

COUNCIL ACTION FORM

SUBJECT: ZONING ORDINANCE TEXT AMENDMENT TO ALLOW FOR A LINCOLN WAY MIXED USE OVERLAY ZONE

BACKGROUND:

In February 2015 Hunziker Development Company LLC requested that City Council initiate a text amendment to allow for the construction of a mixed-use development project along West Lincoln Way on property in the Highway Oriented Commercial (HOC) zoning district. (See Attachment A) The applicant has a concept for development of the site which consists of a mixed commercial and residential development containing two separate three-story buildings, each containing first floor commercial space and apartment dwellings. This concept of mixed use is currently not allowed within HOC zoning.

City Council had previously directed as part of the Planning and Housing work plan to begin a review of the Land Use Policy Plan and specifically to do a comprehensive Lincoln Way corridor study. The Lincoln Way Corridor Study is intended to create a broad urban design plan recognizing Lincoln Way as signature element of the City's transportation network and its aesthetic character as it ties multiple neighborhoods and districts of the City together. The Study will have an assessment of the surrounding urban environment and attributes of Lincoln Way based upon multi-modal travel opportunities, streetscape design, and potential for strategic infill opportunities supportive of the Corridor. The study will focus on areas between Duff Avenue and South Dakota Avenue. The Planning Division work plan estimate for duration of the Corridor study is approximately 8 months and it is to begin in the fall of 2015. **When responding to the Hunziker request, Council directed this text amendment to precede the Corridor Study as a tool that could be refined once the study is completed in the Spring of 2016.**

The proposed text amendment is to create a new zoning overlay district in the Zoning Ordinance, Chapter 29 of the Ames Municipal Code. The intent is to allow for a case-by-case review of a Major Site Development Plan with the rezoning to add mixed use to a site. Upon adoption of the ordinance, individual property owners would need to request a rezoning of property to add the mixed use overlay to the underlying base HOC zoning. Upon completion of the Corridor Study, mixed use may be permitted by right as it is in Campustown with defined standards and design guidelines or continue to rely upon a case-by-case review as modeled in this ordinance.

The Hunziker request centers upon allowing for apartment dwellings within the HOC zoning district. HOC is an exclusive commercial district that currently does not allow for residential uses. Within the current HOC zone, permitted uses are focused on auto oriented office or retail trade uses, including restaurant, recreation, and entertainment. HOC zoning is the most common commercial zone in the City. With this

wide diversity of allowed uses and locations in the City, HOC has a larger range of interactions with residential and commercial uses than other zoning types in the City. In general, a broad allowance for housing would not further the City's general interests in commercial land use and developing residential neighborhoods because of this diversity. However, HOC zoning along Lincoln Way is a different context than many other areas because it is already an important part of areas with residential uses and has excellent transit access. Adding mixed use could be complementary to its surroundings and provide for strategic infill as supported by the LUPP. **The proposed overlay would add a dimension of use for household living in HOC exclusively along the central areas of the Lincoln Way Corridor, defined as from South Dakota Avenue to Duff Avenue. It would not allow for mixed use in other HOC zoned areas of the City.**

The purpose of the Mixed Use Overlay should be to create a balance between permitted commercial uses of the HOC base zone and the inclusion of a well designed multi-family residential development. **Staff believes continuing to emphasize commercial use as a priority in the overlay is important along Lincoln Way.** Commercial uses must be designed appropriately for it to be successful in a mixed use project. For example, the West Towne mixed use apartments along Mortenson are mixed use but the commercial uses are not as successful as hoped due in part to their design and orientation. Poor design and orientation along Lincoln Way would be detrimental to the Lincoln Way Corridor.

The Overlay is intended to supplement the base zone regulations of the HOC in order to preserve the existing commercial use pattern established within the corridor. Typically, the commercial uses within HOC are compatible with mixed use. Some concerns about the mixed use living environment are the types of commercial activities on the site and the hours or operations, noise, and odors. This would not appeal to everyone, but some people seek out the variety of activities and potential interactions with people in this environment. Concerns about the arrangement of uses can be considered during a major site plan review. Staff has proposed within the ordinance to limit the range of HOC uses that are more likely compatible with residential uses. Staff also believes this type of housing and living environment is marketable to not only students, but also to a more diverse young workforce and small households without children.

