

Staff Report

**FLOOR AREA RATIO IN "HOC" (HIGHWAY-ORIENTED COMMERCIAL)
ZONING DISTRICT**

March 25, 2014

BACKGROUND

On January 14, the City Council initially directed staff to prepare a background memo addressing the request of VKB Management (developer) for a change to the maximum Floor Area Ratio (FAR) in the Highway-Oriented Commercial (HOC) zone (see *Attachment A*). The developer is interested in building a hotel on the property at 2120 Isaac Newton Drive. Due to the size of the site and prototypical design of the hotel, it would have an estimated .82 FAR, where only .50 is allowed.

On February 21, a memo was sent to the City Council from Kelly Diekmann, Planning and Housing Director, providing the background information in this report. On February 28, a letter was received from VKB Management, addressed to the Ames City Council. In this letter (see *Attachment B*), Kalpesh Patel urged the City Council to consider taking further action on the memo from the Planning and Housing Director at their meeting on March 4. **He explained further that he is requesting that staff be directed to prepare a zoning text change to increase the maximum allowed Floor Area Ratio (FAR) in the HOC zone, limited to properties zoned as HOC in the area of the community generally described as northwest of the intersection of Interstate 35 and Highway 30. (See Attachment D)**

On March 4, City Council directed staff to include the background memo as an item on the March 25 City Council agenda for consideration.

Floor Area Ratio "Floor Area Ratio (FAR)" is the amount of the floor area in relation to the amount of the lot area, determined by dividing the gross floor area of all buildings on a lot by the area of that lot. FAR is a zoning regulation (development standard) with two purposes. It can be used to limit the intensity of use (e.g. floor area for employees) or as a building size and design standard to limit bulk. Other examples of building design regulations include minimum required setbacks, maximum building coverage (building footprint), minimum landscaped area, and maximum height limits.

The majority of commercial land in Ames is zoned as Highway Oriented Commercial (HOC). (See Attachment C) HOC is located along significant commercial corridors of Lincoln Way and Duff Avenue, as well as general areas near the Highway 30 off-ramps at S. Dayton, University, and Duff. HOC encompasses a wide range of lot types and surrounding land uses because of the diverse locations throughout the city.

A maximum FAR also applies in the following zoning districts:

<u>Zoning District</u>	<u>FAR</u>
Highway Oriented Commercial (HOC)	0.50
Neighborhood Commercial (NC)	0.70
Community Commercial Node (CCN)	0.75
Community Commercial/Residential Node (CCR)	0.75
Downtown Service Center (DSC)	None
Campustown Service Center (CSC)	None
South Lincoln Sub Area (S-SMD) Mixed Use District	0.75
Planned Regional Commercial (PRC)	None
Planned Industrial (PI)	0.35
General Industrial (GI)	None

If the Council is interested in a text change to increase the maximum allowed FAR in the HOC zone, it could be limited to properties zoned as HOC in a particular area of the community, or only for specific uses, such as a “hotel.” For example, locations near a freeway or in the Southeast Gateway Overlay along Highway 30 may be appropriate to increase the intensity of use compared to other areas of the City due to the orientation of the business and lack of compatibility issues.

In combination with increasing FAR, Council could adopt additional design standards for building and roof articulation in response to allowing for larger buildings. Increasing the allowance for hotels specifically or to particular area of the City would incentivize and encourage development related to those sites or uses compared to the remaining HOC land. Alternatively, Council could consider this as a broad issue relevant to all HOC zoned properties throughout the City.

A limited text change to HOC could be processed in a much shorter timeframe than if the FAR for the entire HOC zone were changed for all commercial properties throughout the community. Text changes which would impact all properties zoned as HOC would require a series of meetings to obtain input from land owners, businesses, developers, and other stake holders.

If the City Council approves the developer’s request to proceed with an application for a limited text amendment, staff estimates it would require approximately 15 hours of staff time for review without undertaking public outreach. If Council considers this item to be of interest on a community-wide scale, it would need to be referred as a policy issue and prioritized with other items on the Planning and Housing Department work program. As a policy issue that includes public outreach, staff estimates it may require 60 hours of staff time to coordinate and review that larger project. Alternatively, Council could determine there is not an interest in reviewing a FAR increase at this time and choose not to refer the item for any further action.

ATTACHMENT A



VKB MANAGEMENT

1/4/14

Ames City Council,

I am writing this letter to ask the council to consider changing or amending an ordinance that is affecting the development of a property in Ames.

My company is looking at the property at 2120 Isaac Newton Drive to develop a limited service hotel under the Comfort Suites brand. Unfortunately, the requirements for Maximum FAR as described in the Highway-Oriented Commercial (HOC) Zone Development Standards, Table 29.804 (3) in Supplemental #2013-4 will not allow this to happen. Currently the standard is written such that the total number of square feet of a building must be equal to or less than one-half the total square feet of the land. The building we are proposing to build would be approximately 55,000 square feet and the property has a total of 66,920 square feet. Even though the land is plenty sufficient for the purpose of building a hotel and it required parking, it is woefully short of the 0.50 ratio for maximum FAR.

We are asking that the city council and planning team revise or adjust the Maximum FAR requirement as a whole at least for this area of the city, so that the property in the area can be developed and new businesses can continue to come into the Ames community.

Thank you for your consideration.

Kalpesh Patel

VKB Management

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Johnston, IA 50131

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ATTACHMENT B



VKB MANAGEMENT

2/28/14

Ames City Council,

I am writing this letter to urge the council to consider the memo requesting a change in the maximum FAR sent to you by Kelly Diekmann, the Planning and Housing Director, on February 21st 2013. It is my understanding that this memo was not brought up for discussion during the council's last meeting on February 25th. I ask that the council consider this memo during their next meeting on March 4th 2013 and appeal to the council to direct staff to work on this text change to increase the maximum allowed FAR in the HOC zone, limited to properties zoned as HOC in the particular area of we wish to develop in the area of the NorthWest corner of Interstate 35 and Highway 30. This text change would allow for the further development of this area to continue to add value and needed resources to the city of Ames.

Thank you again for your consideration.

Kalpesh Patel

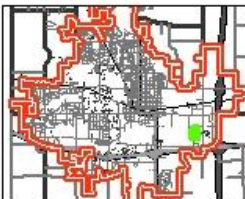
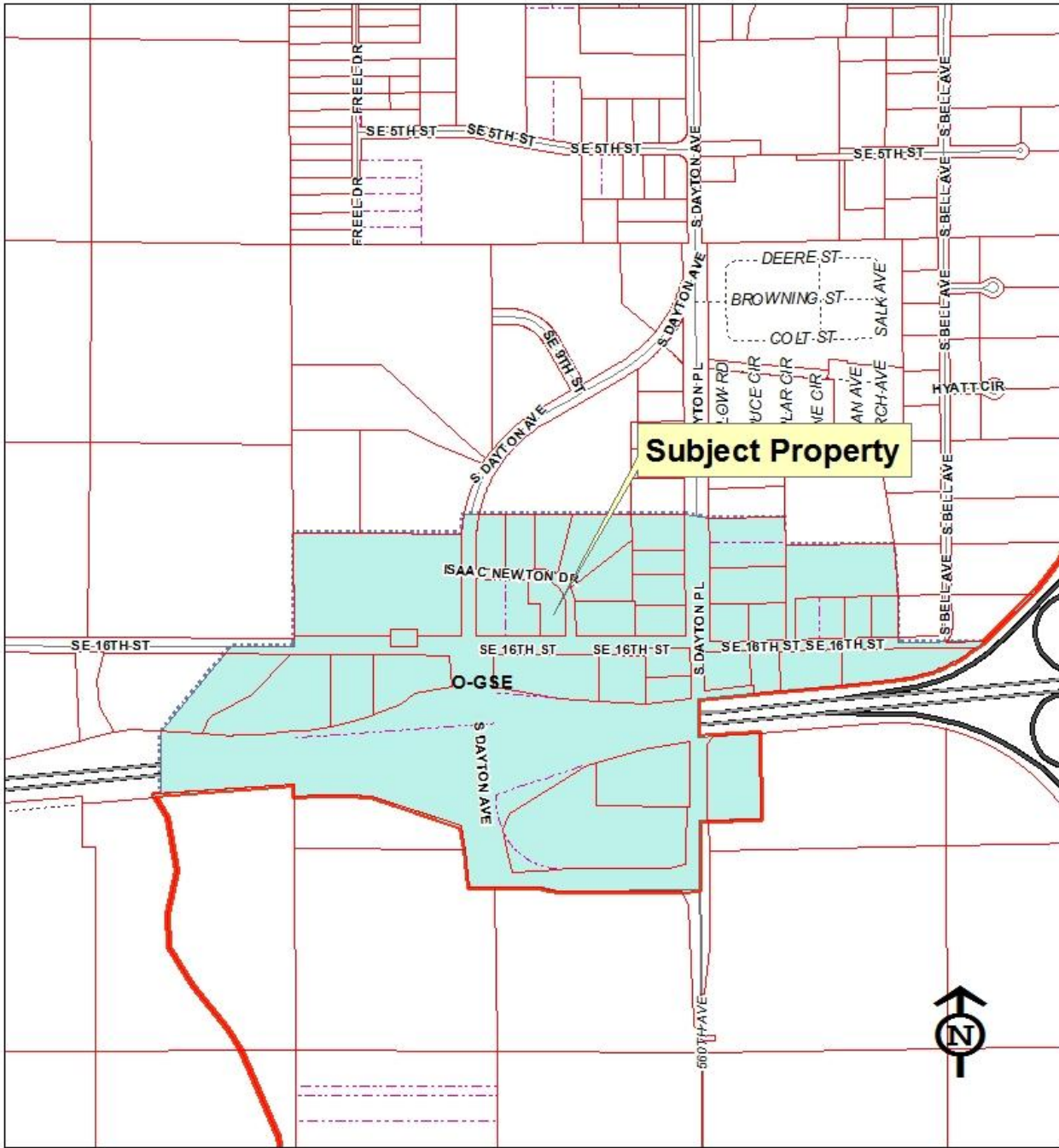
VKB Management

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ATTACHMENT D



**Southeast Entryway
Gateway
Overlay District**

