ITEM: <u>34</u> DATE: <u>8/25/15</u>

Staff Report

Land Use Policy Plan Amendment Initiation Request for 3535 S. 530th Avenue

August 25, 2015

BACKGROUND:

On July 24, 2015, the City Council referred to staff the letter from Chuck Winkleblack asking to initiate a Minor Amendment to the Land Use Policy Plan "for a piece of land on the southern edge of town (formerly known as the Reyes property)." This land includes approximately 20 acres, and was recently approved for voluntary annexation into Ames, on July 14, 2015. Final recording of annexation documents are in process. The land is located west of University Boulevard (S. 530th Avenue) and the ISU Research Park, and south of the Wessex apartment development (See Attachment A – Location/Ownership Map).

In response to the referral, staff has prepared this report to provide the City Council with background information to determine 1) if the LUPP amendment process should be initiated and 2) if the amendment request should be considered a minor amendment or a major amendment to the Land Use Policy Plan Future Land Use Map.

The designation of the property is currently "Urban Residential" in the Ames Urban Fringe, but will automatically become Village/Suburban Residential once it is formally annexed. (see Attachment B – Land Use Designation). Current land use designations adjacent to the site are Medium Density, Industrial, Park and Recreation, and Village/Suburban Residential.

The owner and developer of the property, Hunziker Development Company LLC, is requesting a change in the land use designation of the property from Village/Suburban Residential to High-Density Residential in order to ultimately rezone the site to Residential High Density (RH) to develop multi-family housing. The developer desires to develop the site under RH zoning rather than utilizing Floating Suburban Medium Density (FS-RM) zoning or Planned Residential Development (F-PRD) zoning that is allowed with the Village/Suburban Residential land use designation.

The density range allowed with Village/Suburban Residential is 3.75 to 22 units per acre, whereas High Density allows between 11 and 38.56 units per acre. As noted by the developer in his letter, the zoning regulations (units per building) of FS-RM versus RH are what have motivated the request for the LUPP amendment more than the allowable density associated with each land use designation. The developer wishes to have the option to construct apartment buildings in a variety of sizes, ranging from 12-unit, to 18-unit, 24-unit and 36-unit structures. Buildings of these

sizes could only occur with RH zoning or a PRD, rather than FS-RM. Apartment dwellings are limited in the FS-RM zone to no more than 12 units in each structure. FS-RM has this requirement to match standard RM zoning and to be a comparable zoning choice with Village zoning. The building size limit is also intended to assist in apartment buildings compatibility with single-family homes. Examples of FS-RM apartment complexes include Ringgenberg in south Ames and Grayhawk in north Ames. Additionally, apartment buildings require Council approval within FS-RM, while RH only requires staff site plan approval.

APPLYING THE RH SITE EVALUATION TOOL:

In January, Council asked that each apartment development request include an assessment with the RH Site evaluation tool. (see Attachment C-RH Site Evaluation Tool) With this request there is minimal detail available to complete the checklist. Additionally, it is different than the three previous High Density requests that were changes from a commercial to a residential designation. Council has not previously discussed how to apply the tool when a request is a change from one type of residential to another type of residential.

Staff approached the checklist as comparing the proposed high density development to the allowed medium density of FS-RM, rather than in isolation as new residential area. This made answers to questions regarding Housing Type and Design rank as low, since the City has already planned for the site to be residential and it accommodates multifamily. However, it did rank fairly well for Location and Surroundings because it is located in an area planned for residential development.

OPTIONS:

The applicant has requested the initiation of a LUPP Amendment. City Council may or may not decide to proceed with the amendment process. Secondly, if it does proceed, Council must determine whether a Major or Minor Amendment process will be required. A full description of the Amendment process of Appendix C of the LUPP can be found at the following link:

<u>Option 1</u> If the Council believes that the site as Village/Suburban Residential is the appropriate designation, it should decline to approve the request.

This option would require the applicant to seek either PRD zoning or FS-RM zoning to reach their goals of constructing multi-family apartment housing on the site.

Option 2 If the Council believes allowing for High Density Residential on the site may be appropriate, it must determine if the project requires a Major Amendment of a Minor Amendment Process. The applicant has requested a Minor Amendment viewing the request as a one step change from medium to high density that is compatible with the surroundings of employment and existing medium density to the north.

