COUNCIL ACTION FORM

<u>SUBJECT</u>: ZONING ORDINANCE TEXT AMENDMENT TO EXCLUDE PARKING STRUCTURES FROM DEFINITION OF FLOOR AREA RATIO

BACKGROUND:

The City Council reviewed options for considering changes to Floor Area Ratio (FAR) standards on April 14, 2015 and directed staff to draft a text amendment excluding parking structures from the definition of FAR. The proposed text amendment would apply city wide to all parking structures, not just to those within the HOC zoning district.

FAR is a zoning regulation (development standard) with two purposes. It can be used to limit the intensity of use of a site or to control the massing of the building. FAR can lead to a predictable building design and building size when lots are of the same general size in a zoning district, but the results will vary greatly when there is a large difference in lot sizes. Other related zonings standards to intensity and massing include maximum building coverage, minimum required setbacks, minimum landscaped/open space area, and maximum height limits.

The current relevant Zoning Ordinance terms are stated below.

Section 29.201-Definitions

(77) Floor Area, Gross means the sum of the gross horizontal area of floors of a building, including interior balconies and mezzanines. All horizontal dimensions are to be between the exterior faces of walls or from the center line of walls separating 2 buildings.

(78) Floor Area, Net means the total square foot area of all space within the outside line of a wall, including the total area of all floor levels, but excluding porches, garages, or unfinished space in a basement or cellar.

(79) Floor Area Ratio (FAR) means the amount of floor area in relation to the amount of lot area, determined by dividing the gross floor area of all buildings on a lot by the area of that lot.

The proposed text amendment is as follows with the underlined words:

(79) Floor Area Ratio (FAR) means the amount of floor area in relation to the amount of lot area, determined by dividing the gross floor area of all buildings on a lot by the area of that lot. Parking structures are excluded from the calculation of floor area ratio.

Ames applies FAR as a development standards in multiple zoning districts, as either a minimum of maximum.

Zoning District	Max. FAR
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 Dis	trict 0.75
Planned Regional Commercial (PRC)	None
Planned Industrial (PI)	0.35
General Industrial (GI)	None

*CSC and DSC zoning having a <u>minimum</u> FAR of 1.0 to ensure buildings match the historic pattern of the surroundings. An exception process exists to reduce minimum FAR in unique situations.

The 0.5 FAR allowed in the HOC zoning district would generally lead to one and two story buildings, even though taller buildings could be built under the HOC zoning. This is result of the parking ratio and amount of land needed for surface parking in relation to building floor area. A development standard with a 1.0 FAR would relate to more urban setting as it would require full use of site or multi-story buildings. FAR of 1.0 or greater is a common situation along Main Street or in parts of Campustown. Other examples of how FAR translates to building design with standards parking requirements include:

- 1-Story retail commercial development will be typically 0.2 to 0.25 FAR of a site with 100% surface parking.
- 2-Story retail commercial development at 0.5 FAR with primarily surface parking and some structured parking.
- 1-Story industrial/professional office building will be 0.3 FAR with 100% surface parking.
- 3 to 4-Story industrial/office building of 0.5 FAR with 100% surface parking.
- 5 to 7-Story office building of 0.7 FAR with a mix of parking structures and surface parking.

The result of changing the definition as proposed will be to generally incentive taller buildings on a site. The total usable floor area of site will still be controlled by the FAR limitations of the base zoning district and is not directly increased with the amendment. Excepting parking structures will make it easier for a developer to reach maximum floor area limits due to more flexibility in providing parking spaces to serve the intended use.

With the exception to FAR, a parking structure will still be treated as a building and required to conform to other building standards of a zoning district. This means setbacks, building coverage, height, open space, will apply to a parking structure during site plan review. In situations with larger sites, building coverage will be the standard that is most likely to limit the overall size or footprint of all buildings on a site. The City also has additional specific development standards for Parking Decks in Section 29.406 (12) that will apply to new parking structures. This includes design standards for orientation of the parking decks, shielding of cars, and minimum setback requirements in CSC and DSC zoning districts.

The Planning and Zoning Commission reviewed the proposed text amendment at its May 6, 2015 meeting. The Commission recommended the Council adopt the proposed text amendment on a 5-0 vote.

ALTERNATIVES:

- 1. City Council can approve on first reading the text amendment to exclude parking structures from the definition of Floor Area Ratio.
- 2. The City Council can request additional information before approving the text amendment.
- 3. The City Council can deny the text amendment.

