

CITY OF LANCASTER
CITY COUNCIL POLICY STATEMENT

Policy No. 2
Supersedes No. _____

Date Issued 8/15/05 Effective Date 8/15/05 Cancellation Date _____

General Subject: Development

Specific Subject: Subdivision Improvement Financing

PURPOSE

Provide financial support for the development of new subdivisions in Lancaster pursuant to City Ordinance 17.02(4)(a) 1.a.

BACKGROUND

The City Council wishes to encourage and support orderly development of the City through well-planned and quality constructed subdivisions. Historically, the Subdivision Ordinance has been used to guide development. Quality construction of subdivisions requires costly public improvements such as curb and gutter, sidewalk, streetlights, paved streets, water and sewer lines, and storm water management facilities. The Subdivision Ordinance has historically provided varying levels of financial support for subdivision improvements, most recently providing none. The Council is again interested in providing some support for improvements of residential subdivisions.

It is beneficial for construction of subdivisions to occur within the City limits in order for the City and its residents to enjoy full participation by future residents in financing, through tax dollars and utility revenues, the services area residents enjoy. Subdivisions outside of the City limits are often not required to include the level of public improvements as those in the City. In order to provide incentive for development to occur in the City, the City Council wishes to create a financing policy to guide staff negotiations with developers who seek financial assistance for construction of subdivision improvements.

STATEMENT OF POLICY

This policy pertains to developers wishing to develop residential subdivisions with five (5) or more lots. Commercial subdivisions are not eligible for improvement cost financing.

It is the intent of the City Council that City staff shall treat developers fairly and equitably subject to this policy. However, by requesting consideration for financing, the developer agrees that no two developments are the same and many circumstances affect the City's ability to participate in a project. The City reserves the right to modify this policy and restrict its participation in improvement funding based on municipal financing restrictions and limitations.

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A developer wishing to develop a subdivision with City financial support of improvements must negotiate a developer's agreement with the City Administrator, which shall include, **at a minimum**, the following provisions:

1. Agreement of developer to obtain all necessary permits and licenses, including but not limited to those required by the City, Grant County, and State of Wisconsin.
2. Agreement of developer to comply with all City Ordinances including but not limited to Subdivision and Zoning.
3. Agreement of developer to pay all applicable fees and charges to the City.
4. Agreement of developer to grant and/or obtain on behalf of the City any easements or rights of way necessary for public purposes.
5. Agreement of developer to dedicate appropriate facilities to City, including guarantees that facilities are free of defect.
6. Financial Protection to the City in case developer or developer's contractors fail to perform as agreed including but not limited to performance guarantees, contractor pre-qualification by Director of Public Works, and insurance.
7. Agreement that all dwellings will be connected to public water and sewer system.
8. Detailed accounting of project estimates and proposed City cost share based on the following maximums, subject to negotiation by the City Administrator:
 - a. Sanitary Sewer Lift Stations – Max. 33% City cost share
 - b. Water Booster Stations – Max. 33% City cost share
 - c. Sewer & Water Main Installation up to 8" – Max. 50% City cost sharing
 - d. Sewer & Water Main Overbuilds– Max. 100% of "overbuild" cost

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- e. Curb & Gutter – Max. 33% City cost sharing
- f. Sidewalk - Max. 50% City cost sharing
- g. Street Lights – Max. 33% City cost sharing

Developer's Agreement will provide for City reimbursement of costs only after completion of improvements and proof of payment to contractors. Reimbursement shall be made on actual costs. However, agreement will include a "not to exceed" payment amount for each type of improvement (water, sewer, curb & gutter, street lights, sidewalk).

Any proposed Developer's Agreement or City cost share must be reviewed and approved by the Common Council. Further, the above referenced City cost share contributions are merely to be used as a guideline and in no way are binding upon the City. The City expressly reserves the right to withhold or deviate from the above referenced cost share contributions at its discretion after consideration of the City's available funding, the financial stability of the developer, the financial stability of the contractors and the current and future benefit to the City.

City staff is directed to follow confidentiality requests to the extent possible. If certain aspects of the project require confidentiality, developer must indicate as such to the City Administrator.