Proposed Text Amendments:

The proposed ordinance with its full language is included as an attachment. The key provisions are a clear purpose of commercial use combined with residential, design standards for site orientation, building size and height standards, requirement for City Council approval of the project, and design principles to guide the commercial use of the site and the architectural design of the project. The use of design principles provides the opportunity to state the City's intent for development and still allows for some individual flexibility. Design standards are code standards that must be met by a project. **Staff advises Council that this approach is preferred for pilot projects and initiating efforts for mixed use, but cautions that it will require negotiation of some design elements and to have high expectations of projects and details to ensure the City approves a successful project.**

Staff reviewed the mixed-use ordinance concept with the Planning and Zoning Commission at the April 15th and May 6th P & Z meetings. Hunziker development provided input to the P&Z at both of these meetings as well. Staff discussed many of the design concerns of the ordinance and whether specific standards or general design principles are the appropriate approach to the Overlay. Based on that discussion, staff drafted the attached ordinance as a mix of some minimum expectations, including commercial frontage, maximum height, orientation of buildings, and floor area ratios with basic design principles. The expectation is the Major Site Plan review will develop most site specific details about design and layout.

One of the significant issues discussed with the Commission was defining commercial uses in the Overlay. The primary two options were to consider a standards based on lot frontage or on total lot area. The proposed requirement is a minimum expectation of 15% FAR for commercial uses without stating a density or apartment size standard. Staff believes the requirement for 15% FAR is generally in the lower range of commercial land utilization; however, it is more of a midpoint in Ames. Staff reviewed a variety of uses and locations for commercial developments in Ames to create a context for the standard. The general range of FAR for one-story developments was between 8% and 23%. These sites were relative modern commercial sites along Lincoln Way, Duff Avenue, and Stange Road between 0.7 acres and 4 acres. The uses that heavily relied upon parking, such as restaurants, medical office, and banks, would have much lower FAR than retail and office uses in this comparison.

Hunziker Development believed a lower FAR better fit their particular project site and preferred that 15% was not a mandatory standard. The Planning and Zoning Commission felt the 15% FAR was a good benchmark to work from, but felt it best as a general design principle to be reviewed on a case by case basis as part of the design and layout review of the Major Site Development Plan process. Staff has incorporated the 15% FAR as a Design Principle rather than as a standard.

For the amount of residential use on a site, staff has not indicated a density limit or desired unit type for the apartments. The controls on size and density will be the 3-story height limit and 100% FAR combined with parking requirements. The City's standard parking requirements for apartments based upon bedrooms will apply to development within the Mixed Use Overlay. There is not a lower parking standard as part of this ordinance. Staff also included a Design Principle that the parking provided on the site exceeds minimum retail and office parking to allow for more intensive commercial uses that include restaurant. This is meant to ensure that sites are not parked at the minimum commercial levels to maximize the amount of available parking for apartments.

The remaining discussion items focused on the design principles and elements of ensuring a successful commercial appearance and layout to a site. This included a minimum commercial height standard, minimum commercial floor area sizing, use of glazing along Lincoln Way, requirement of 75% of building frontage as commercial along Lincoln Way, and architectural design and materials standards.

The Planning and Zoning Commission voted with a vote of 5-1 to recommend that City Council adopt the proposed zoning text amendment to Chapter 29, Article 11 to allow

for the creation of a Lincoln Way Mixed Use Overlay district, with the exception that the minimum commercial FAR be moved from a standard to a design principle and that the language for minimum commercial frontage be revised to reference the front facade of the building(s), and that the commercial floor to ceiling height principle be clarified to allow for a tenant to drop the internal ceiling height for customization of the tenant space. Staff has incorporated all of the Commission's changes into the recommended ordinance.

ALTERNATIVES:

1. The City Council can approve on first reading an ordinance to amend the City of Ames Zoning Ordinance Chapter 29, Article 11 to allow for the creation of a Lincoln Way Mixed Use Overlay District.
2. The City Council can approve alternative specific standards, definitions, or other criteria for the creation of a Lincoln Way Mixed Use Overlay District.
3. The City Council can modify the proposed text amendment based on general design principles rather than specific standards.
4. The City Council can deny the proposed zoning text amendment to Chapter 29 Article 11.
5. The City Council can request additional information before approving an ordinance on first reading.

CITY MANAGER'S RECOMMENDED ACTION:

Staff believes that the approach to create a framework of design principles with a case-by-case site review will reasonably address the Hunziker request and Council's interest to have a preliminary tool for mixed use development until the completion of the Lincoln Way Corridor Study. The attached ordinance is a combination of minimum standards intended to promote commercial development while allowing for additional multi-family housing types. The design principles are intended to allow for some diversity of design but to also have a framework for design review to make decisions on proposed Major Site Development Plans. **The Overlay will likely function as interim standards and process until such times as the Lincoln Way Corridor Study is complete in 2016.**

Therefore, it is the recommendation of the City Manager that the City Council approve Alternative #1, thereby approving an amendment to Article 11 of the Zoning Code to allow for the creation of a Lincoln Way Mixed Use Overlay Zone as described above.