CITY MANAGER'S RECOMMENDED ACTION:

Staff previously developed options for alternative approaches to intensify development in the HOC zoning district at the April 14, 2015. These alternatives included allowing for a general exception process to exceed FAR limitations, an exemption for parking structures from all building development standards, or for planned commercial development for projects that are subject to a design review process. The proposed definitional change is most direct approach to dealing with the issue of promoting structured parking in support of development. It does not change the design requirements or site development plan review process. However, the text change will likely have limited utility in the near term as very few projects include parking structures.

Exempting Parking Structures from the definition does incentivize alternative development styles and probably a fuller use of a site through greater flexibility in providing required parking. Excluding parking structures does not fundamentally alter the intensity of use planned for the base zoning when considering that the amount of usable floor area does not change. Therefore, it is the recommendation of the City Manager that the Council act in accordance with Alternative #1.

ATTACHMENT A

March 9, 2015

Honorable Mayor & City Council City of Ames 515 Clark Avenue Ames, Iowa 50010

RE: Request to Amend the Code of Ordinance Definition of the Floor Area Ratio

Honorable Mayor & City Council:

We are working on development of a Highway-Oriented Commercial (HOC) zoned property in Ames and as part of the project are contemplating the use of covered parking. However, if covered parking is used, then the amount of building development is *reduced* as the covered parking is measured as part of the Floor Area Ratio (FAR) for the project. For example; on a 200,000 square foot (s.f.) lot code would allow a 100,000 s.f. commercial building (100,000/200,000 = FAF of 0.50). But, if the building had covered parking, then only a 50,000 square foot building could be constructed *as the* $50,000 \text{ s.f. of covered parking would count against the FAR of 0.50. It would seem to be in the best interest of the City to maximize the use of prime commercial lots and allow the full use of a site with covered parking. It is a more efficient use of land resources to promote the use of covered parking and provides more value per acre of building construction.$

The pertinent portions of the FAR definitions are found in Code Section 29.201 Definitions as shown below:

(77) Floor Area, Gross means the sum of the gross horizontal area of floors of a building, including interior balconies and mezzanines. All horizontal dimensions are to be between the exterior faces of walls or from the center line of walls separating 2 buildings.

(78) Floor Area, Net means the total square foot area of all space within the outside line of a wall, including the total area of all floor levels, but excluding porches, garages, or unfinished space in a basement or cellar.

(79) Floor Area Ratio (FAR) means the amount of floor area in relation to the amount of lot area, determined by dividing the gross floor area of all buildings on a lot by the area of that lot.

We are <u>not</u> asking for a change to the HOC zoning's FAR limit of 0.50. We do request the definition of the Floor Area Ratio to be changed by changing the "gross floor area" to "net floor area" such that it reads:

79) Floor Area Ratio (FAR) means the amount of floor area in relation to the amount of lot area, determined by dividing the *net* floor area of all buildings on a lot by the area of that lot.

The City's definition of "net floor area" excludes garages from the calculations and would allow the project to move forward. This small (one word) change would allow for the full 100,000 s.f. of building to be constructed as detailed in the example above.

Our due diligence period for purchase of the property is by the end of April. We would like to have the Council move forward with the change expeditiously such that we can be assured the change will be in process before the end of our due diligence period. Thank you for your assistance. Please call me if you have any questions.

Sincerely,

Martin Stern Cell Phone (515)-779-7301

cc: Kelly Diekmann, Planning & Housing Director Steve Schainker, City Manager

ORDINANCE NO.

AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA, BY REPEALING SEC. 29.201 (79) AND ENACTING A NEW SECTION 29.201(79) THEREOF, FOR THE PURPOSE OF EXCLUDING PARKING STRUCTURES FROM DEFINITION OF FLOOR AREA RATIO; REPEALING ANY AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT TO THE EXTENT OF SUCH CONFLICT AND ESTABLISHING AN EFFECTIVE DATE.

BE IT ENACTED, by the City Council for the City of Ames, Iowa, that:

<u>Section One</u>. The Municipal Code of the City of Ames, Iowa shall be and the same is hereby amended by repealing Section 29.201(79) and enacting a new Section 29.201(79) as follows:

"Sec. 29.201. DEFINITIONS.

. . .

(79) **Floor Area Ratio (FAR)** means the amount of floor area in relation to the amount of lot area, determined by dividing the gross floor area of all buildings on a lot by the area of that lot. Parking structures are excluded from the calculation of floor area ratio."

. . .

Section Two. All ordinances, or parts of ordinances, in conflict herewith are hereby repealed to the extent of such conflict, if any.

Section Three. This ordinance shall be in full force and effect from and after its passage and publication as required by law.

Passed this ______ day of ______, ____.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor