MEMORANDUM

TO: Mayor England

Vice Mayor Kostka Commissioner George Commissioner Samora

Commissioner Rumrell

FROM: Max Royle, City Manager

DATE: June 24, 2020

SUBJECT: Opening 2nd Street West of 2nd Avenue for Construction of Single-Family Residences:

Review of Proposal

INTRODUCTION

The opening of this section of 2nd Street is a topic that goes back nearly 20 years. Some of the owners of the undeveloped lots adjacent to it have requested that it be opened. However, City policy for decades was and still is that the owners of the lots along unopened streets who want the streets opened must pay the project's costs. This policy has been followed for the construction of such streets as 3rd, 4th, and 5th, west of 2nd Avenue, and 10th Street between 2nd Avenue and the Boulevard. Most recently, in 2016, the owners of the lots along the section of 8th Street between the Boulevard and 2nd Avenue were assessed the costs to open the section. The City's policy is based on the premise that the opening of unbuilt streets directly benefits the owners of the adjacent lots because the street increases the value of their lots by making them buildable.

CURRENT PROPOSAL

Attached as pages 1-4 is an excellent report from Mr. Tredik, in which he provides background about the opening of 2nd Street west of 2nd Avenue, as well as the current proposal from an owner of two lots west of 2nd Avenue, Mr. Eric Kenney, to build at his expense 2nd Street to the western boundary of the lots. Any owners of the lots west of Mr. Kenny's who want to develop their lots would have to pay the costs to continue 2nd Street to their lots.

THE QUESTION

It is whether the section of 2^{nd} Street west of 2^{nd} Avenue should be connected to the already built section of 2^{nd} Street, which is east of 2^{nd} Avenue.

In 2014, the City Commission discussed this question and decided that because the residents of 2nd Street east of 2nd Avenue did not want the section west of 2nd Avenue directly connected to their street, then access to 2nd Street west of 2nd Avenue would be by building a section of 2nd Avenue from 1st Street to 2nd Street. The minutes of two Commission meetings, July 7 and August 8, 2014, when connecting the streets was discussed, are attached as pages 5-8.

There are two options: To connect 2nd Street west of 2nd Avenue to the already existing section of 2nd Street east of 2nd Avenue, or to leave the two sections unconnected and to provide access to 2nd Street west of 2nd Avenue by means of opening 2nd Avenue between 1st and 2nd Streets.

Mr. Kenney would pay the costs of the first option: to connect the two sections of 2^{nd} Street. For the second option, the City would have to pay the costs, estimated at \$75,000, to build 2^{nd} Avenue between 1^{st} and 2^{nd} Streets.

PLEASE NOTE: We have informed the residents on 2nd Street east of 2nd Avenue of the options and invited them to your July 6th meeting, or to send comments to the City in advance of the meeting.

ACTION REQUESTED

As only Commissioner George was on the Commission in 2014, we are asking whether you want to uphold the decision made at the August 4, 2014, meeting to open 2^{nd} Avenue to provide access to 2^{nd} Street, and for the City to pay the costs to do so, or whether you will approve Mr. Kenney joining the two sections of 2^{nd} Street and paying the costs to do so.

MEMORANDUM

TO: Max Royle, City Manager

FROM: William Tredik, P.E. Public Works Director

DATE: July 6, 2020

SUBJECT: Construction of a portion of 2nd Street west of 2nd Avenue

BACKGROUND

The unopened portion of 2nd Street in St. Augustine Beach lies between Sea Oaks Subdivision to the west and an unopened portion of Second Avenue right-of-way to the east (see Figure 1). This unopened right-of-way abuts sixteen (16) medium density residential lots which are not currently developable due to lack of access.



Figure 1 - Location of Unopened 2nd Street Right-of-Way

Over the years, discussions have occurred concerning the opening of the 2nd Street right-of-way, with the most recent in the summer of 2014. On August 4, 2014 the City Commission considered options for the opening of 2nd Street. The first option (Figure 2) involved extending 2nd Street westward to its terminus. The estimated cost for this option in 2014 dollars was \$188,000.

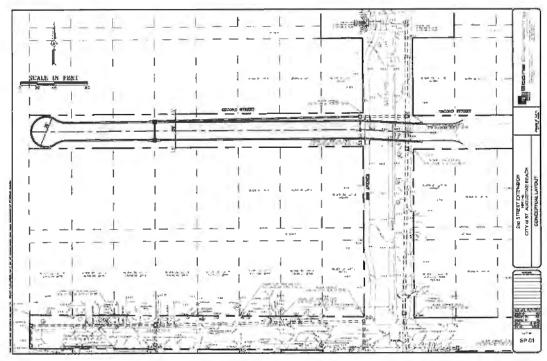


Figure 2 - 2nd Street Extension (2014 Option 1)

The second option considered was to extend 2nd Avenue north from 1st Street to access 2nd Street (Figure 3). The estimated cost for this option in 2014 dollars was \$244,000.

