

ITEM # 24  
DATE 08/26/08

**COUNCIL ACTION FORM**

**SUBJECT: OPTIONS TO ADDRESS MINIMUM FLOOR AREA RATIO (FAR) REQUIREMENTS FOR OFFICE USES IN THE GENERAL INDUSTRIAL ZONING DISTRICT AND INVESTIGATE THE AVAILABILITY OF INDUSTRIAL LAND**

**BACKGROUND:**

A priority of the City Council and of the Planning and Housing Department is to address the issue of the minimum Floor Area Ratio (FAR) in the General Industrial (GI) Zone as it applies to Office Uses. The FAR standard is found in Table 29.901(3) General Industrial Zone Development Standards of the Ames Municipal Code and was adopted during the general rewrite of the Zoning Ordinance in 2000. It sets a minimum Floor Area Ratio for office uses in the General Industrial Zoning District at 0.35.

**Table 29.901(3)  
General Industrial (GI) Zone Development Standards**

DEVELOPMENT STANDARD	GI ZONE
Minimum FAR	.35 for Office Use Only Buildings approved for exclusive office use constructed in accordance with either a site plan approved or a building permit issued prior to November 15, 2006, are exempt from this requirement.

A number of developments have been built since 2000 in the General Industrial district. Some of these developments were of office-type uses in the Ames Community Development Park and were approved despite not meeting the 0.35 minimum FAR. In 2006, permits for two further developments on South Bell Avenue were held up, as they did not meet the required FAR standard. At the City Council meeting on September 26, 2006, staff described the situation to the City Council and provided some of the background on the history of this standard.

During the City Council discussion in 2006, one Council member thought the intent of the Floor Area Ratio was to limit demand on services and infrastructure. Another Council member speculated that it was enacted to discourage office uses in industrial zones. Another advocated eliminating the standard as ineffective. The Mayor stated that during the Planning and Zoning discussion on this item during the ordinance development in 2000, she could not recall any specific reasoning justifying the standard. Staff recommended dropping the minimum FAR requirement.

Officials from the two companies whose projects were pending, as well as others, spoke about the difficulties in meeting the standard and the site impacts that a minimum 0.35 FAR would have on their respective projects. Following that discussion and in order to allow the two pending projects to move forward, the City Council directed staff to amend the ordinance exempting office uses for which a building or site plan had been approved

prior to November 15, 2006, from the minimum FAR requirements. **The City Council also directed staff to review the minimum Floor Area Ratio requirement and to investigate the availability of industrial land.**

Another office use in the GI zone is now seeking approval. This is an expansion of the Hawkeye Renewables building at 224 South Bell Avenue. Coincidentally, this is one of the two developments that sparked the discussion in 2006.

### **FLOOR AREA RATIOS**

Floor Area Ratio is a tool used within zoning ordinances to control densities of development. The Floor Area Ratio is simply the percentage of a lot that is devoted to floor space. It is a ratio similar to building coverage except that FAR accounts for the impacts of multi-story structures. A Floor Area Ratio of 1.0 on a lot indicates that a single-story building covers the entire lot—lot line to lot line. It could also mean that a four-story building is covering 25 percent of the lot.

In certain high-density commercial districts, a large Floor Area Ratio ensures that new development would be compatible with the previously built environment. In Ames, the Downtown Service Center (DSC) and the Campustown Service Center (CSC) zoning districts have a 1.0 **minimum** FAR. This standard, along with no front and side setback requirements, promotes the wall-to-wall street frontage common to these dense commercial areas.

However, in districts where the zoning requirements encourage less dense development, characterized by deep setbacks and more extensive landscaping requirements, a **maximum** Floor Area Ratio is often employed. The Ames Highway-Oriented Commercial (HOC) district has a maximum FAR of 0.50. The Planned Industrial (PI) district is even less at 0.35.

A review of Floor Area Ratio requirements in the Ames Municipal Code reveals that **minimum** FAR is found only in the Downtown Service Center and Campustown Service Center districts and in the General Industrial district (but only for office uses). The DSC and CSC, as indicated above, set a minimum FAR of 1.0 to encourage dense development, reflecting the urban commercial character of these districts. Other zoning districts have a **maximum** FAR. The FAR ranges from maximums of 0.35 in the Planned Industrial district to 0.75 in the Community Commercial Node (CCN) and Community Commercial/Residential Node (CCR). The General Industrial's sister district, Planned Industrial, sets a **maximum** 0.35 FAR—opposite of the **minimum** FAR in the GI district.