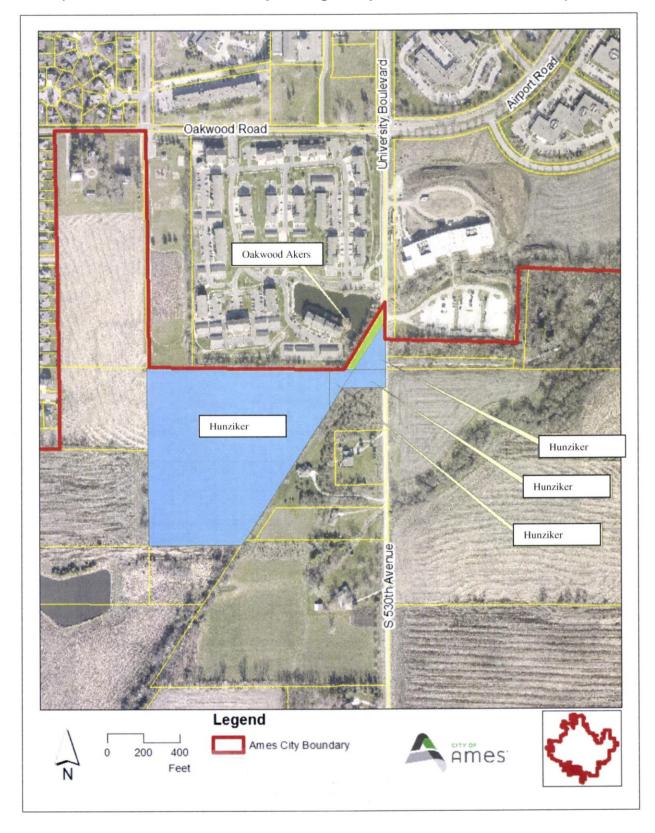
A minor amendment is designed for "single-step" changes or for meeting immediate needs. It does not require workshops or neighborhood involvement. A minor amendment goes through a public hearing process with the Planning and Zoning Commission and City Council. For this site, this process would take approximately 2-3 months if no major studies are needed.

Alternatively, a Major Amendment is appropriate for proposals that are more significant changes to the LUPP or require a high level of public engagement and review of project options before proceeding with an amendment. A referral for a major amendment would signal the need for a comprehensive assessment of the area and for outreach to neighboring property owners. Staff would assess suitability of this site and area for adding density and the ability of the City to serve a new neighborhood or district. A Major Amendment process would likely take approximately 5 months and need to be worked into the Planning Division work plan priorities.

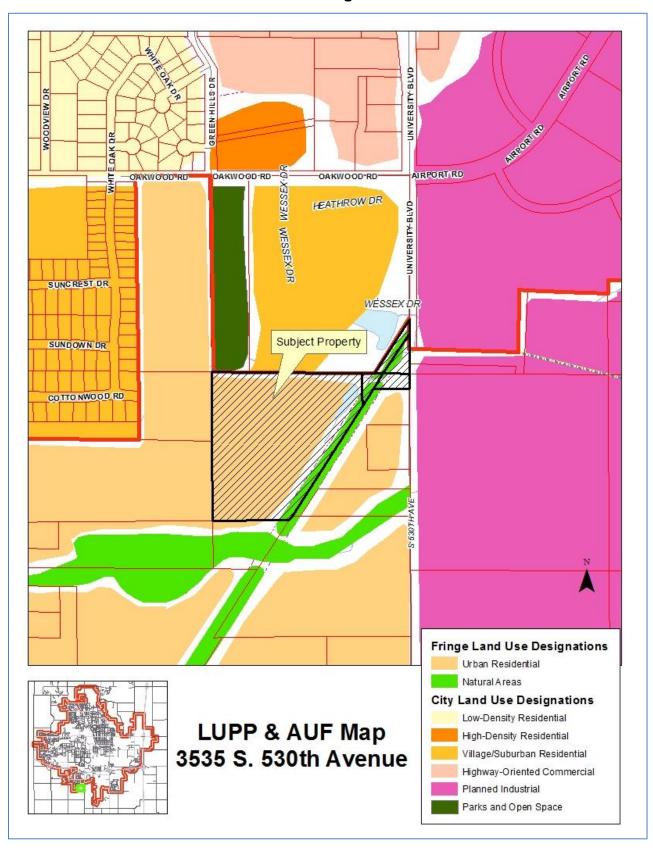
Option 3 A significant part of the applicant's LUPP Amendment request is about development standards (e.g. number of units per building) for apartments, rather than use or density. Council has directed staff to work on apartment related standards through both the drafting of RH design guidelines and to review options for housing variety in New Lands areas as part of the Planning Division workplan. It's likely that zoning text amendments for PRD zoning or a new zoning district will be the outcome of these workplan items.

Staff believes options on how to proceed will be avaliable early in the winter with the intent that they would be in place for use with new development starting in the spring of 2016. Council could find that the applicant's interests for larger apartment buildings may be addressed by one or both of these workplan issues and that a LUPP Amendment is not needed at this time.