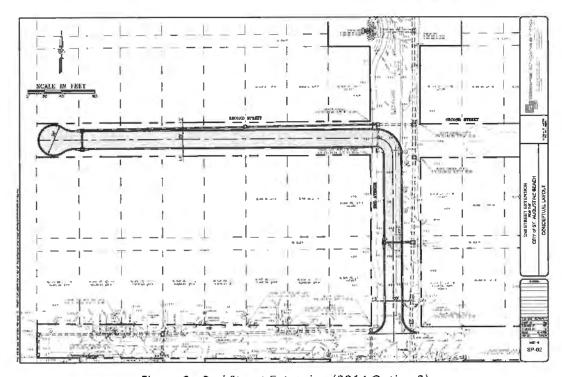


Figure 3 - 2nd Street Extension (2014 Option 2)

The above 2014 estimated costs did not include design and construction of residential utilities, service connection fees, etc. As recorded in the approved August 4, 2014 City Commission minutes, "It was the consensus of the City Commission to approve opening 2nd Street with

access from 1st Street via 2nd Avenue; St. Johns County Utility issues will be resolved by the lot owners, with assistance from City staff; and the funding of the construction will be determined later by the City Commission." Subsequent to the August 4, 2014 City Commission meeting, St. Johns County Utilities provided an estimate of utility costs, bringing the total estimated cost for the consensus alignment to \$341,000.

A public meeting with property owners was held on Wednesday, November 12, 2014. Four (4) of the eight (8) property owners were present, with another unofficially represented. The 2nd Street survey, the conceptual designs and the preliminary conceptual cost estimates were presented and discussed. Potential means of financing and constructing the underground utilities, and eventually the improved road, were discussed, including the potential for the City to fund 2nd Avenue portion of the roadway and the property owners funding the 2nd Street portion of the roadway. No commitments were made, and no resolution was reached. The City sent out letters requesting support of the project from the property owners, realizing that they would be responsible for a significant portion of the cost, unfortunately there was not property owner consensus and the project did not move forward.

The issue resurfaced in 2019, when the City was contacted by a property owner requesting reconsideration. Letters were again mailed out and 11 of the 16 properties (68.75%) were in favor of opening the road, knowing they would be required to pay a significant portion of the overall expense, which would have increased significantly from the 2014 estimate. No further action has been taken at this time since the project is not in the current fiscal year budget. Additionally, without full participation of the property owners, the city would need to front design and construction costs and develop and approve an assessment mechanism for funding of the property owners' portion of the construction.

DISCUSSION

In recent weeks, Mr. Eric Kenny – an interested party who desires to purchase the easternmost lots on the north side of the unopened 2nd Street right of way – has approached the City to discuss constructing roadway in a portion of the unopened 2nd Street right-of-way to serve 2 lots he would like to purchase. Mr. Kenny has offered to fund the design and construction of the extension of 2nd Street, meeting City standards, to the western property line of the lots he intends to purchase, as well as pay for design and construction of any utility extension necessary to serve these two lots. This would also include the paving of the dirt portion (approximately 50 feet) of 2nd Street just east of 2nd Avenue. Mr. Kenny understands that any design and construction must allow eventual tie in by the remaining properties to the west.

Mr. Kenny requests that he be permitted to construct the extension of 2nd Street directly westward approximately 250 feet to serve the properties he intends to purchase. Though it is typical for a developer to construct roadway within platted rights-of-way for the purpose of providing access, a previous City Commission indicated a preference for a different alignment. Staff is therefore is bringing this item back to the Commission for discussion and reconsideration.

As mentioned earlier, discussions in 2014 included the possibility that the City pay the portion of the cost associated with constructing 2nd Avenue from 1st Street to 2nd Street. Based upon current dollars, the probable cost for this portion of the work would be at least \$75,000, and would make necessary the removal or relocation of approximately 240 linear feet of existing 8' wide concrete bike path. Extending 2nd Street directly westward to serve the 2 lots that Mr. Kenny desires to purchase would substantially reduce the total length of roadway constructed, eliminate the need to remove or relocate the bike path, eliminate City costs, and allow the development of 4 residential lots (Mr. Kenny's plus 2 on the south side of the street).

ACTION REQUESTED

Reconsider the preferred alignment for the construction of the unopened portion of 2nd Street.

