision of single-family homes
 - Twenty (25) 3-bedroom homes
 - Fifteen (15) 4-bedroom homes



Neighborhood Features

- Playground
- Basketball Court
- Keep trees in place outside right of way, trees saved when home is constructed
- Walking path to school and sidewalks on both sides of street
- Garages face side of house or are alley-loaded



Apply to City

City staff evaluates proposal



86.1-03 Specific Criteria

| Criteria | Score |
|-----------------------------------|-----------|
| Proximity to Public Facilities | 10 |
| Architectural Design | 15 |
| Residential Design (Policy Guide) | 16 |
| Desirability | 8 |
| Open Space and Recreation | 18 |
| Tree Save Plan | 7 |
| Buffer | 10 |
| Total | 84 |



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84 > 60



Cost Structure

| Cost | Price/Unit | Quantity | Amount |
|---------------------------|------------|----------|------------|
| Water Capital Recovery | 1,095.00 | 40 | 43,800.00 |
| Sewer Capital Recovery | 3,555.00 | 40 | 142,200.00 |
| Aid to Construction (3br) | 4,941.00 | 25 | 123,525.00 |
| Aid to Construction (4br) | 5,764.50 | 15 | 86,467.50 |
| Total | | | 385,992.50 |



Incentive

| Cost | Price/Unit | Quantity | Amount | With Agreement |
|---------------------------|------------|----------|------------|----------------|
| Water Capital Recovery | 1,095.00 | 40 | 43,800.00 | Min 21,900.00 |
| Sewer Capital Recovery | 3,555.00 | 40 | 142,200.00 | Min 71,100.00 |
| Aid to Construction (3br) | 4,941.00 | 25 | 123,525.00 | Min 61,762.50 |
| Aid to Construction (4br) | 5,764.50 | 15 | 86,467.50 | Min 43,233.75 |
| Total | | | 385,992.50 | Min 192,996.25 |

Council may waive up to 50% of capital recovery so every developer pays at least 50% of the fees.

No cash payment is made to a developer under the ordinance, only fees charged by the city are waived in part.



Incentive

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| Aid to Construction (3br) | 4,941.00 | 25 | 123,525.00 | Min 61,762.50 |
| Aid to Construction (4br) | 1,764.50 | 15 | 26,467.50 | Min 13,233.75 |
| Total | | | 385,992.50 | Min 192,996.25 |

Maximum of \$192,996.25 would be freed up for developer to build a higher quality neighborhood.

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