Attachment A – Location/Ownership Map (LUPP Future Land Use Map Change Requested for Hunziker Land)



Attachment B Land Use Designation



Attachment C RH Site Evaluation Tool

RH Site Evaluation Matrix Location/Surroundings	Project Consistency		
	High	Average	Low
Location/Surroundings			
Integrates into an existing neighborhood with appropriate interfaces and transitions High=part of a neighborhood, no significant physical barriers, includes transitions;		×	
Average=adjacent to neighborhood, some physical barriers, minor transitions; Low=separated from an residential existing area, physical barriers, no transitions available		V	
Located near daily services and amenities (school, park ,variety of commercial) High=Walk 10 minutes to range of service; Average=10 to 20 minutes to range of service;			
Low= Walk in excess of 20 minutes to range of service. *Parks and Recreation has specific service objectives for park proximity to residential			×
Creates new neighborhood, not an isolated project (If not part of neighborhood, Does it create a critical mass or identifiable place, support to provide more services?)		×	
Located near employment centers or ISU Campus (High=10 minute bike/walk or 5 minute drive; Average is 20 minute walk or 15 minute drive; Low= exceeds 15 minute drive or no walkability)	×		
Site			
Contains no substantial natural features on the site (woodlands, wetlands, waterways)		×	
Located outside of the Floodway Fringe	×		
Separated adequately from adjacent noise, business operations, air quality (trains, highways, industrial uses, airport approach)			×
Ability to preserve or sustain natural features		×	
Housing Types and Design			
Needed housing or building type or variety of housing types			×
Architectural interest and character			×
Site design for landscape buffering			×
Includes affordable housing (Low and Moderate Income))			×
Transportation			

Adjacent to CyRide line to employment/campus			
High=majority of site is 1/8 miles walk from bus stop;			
Average= majority of site 1/4 mile walk from bus stop;		×	
Low= majority of site exceeds 1/4 miles walk from bus stop.			
CyRide service has adequate schedule and capacity			
High=seating capacity at peak times with schedule for full service			
Average=seating capacity at peak times with limited schedule			×
Low=either no capacity for peak trips or schedule does not provide reliable service			
Pedestrian and Bike path or lanes with connectivity to neighborhood or commute	×		
Roadway capacity and intersection operations (existing and planned at LOS C)		×	
Site access and safety		×	
Public Utilities/Services			
Adequate storm, water, sewer capacity for intensification			
High=infrastructure in place with high capacity			
Average=infrastructure located nearby, developer obligation to extend and serve	×		
Low=system capacity is low, major extension needed or requires unplanned city			
participation in cost.			
Consistent with emergency response goals			
High=Fire average response time less than 3 minutes			
Average=Fire average response time within 3-5 minutes		×	
Low=Fire average response time exceeds 5 minutes, or projected substantial			
increase in service calls			
Investment/Catalyst			
Support prior City sponsored neighborhood/district investments or sub-area			
planning			×
Creates character/identity/sense of place			×
Encourages economic development or diversification of retail commercial (Mixed			
Use Development)			×

Attachment D-Applicant Letter

Date: July 24, 2015

To: Honorable Mayor and city council

From: Chuck Winkleblack, Hunziker Companies

RE: LUPP minor amendment

Honorable Mayor and council,

Hunziker Development Company has been working on developing a piece of land on the Southern edge of town (formerly known as the Reyes property). I believe that the Xenia water agreements are going to be on your agenda for action on the July 28 agenda. The council recently approved the annexation of the property and subsequently the non-consenting portion of the annexation became a voluntary annexation therefore avoiding the state development board.

Having those 2 things behind us we would like to move towards the zoning and platting of the site. We met with the planning director this morning and he indicated that we needed to ask for an amendment to the LUPP for this to be considered for (RH) high density zoning. We believe that there will be strong housing demands going forward with the research park expansion. This area is well suited for a higher density development of varying types and sizes.

We need to clarify the zoning before we can finalize plans and layouts for this project. Our goal would be to hopefully move dirt yet this fall. We believe that this change is a minor amendment to the LUPP. We met with most of the home owners along 530th Ave and feel that they are supportive of our goals and intentions for the area. One of our affiliated companies owns the property to the North (Wessex) and they are supportive of the change in zoning. The biggest reason for the change from FS/RM-RL is that those zoning classifications don't allow anything larger than 12 unit structures to be built. To efficiently and effectively develop that land it needs to have some larger buildings on it.

I urge you to send this back to staff to bring back to you in the form of a minor LUPP amendment. We have been working with this property for a long time and feel this will be a great help to our housing stock in close proximity to the research park.

Thanks in advance for your consideration

Chuck Winkleblack, Hunziker companies