FROM MINUTES OF CITY COMMISSION MEETING, JULY 7, 2014

OLD BUSINESS

4 <u>Unopened Section of 2nd Street West of 2nd Avenue:</u> Continuation of Discussion to Open

Public Works Director Joe Howell explained there were 16 platted lots on the street and one of the owners had asked the City to open the street on that block. Commissioner Helhoski disclosed that his sister lived in the subject area, but he had no interest in the property. Chief Hardwick was concerned with fire and rescue access in light of a narrow turning radius. He would prefer opening both intersections for easier access.

Regine DeToledo, 309 St. George Street, St. Augustine; Jeanie Fitzpatrick, 102 Anastasia Lodge Drive; Eric Kenney, 8 Versaggi Drive; and Paul Crage were owners of lots on the subject area. Ms. DeToledo and Ms. Fitzpatrick opposed opening the street. Mr. Kenney and Mr. Crage wanted to know who would pay the cost of the street before making a decision.

Jay Floyd, 111A 2nd Street, said the costs should be paid by the owners of the 16 tots.

Curt Lawrence 112B 2nd Street, said the lack of through traffic was an attractive feature and wanted it to stay quiet. Laura & Chris Barkett, 114 2nd Street, agreed.

Commissioner Pawlowski said there did not appear to be a consensus of the lot owners. She felt the road should go straight through as platted. She did not favor opening 2nd Avenue to provide access. She asked that the property owners reach an agreement on a proposal for the street.

City Manager Royle said that in the past, opening a street was paid by the property owners. Vice Mayor O'Brien said the people on 2nd Street purchased those lots based on the road not being open and the City should not open it. He favored access from 2nd Avenue to the lots.

Commissioner Snodgrass said he did not have enough information. He asked that representatives from all involved departments or agencies meet to discuss the street. He favored having the City

bear the cost of the project. Mayor Samuels agreed. The Commission agreed to schedule discussion at their August meeting.

Vacation of alley at 116 2nd Street.

Mr. Kenney, 8 Versaggi Drive, asked that the alley behind 116 2nd Street be vacated. The opposite side of the alley adjoins a City-owned parkette.

Mr. Burnett said when an alley is vacated, it was split evenly between the abutting properties. A survey and the plat would show how it would be addressed in this situation.

The Commission agreed to continue this request to allow a review of the plat.

FROM MINUTES OF AUGUST 4, 2014, CITY COMMISSION MEETING

OLD BUSINESS

5. <u>Unopened Section of 2nd Street West of 2nd Avenue:</u> Continuation of Discussion to Open

City Manager Royle explained that the City Commission should address two questions: do they want to open the street, and from which direction would the street be accessed, 2nd Avenue or 1St Street. The owners must decide how to pay for water and sewer lines before the City will open the street. The County would have to approve setting up the funding and the City can help the owners with arranging meetings with them. Mr. Crage was disappointed in the delay again since this was brought up in 2005. Mayor Samuels recommended the City be an advocate with the County process.

Henry Ros, 102 Anastasia Lodge Drive, wanted clarification about the financing of the road. He opposed the many fees to property owners for opening the street.

Jeannie Fitzpatrick, 102 Anastasia Lodge Drive, brought a copy of documents showing the history from 1993 regarding opening the street. This was approved many years ago and it was still not opened.

Chris Barkett, 114 2nd Street, said he wanted to open access to his property. He wanted the City to pay the cost using interest from the Marriott project's impact fees. He asked if the City could open the road using crushed shell on 2nd Street and 2nd Avenue. He said he was never informed his street might not stay a dead end.

Commissioner Helhoski suggested the City could clear land, and discuss improvement options while assisting the lot owners in working with the County on permitting.

Commissioner Pawlowski recommended the street be accessed from 2nd Avenue, or whichever route the lot owners prefer. She wanted the owners to absorb the cost.

Vice Mayor O'Brien suggested the City mow and clear the platted road so the lot owners can have access. If possible, put down a temporary base. He favored access from 1st Street via 2nd Avenue.

Commissioner Snodgrass wanted a chronology of the history of the road and a list of the options on costs. He felt the City should help with County permit applications for this project. He City Commission 08/04/14

supported access from the north/south. Commissioner Helhoski agreed and supported the precedent of splitting the costs by thirds. If the City clears the property there may be additional costs later, or we may save by doing it now instead of when costs increase later.

It was the consensus of the City Commission to approve opening 2nd Street with access from 1st Street via 2nd Avenue; St Johns County Utility issues will be resolved by the lot owners, with assistance from City staff; and the funding of the construction will be determined later by the City Commission.

Jeannie Fitzpatrick suggested building a park at the end of the street.

Mr. Burnett noted the Commission did not have a consensus to open a temporary road. Mayor Samuels said the City would clear it by mowing the overgrowth, but not install a base at this time.

Jay Floyd 11 2nd Street, asked if the issue would come up again, and was told the access route would not.