### **ALTERNATIVES:**

There are several alternatives that could be explored to address the minimum Floor Area Ratio in the General Industrial district. All would have varying degrees of impacts on planned, existing and previous developments.

1. One option is to drop the FAR requirement entirely for the General Industrial zone. Density of development of the site would be governed by the current requirements for front, side, and rear setbacks; maximum building coverage; and minimum landscaping. The application of minimum FAR to only office uses does not achieve desired densities for other, non-industrial uses. This option would not create any non-conforming structures, as there would be neither a minimum nor a maximum Floor Area Ratio standard.
2. A second option is to remove offices and/or other non-industrial uses from the General Industrial district. This option helps to preserve the limited amounts of GI zoned land for purely industrial uses. Corporate offices and other exclusive office uses would be channeled to commercial districts or the Planned Industrial district. Since there are a number of such offices and non-industrial uses already in the GI district, this option would create a number of non-conformities.
3. A third option is to grant another reprieve to this proposed project. This would be similar to the action taken in September 2006, which exempted office uses for which a building permit was issued or a site plan approved prior to November 15, 2006 from FAR requirement. This would be just a stopgap measure and would cause the issue to be reexamined again at some future moment in time.
4. A fourth option is to apply the Floor Area Ratio to all non-industrial uses in the General Industrial district. If the purpose of the minimum FAR is to ensure dense development in the GI zone, it would be more effective if applied to all non-industrial uses.
5. Do nothing. This would require any new construction or expansion to meet the current minimum 0.35 Floor Area Ratio.

**MANAGER'S RECOMMENDED ACTION:**

It is the recommendation of the City Manager that the City Council adopt Alternative 1 by dropping the Floor Area Ratio requirement entirely. The Floor Area Ratio does not accomplish what many consider its intended purpose to be—to restrict non-industrial uses from gobbling up the City's limited amounts of industrially-zoned land because it applies only to one of several non-industrial uses permitted in the GI district. Staff believes there are better tools to control density of a site, such as the application of setbacks, maximum building coverage, and minimum landscaping requirements. A minimum Floor Area Ratio would be appropriate in some districts where the City desires high density, such as in the Downtown and the Campustown areas. A maximum Floor Area Ratio would be appropriate where the City wants less dense development—low-density residential districts or a Class A office park.

**Availability of Industrial Land**

A complete picture of industrial land availability is beyond the scope of this report. However, a cursory examination of the current General Industrial zoning district shows that there are few vacant lots available for development. Some land would require further street and infrastructure extensions to be made fully available. Staff has

identified eleven parcels of land within the General Industrial district that are vacant and have utilities and street improvements in place. These eleven parcels constitute a total of 54.77 acres. The largest parcels are 14.62 and 14.01 acres in size. The next largest is 7.80 acres. The remaining parcels are less than six acres in size of which six are less than three acres.

#### Preservation of Industrial Land

One reason stated in 2006, for the minimum FAR for office uses, was to discourage non-industrial uses in the City's limited areas zoned for industrial. The use of a minimum FAR would be one tool to accomplish this goal. However, since it applies only to office uses, it is not very effective because several other non-industrial uses could be built without having to meet any minimum FAR. For instance, retail uses, day cares, convenience stores, and car washes could all be built in the GI district without restriction. (A retail store larger than 3,000 square feet would need a special use permit from the Zoning Board of Adjustment.)

If the City Council is interested in removing or restricting non-industrial uses from the General Industrial zoning district, staff can investigate this option. One strategy is to remove offices and other unwanted uses from the permitted uses allowed in the General Industrial district. With such an approach, however, the City Council could also consider the creation of a new Professional Office/Light Industrial zoning district. This district would allow corporate offices, flex spaces, warehousing, and light industrial uses. The standards for such a district would allow uses that are less intense than industrial and more intense than commercial. Such a new district could be created on currently vacant ground or could be applied to areas that already comprise such uses, such as South Bell Avenue.

These changes would accomplish two things: The preservation of our limited industrial land for truly industrial uses by keeping office uses out; and the creation of a first-class professional office park that would not have heavier industrial uses intruding in.