

## Staff Report

**DIRECTION OF RIGHT-OF-WAY IMPROVEMENTS**

May 12, 2015

**BACKGROUND:**

The City Council directed staff to research and prepare amendments to the *Ames Municipal Code* to require the installation of missing infrastructure at the time of development if a project is not already covered by an infrastructure installation agreement. **The proposed amendments will not apply to single-family or two-family construction.** It would apply to commercial, industrial, multi-family residential, and institutional uses. Full background materials can be found on the Planning Department website under "[What's New.](#)" **Council gave the following direction on February 24, 2015 to proceed with text amendments for right-of-way and subdivision standards** (Attachment A: Excerpt of Minutes):

1. Prepare an ordinance that requires the installation of sidewalks, shared use paths, street lights, street paving, and dedication of needed right-of-way or easements for development of industrial, commercial, or multi-family property, regardless of subdivision.
2. Include development triggers for new construction or redevelopment of a principle building and by substantial building addition in square footage or valuation.
3. Prepare an ordinance to update certain infrastructure specifications for sidewalks and street lights for subdivisions. (This issue is addressed in a separate CAF from direction on April 14, 2015)

Staff has developed options in response to Council's direction and brought two issues forward for further direction prior to drafting an ordinance for Council's review.

**ISSUE 1: INDUSTRIAL SIDEWALK PLACEMENT :**

With Council's direction on April 14<sup>th</sup> to keep the status quo in the Subdivision Code for industrial zones to require sidewalks on only one side of a street, there are now new questions regarding the implementation of infrastructure requirements for industrial areas. It is unclear how to determine which side of an industrial street must have sidewalks installed.

There are few properties with existing sidewalks in industrial zones. Notable examples of areas without sidewalks include Freel Drive, South Dayton Avenue, North Loop Drive. Attachment B shows the core General Industrial area of the City (except for a small area on Airport Road), existing sidewalks and shared use paths, and where future sidewalks that are expected when development happens on the lot because of prior deferral

agreements. You will notice on the map that South Bell is an example where sidewalk improvements switch mid-block because of timing of prior subdivisions. This somewhat illustrates the point of coordinating sidewalks individually.

## **Options for Issue 1**

Three basic choices exist to move forward on the industrial sidewalk issue. The first option would be to allow for a project based determination by staff at the time of development. The second option would be to state in the ordinance that sidewalks are required along the north and east sides of industrial streets since the north and east have the greatest sun exposure for melting of snow and ice. The third option is to create a plan that specifies improvements at specific locations.

The plan could be developed considering placement on the appropriate side of the street reflecting a number of criteria, such as:

- Locations of existing sidewalks.
- Transit routes and stops.
- Adjacent and nearby commercial districts.
- Natural features.
- Man-made barriers such as bridges or railroads.
- Topography.
- Expected future development patterns.
- Requirements for through lots and corner lots.

Developing a plan for industrial sidewalk location that is adopted by resolution would clarify the standards applicability. It does not necessarily address the question of equity—one side bearing the cost of sidewalks while the other does not.

## **ISSUE 2 INFRASTRUCTURE TRIGGERS:**

At the February 24<sup>th</sup> meeting, the City Council chose as a trigger for compliance with these new requirements “by new construction or redevelopment of a principle building and by substantial building addition in square footage or valuation” (6-0 vote).

**City staff is seeking direction on a definition of substantial improvement as it relates to additions and remodeling.** New construction and additions are more straight forward and will be included in the draft ordinance. The following is an outline of four options for defining substantial improvement.

### **Option 1 - Increases floor area by at Least 25 % (found in the Flood Plain regulations)**

- A relatively high bar so that modest improvements do not trigger infrastructure.
- Based on two easily verifiable numbers—floor area of existing structure and floor area of proposed addition.
- Requires minor site development plan submittal by applicant and review by DRC.
- Determination occurs at site plan stage rather than later at building permit stage of a project.
- Will affect smaller sites more than larger sites with larger buildings.

**Option 2 – Increases value by at Least 50 % of Assessed Valuation of the Improvements (found in the Flood Plain regulations and the Building Code):**

- A high bar so that modest and even larger improvements do not trigger infrastructure.
- Relies on City Assessor information to determine value of existing structure (which may be over or under valued).
- Value of improvements declared by contractor but verified by Inspections.
- Does not require minor site plan submittal or DRC review.
- Determination relies on Inspections staff at building permit approval stage.
- Large Buildings or high value buildings unlikely to ever trigger infrastructure improvements.
- Likely to capture small and medium sites.
- Land value exempt from the calculation

**Option 3 - Improvements valued at \$100,000 or greater (recommended by staff as a minimum dollar value):**

- Value of improvements declared by contractor but verified by Inspections.
- May or may not be a burdensome amount compared to the cost of the infrastructure (e.g., 600' of sidewalk at \$18,000 vs. 150' of sidewalk at \$4,500).
- Costs could go up substantially for full right-of-way improvements beyond just sidewalks.
- May or may not require minor site plan submittal or DRC review.
- Staff reviewed the past year of commercial permits and found 25% of the permits for alterations (43 of 181) exceeded \$100,000.
- The dollar figure could be adjusted up or down to change its likelihood of applicability.
- Interior remodels without additions would be only identified through Inspections. This may be surprise to the business owners and contractors that are not anticipating site improvements.

**Option 4 - Addition of 150 Square Feet to a Commercial or Industrial building.**

- A relatively low bar so that most additions trigger infrastructure (7 Projects in 2014).
- Based on two easily verifiable numbers—floor area of existing structure and floor area of proposed addition.
- Same threshold that requires approval of a minor site development and review by DRC.
- Determination occurs at site plan approval stage rather than later at building permit stage of a project.
- Affects all sites equally based on size of new project, not existing improvements.
- The small size threshold may fit only requiring partial improvements such as sidewalks or land dedication to correlate to value of the work over full street improvements.

## **STAFF COMMENTS:**

### **Industrial Sidewalk Placement:**

In some instances, the question of where sidewalks should be installed can be readily answered by a review of existing conditions. For instance, with sidewalks existing or planned for much of the east side of S. Bell Avenue, it would be a natural extension to continue that pattern. However, in areas where no sidewalks exist, such as Freel Drive or S. Dayton Avenue, guidance in the form of a sidewalk routing plan can help determine the appropriate locations and whether a sidewalk or shared use path is needed. Such a plan would account for topography (e.g., open ditches, steep slopes) and other features (e.g., railroads, bridges, bus routes) in determining appropriate routes. When there are no obvious issues of feasibility, it would be difficult to determine why one side of a street requires sidewalk over another.

Currently, we do not have mechanisms to split costs of improvements without development agreements and it is unclear how splitting costs may be implemented. Therefore, it is unlikely that the City will be able to address the perceived inequities when requiring improvements in conjunction with site development.

**The option that requires the installation of a sidewalk on a predetermined side (north and east sides) would be the most direct approach to resolving the question. This option would still require extension of sidewalks along frontage that already have adjacent sidewalks whether those sidewalks are located on the north or east side of a street.**

### **INFRASTRUCTURE TRIGGERS:**

City Council gave direction to develop a trigger for improvements, not only for new construction but also for substantial improvements tied to building area or valuation. **City staff needs Council direction regarding the definition for substantial improvements that will trigger the requirements to install the missing infrastructure.**

Creating a trigger for substantial investments is a tough balance in trying to ensure desired infrastructure improvements are added to the City, but at the same time have it implemented in an equitable manner. Staff has focused the discussion on industrial areas, even though it applies to other uses of multi-family and commercial, because many of the industrial areas were subdivided and property created without streets, sidewalks, etc. that meet current standards and this will be the most impacted areas by the ordinance.

Beyond choosing a dollar value threshold, there are some general concerns about requiring remodeling projects to comply with the infrastructure requirements versus new development of vacant sites. **Staff has concerns on how knowledgeable property owners and contractors will be of the requirement when it is triggered by only a remodeling and not an expansion project. It may be an unanticipated cost or delay for the remodeling and discourage the project.** Education and outreach would be needed to help inform the designer and contractor network of the new rules.

Ultimately, the trigger thresholds revolve around the desire 1) to capture equal dollar value of projects whether they are remodeling or additions or 2) to focus on how the process of site plan review or building permits is the best method to implement the standards. When reviewing 2014 permit records there were 7 minor site plan projects that were described as additions, while there were 43 properties that had building permits for remodeling alterations or additions in excess of \$100,000. While more projects are captured and gaps filled through a valuation threshold, it may lead to more customer consternation as it would apply to building permit projects.

## **ATTACHMENT A: EXCERPTS OF MINUTES FROM FEBRUARY 24, 2015**

Below are excerpts of the minutes, showing the specific motions and votes. The full minutes can be found here:

<http://www.cityofames.org/modules/showdocument.aspx?documentid=20972>.

### **Issue 1: Deficient Infrastructure**

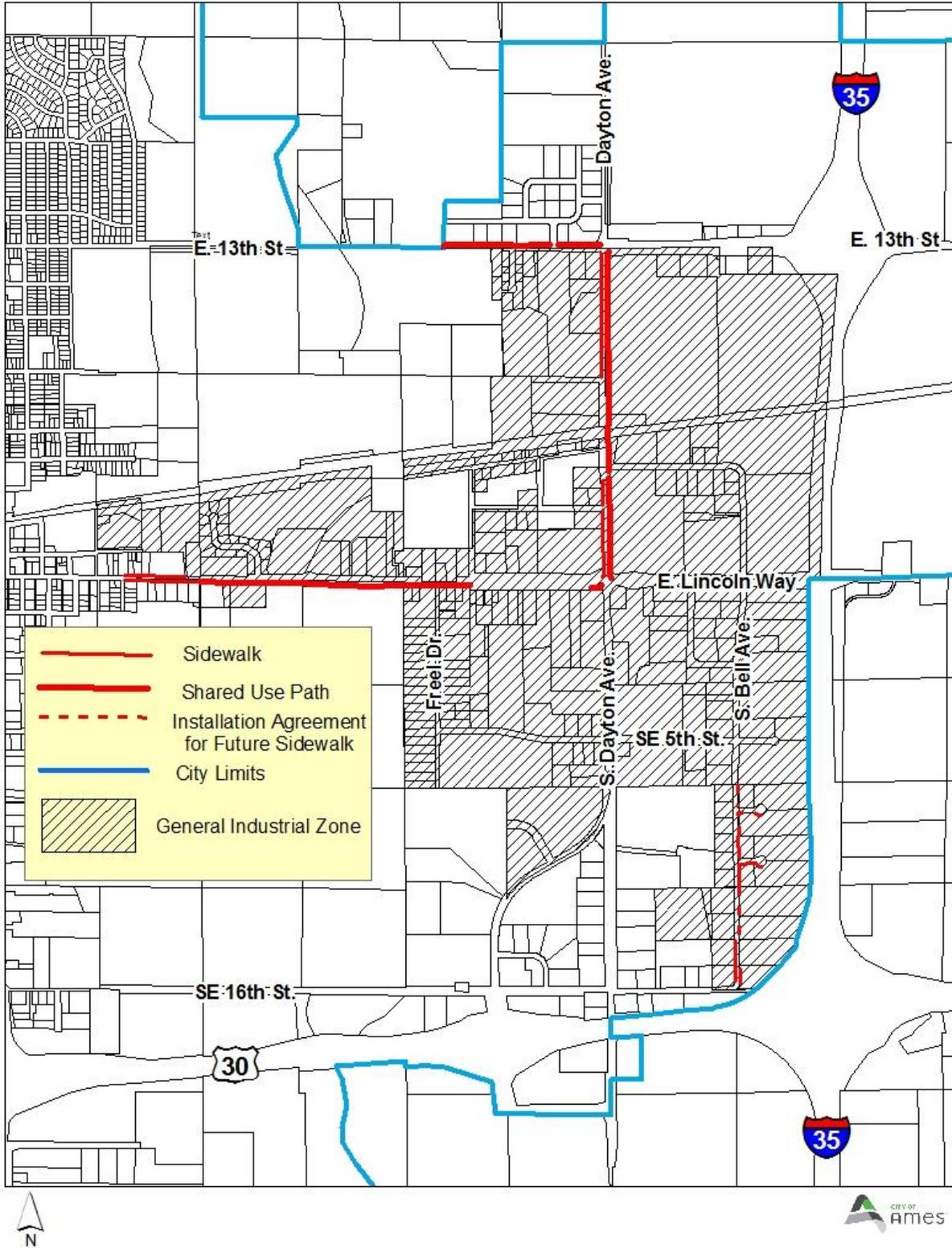
Mayor Campbell asked for a motion dealing with Issue 1: What deficient infrastructure should be installed. Moved by Gartin, seconded by Goodman, to require the installation of sidewalks, shared use paths, street lights, and dedication of needed right-of-way or easements. Vote on Motion: 6-0. Motion declared carried unanimously.

Moved by Corrieri, seconded by Orazem, to amend the motion to include street paving. Vote on Amendment: 6-0. Motion declared carried unanimously. Vote on Motion, as Amended: 6-0. Motion declared carried unanimously.

### **Issue 2: Triggers for Installation**

Moved by Goodman, seconded by Corrieri, that the installation of right-of-way improvements be triggered by new construction or redevelopment of a principle building and by substantial building addition in square footage or valuation. Vote on Motion: 6-0. Motion declared carried unanimously.

# ATTACHMENT B: SIDEWALKS WITHIN GENERAL INDUSTRIAL ZONE



Attachment C

**INFRASTRUCTURE COST ESTIMATE RANGE**

<b>Item</b>	<b>Private cost</b>	<b>City cost</b>
<b>5' sidewalk per linear foot</b>	<b>\$20-30</b>	<b>\$40-60</b>
<b>8' asphalt shared use path per linear foot</b>	<b>\$25</b>	<b>\$50</b>
<b>Street tree</b>	<b>\$200</b>	<b>same</b>
<b>Standard street light</b>	<b>\$2,000</b>	<b>same</b>
<b>LED street light</b>	<b>\$2,500</b>	<b>same</b>
<b>35 sq ft bus stop pad</b>	<b>\$200</b>	<b>\$400</b>
<b>30" curb and gutter</b>	<b>\$15</b>	<b>\$30</b>
<b>One lane of pavement per linear foot (HMA)</b>	<b>\$65</b>	<b>\$100</b>
<b>Sidewalk detectable warning per square foot</b>	<b>\$25</b>	<b>\$40</b>