Attachment A

Hunziker Development Letter

Date: Feb 27, 2015

To: Honorable Mayor and Ames city council

From: Chuck Winkleblack, Manager, Hunziker Development Company, LLC

RE: 3505 and 3515 West Lincoln Way

I have been working with Kelly Diekmann for some time on an exciting project for West Ames in the 3500 block. The land is currently zoned HOC (Highway oriented commercial). I am proposing a mixed use project for that area. Please see the attached rendering and preliminary site plan. West Ames could use a shot in the arm, this area was one of the most distressed areas in Ames prior to our company removing the old mobile home park.

The city is in the beginning stages of looking at the Lincoln Way corridor. I think this could be a great "pilot" project to help guide the actual future ordinance. There are two ways this can be accomplished.

The first way is to create an overlay district to allow the mixed use. Kelly and I have been talking about what that could potentially look like. Residential use is just not allowed in the HOC zoning without creating an overlay or text amendment.

The second option is to changing the zoning to RH which does allow up to 5,000 SF of commercial.

Although I don't care which method is used to achieve the goal, my preference would be to work within the commercial zoning. It could be used in other areas around town as a template for this kind of mixed use.

The two buildings that I am proposing are 7,500 SF on each floor. The main floor has to have one ADA accessible condo (it is required by code). The second and third floors will be two story condos. It is a new and different housing product that I believe will be well received in the community. The building will be high quality materials that will look good and stand the test of time. There is excess parking on site, hopefully this addresses some of the concerns about parking spilling out into the neighborhood. The buildings are in close proximity to Lincoln Way and as far away from the residential neighborhood. I am proposing 2 -3 story buildings, however standard HOC zoning allows for much higher buildings which potentially would have a much larger impact on the residential neighborhood to the North.

I respectfully request that you refer my request back to staff to work on a solution for my project and to create an overlay zone that can be used as a model for other parts of the community as well as the Lincoln Way corridor

Thanks in advance for your consideration

Chuck Winkleblack, Manager

Attachment B

Land Use Policy Plan

Related Goals and Objectives

Goal No. 4. It is the goal of Ames to create a greater sense of place and connectivity, physically and psychologically, in building a neighborhood and overall community identity and spirit. It is the further goal of the community to assure a more healthy, safe, and attractive environment.

Objectives. In achieving an integrated community and more desirable environment, Ames seeks the following objectives.

- 4.A. Ames seeks to establish more integrated and compact living/activity areas (i.e. neighborhoods, villages) wherein daily living requirements and amenities are provided in a readily identifiable and accessible area. Greater emphasis is placed on the pedestrian and related activities.
- 4.B. Ames seeks to physically connect existing and new residential and commercial areas through the association of related land uses and provision of an intermodal transportation system.
- 4.C. Ames seeks to psychologically connect the various living/activity areas through closer proximity of residential areas and supporting commercial uses, common design elements, and inclusion of community amenities such as parks and schools. The connections should promote community identity.

Goal No. 5. It is the goal of Ames to establish a cost-effective and efficient growth pattern for development in new areas and in a limited number of existing areas for intensification. It is a further goal of the community to link the timing of development with the installation of public infrastructure including utilities, multi-modal transportation system, parks and open space.

Objectives. In defining the growth pattern and timing of development, Ames seeks the following objectives.

- 5.C. Ames seeks the continuance of development in emerging and infill areas where there is existing public infrastructure and where capacity permits.

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Goal No. 6. It is the goal of Ames to increase the supply of housing and to provide a wider range of housing choices.

Objectives. In increasing housing opportunities, Ames seeks the following objectives.

- 6.C. Ames seeks to establish higher densities in existing areas where residential intensification is designated with the further objective that there shall be use and appearance compatibility among existing and new development.

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Attachment C

(2) **Permitted Uses.** The uses permitted in the HOC Zone are set forth in Table 29.804(2) below:

**Table 29.804(2)
Highway-Oriented Commercial (HOC) Zone Uses**

| USE CATEGORY | STATUS | APPROVAL REQUIRED | APPROVAL AUTHORITY |
|---|---|--------------------------|---------------------------|
| RESIDENTIAL USES | | | |
| Group Living | N, except Transitional Living Facility | SP | ZBA |
| Household Living | N, except mini-storage warehouse facility (see Sec. 29.1308) | SP | ZBA |
| Short-term Lodgings | Y | SDP Minor | Staff |
| OFFICE USES | | | |
| | Y | SDP Minor | Staff |
| TRADE USES | | | |
| Retail Sales and Services - General (including printing, publishing, commercial art and reproduction) | Y | SDP Minor | Staff |
| Retail Trade - Automotive, etc. | Y | SDP Minor | Staff |
| Entertainment, Restaurant and Recreation Trade | Y | SDP Minor | Staff |
| Wholesale Trade | Y | SDP Minor | Staff |
| INDUSTRIAL USES | | | |
| Industrial Service | N, except mini-storage warehouse facility (see Sec. 29.1308(8)(a)(v)) | SP | ZBA |
| Small Production Facility | | SP | ZBA |
| INSTITUTIONAL USES | | | |
| Colleges and Universities | Y | SP | ZBA |
| Community Facilities | Y | SDP Minor | Staff |
| Social Service Providers | Y | SP | ZBA |
| Medical Centers | Y | SP | ZBA |
| Parks and Open Space | Y | SP | ZBA |
| Religious Institutions | Y | SP | ZBA |
| Schools | N | -- | -- |
| Funeral Facilities | Y | SP | ZBA |
| TRANSPORTATION, COMMUNICATIONS AND UTILITY USES | | | |
| Passenger Terminals | Y | SDP Minor | Staff |
| Basic Utilities | Y | SDP Major | City Council |

| USE CATEGORY | STATUS | APPROVAL REQUIRED | APPROVAL AUTHORITY |
|--|--------|-------------------|--------------------|
| Commercial Parking | Y | SDP Minor | Staff |
| Radio and TV Broadcast Facilities | Y | SDP Minor | Staff |
| Personal Wireless Communication Facilities | Y | SP | ZBA |
| Rail Line and Utility Corridors | Y | SP | ZBA |
| Railroad Yards | N | -- | -- |
| MISCELLANEOUS USES | | | |
| Commercial Outdoor Recreation | Y | SDP Minor | Staff |
| Child Day Care Facilities | Y | SDP Minor | Staff |
| Detention Facilities | Y | SDP Minor | Staff |
| Major Event Entertainment | Y | SDP Minor | Staff |
| Vehicle Service Facilities | Y | SDP Minor | Staff |
| Adult Entertainment Business | Y | SDP Minor | Staff |
| Sports Practice Facility | Y | SDP Minor | Staff |
| Temporary Concrete and Asphalt Batch Plants - See Sections 29.1311 and 29.1503 | Y | ZBA | SP |

- Y = Yes: permitted as indicated by required approval.
N = No: prohibited
SP = Special Use Permit required: See Section 29.1503
SDP Minor = Site Development Plan Minor: See Section 29.1502(3)
SDP Major = Site Development Plan Major: See Section 29.1502(4)
ZBA = Zoning Board of Adjustment

Attachment D

Major Site Development Plan Criteria 29.1502(4)

(vii) City Council Decision. After the transmittal of the recommendation from the Planning and Zoning Commission, the City Council shall consider the application at a public hearing conducted as part of a regularly scheduled meeting. Notification of the public hearing shall be made by mail and posting, in accordance with Sections 29.1500(2)(d)(i) and (iii) above. The City Council must approve, deny or modify the Major Site Development Plan approval application within 60 days of the public hearing.

(d) Design Standards. When acting upon an application for a major site plan approval, the City Council shall rely upon generally accepted site planning criteria and design standards. These criteria and standards are necessary to fulfill the intent of the Zoning Ordinance, the Land Use Policy Plan, and are the minimum necessary to safeguard the public health, safety, aesthetics, and general welfare. These criteria and standards include:

(i) The design of the proposed development shall make adequate provisions for surface and subsurface drainage to limit the rate of increased runoff of surface water to adjacent and down stream property;

(ii) The design of the proposed development shall make adequate provision for connection to water, sanitary sewer, electrical and other utility lines within the capacity limits of those utility lines;

(iii) The design of the proposed development shall make adequate provision for fire protection through building placement, acceptable location of flammable materials, and other measures to ensure fire safety;

(iv) The design of the proposed development shall not increase the danger of erosion, flooding, landslide, or other endangerment to adjoining and surrounding property;

(v) Natural topographic and landscape features of the site shall be incorporated into the development design;

(vi) The design of interior vehicle and pedestrian circulation shall provide for convenient flow of vehicles and movement of pedestrians and shall prevent hazards to adjacent streets or property;

(vii) The design of outdoor parking areas, storage yards, trash and dumpster areas, and other exterior features shall be adequately landscaped or screened to minimize potential nuisance and impairment to the use of adjoining property;

(viii) The proposed development shall limit entrances and exits upon adjacent streets in order to prevent congestion on adjacent and surrounding streets and in order to provide for safe and orderly vehicle movement;

(ix) Exterior lighting shall relate to the scale and location of the development in order to maintain adequate security, while preventing a nuisance or hardship to adjacent property or streets;

(x) The proposed development shall ensure that dust and other forms of air pollution, noise disturbances, odor, glare, and other nuisances will be limited to acceptable levels as prescribed in other applicable State and City regulations; and

(xi) Site coverage, building scale, setbacks, and open spaces shall be in proportion with the development property and with existing and planned development and structures, in adjacent and surrounding property.