

COUNCIL ACTION FORM

SUBJECT: EAST INDUSTRIAL URBAN FRINGE PLAN AMENDMENT

BACKGROUND:

The City of Ames adopted the Ames Area Urban Fringe Plan to help manage and plan for uses within two miles of the City. The Fringe Plan is a cooperative plan for land use and annexation strategies among the City of Ames, Story County, and the City of Gilbert that includes a separate 28E agreement for its administration among the three parties.

The City Council initiated this Ames Urban Fringe Plan amendment to accommodate future industrial land development needs. The proposed changes to the Fringe Plan are twofold. The first part is to redesignate a portion of the lands within the existing Agriculture\Long Term Industrial Reserve area to Planned Industrial. The second part is to expand the Agriculture\Long Term Industrial Reserve area (Attachments B and C show the Current and Proposed Urban Fringe Plan Map). **In accordance with the terms of the Ames Area Urban Fringe Plan, land designated as Planned Industrial allows for its annexation into the City of Ames. Areas within the Agriculture\Long Term Industrial Reserve designation would not be eligible for annexation to the City unless and until the designation was changed to Planned Industrial.**

The proposed area for Planned Industrial and Agriculture\Long Term Industrial Reserve lies east of Interstate Highway 35, south of County Road 210th Street, west of County Road 590th Avenue and extending to one half mile south of US Highway 30. The subject area comprises about 7.22 square miles and currently has multiple designations: Planned Industrial, Agriculture\Long Term Industrial Reserve, Agriculture and Farm Service, Highway Oriented Commercial, and Natural Area on the Ames Urban Fringe Plan Land Use Framework Map. **The City's proposed amendments affect the Fringe Plan designation of 3.47 square miles of the 7.22 square miles.**

The proposed changes would retain the existing Planned Industrial (PI) designation along 13th Street and extend it south to the area between the Union Pacific Railroad tracks, a half mile south of Lincoln Highway, and then east to 590th Avenue. The proposed PI designation area is consistent with the area covered by the City's recent agreement with Central Iowa Water Association regarding buyout terms. Agriculture\Long Term Industrial Reserve (ALTIR) would be retained along the US 30 corridor, but would be extended east to 590th Avenue. An expansion of ALTIR area would lie north of the Union Pacific railroad and extend north to 210th Street and east to 590th Avenue.

The industrial expansion to the east was identified by prior industrial land studies and through efforts by the Ames Economic Development Commission which saw the lands along Lincoln Highway as marketable in the short-term for large industrial development sites. In addition, the uncertainty of the rural water issue

and the City of Nevada's desire to expand to the west, has made it important to take a long-range perspective on how far the City hopes to expand.

The primary attributes of the east industrial area that make it desirable for industrial use are access to the railroad (preferably on the south side adjacent to the side trackage), access to highways, relatively flat land, ability to extend infrastructure to serve development, and large tracts of land under single ownership control. The proposed Industrial Reserve area has the same general traits as those for the Planned Industrial area, but the Industrial Reserve area expansion is an effort to accommodate long range planning needs of the community versus the shorter term horizon of the Planned Industrial designation.

The existing Highway-Oriented Commercial and Natural Areas that are part of the Fringe Plan would be retained. A portion of a mapped flood plain outside the existing fringe area would be designated as Natural Area. The eastern edge of the Ames Urban Fringe Boundary, now extending two miles from the current eastern edge of the Ames city limits (and overlapping Nevada city limits) would extend only to 590th Avenue. The proposed changes do not include the Ketelsen Marsh located at 21162 570th Avenue. For more information regarding the Marsh, see page 7 of the Appendix.

Further details and analysis are found in the Appendix.

Planning and Zoning Commission: The Ames Planning and Zoning Commission considered this item at their meeting on February 17, 2016. Notice was mailed to all property owners within 300 feet of the proposed land use changes. Approximately 120 notices were mailed. Speakers at the meeting were primarily residents within the industrial area concerned about the effects of industrial development on their smaller home sites and why such a large area was needed for industrial development. The Commission expressed concerns that the area was too large absent a specific development proposal and whether the City had established a policy for the large area of change for likely general industrial uses. In addition, some Commissioners believed that the outreach to the affected property owners did not give them enough time to familiarize themselves with the proposed changes. The Commission recommended denial of the Fringe Plan Amendment on a 5-2 vote.

Gilbert/Story County: The Gilbert City Council approved this proposed amendment on March 14, 2016 at their regular meeting. Action on this item will still need to be taken by the Story County Board of Supervisors and is tentatively planned for the week of March 28th. The Story County Planning and Zoning Commission previously recommended denial of the Fringe Plan amendment at their meeting of March 2.

ALTERNATIVES:

1. The City Council may approve a Resolution for:
 - a. an amendment to the Ames Urban Fringe Plan Land Use Framework Map to reflect the proposed Planned Industrial, Agriculture\Long Term Industrial Reserve, Extension of Natural Areas, and Urban Fringe Boundary.

- b. an amendment to the Ames Urban Fringe Plan Land Use Classes Map to reflect the changes to the subclasses described above.
2. The City Council may adopt a map amendment other than that described.
3. The City Council may deny the proposed amendments.
4. The City Council may defer action and request further information or analysis from the staff.

CITY MANAGER'S RECOMMENDATION:

The City initiated this amendment to create an opportunity for near term annexation of the land along Lincoln Highway to expand its industrial land base. Additionally, the expansion of the Industrial Reserve designation helps to plan for the long term needs of the City, prepare to address rural water issues, and signal to other surrounding cities the future expansion plans for Ames. The City has coordinated other activities for industrial expansion, such as water service rights with Central Iowa Water Association and annexation boundaries with Nevada in this area and believes now is the time to move forward to designate it as Planned Industrial designation in preparation for its annexation. While the change to Planned Industrial along the Lincoln Highway does not immediately result in annexation to the City, it is staff's understanding that there is support from a sufficient number of property owners along Lincoln Way to accomplish annexation into Ames during 2016.

The proposed Planned Industrial designation of nearly 1,400 gross acres increases the total land designated in the Fringe Plan as Planned Industrial to approximately 1,900 gross acres area intended for annexation and development in the near to medium term. This area appears to be attractive for larger scale industrial development due to rail line and highway proximity and as evidenced by the development along this corridor in Nevada. Due to the lead time for putting plans into place to support industrial development, it is important to take this step of amending the Urban Fringe Plan now, since it cannot be done in a timely manner once there is an immediate interest by a developer. Additional analysis of development and service needs for this area would occur at the time of annexation and at rezoning.

The increased area of Agricultural\Long Term Industrial Reserve has minimal impact in the near and medium term. Agriculture will remain the primary land use designation and the existing A-1 county zoning will remain. Placing the ALTIR designation on additional lands reserves the land for longer term industrial needs after development occurs in the Planned Industrial area. Changes to the Fringe Plan boundary and Agricultural\Long Term Industrial Reserve boundary also keep the subdivision review process consistent for new areas that would be within two miles of the City once additional land is annexed with those that are already within two miles of the City.

In terms of planning for industrial needs, staff believes the proposed amendments are consistent with the Goals of the LUPP. Additional details and information will be needed about any development of the area prior to its annexation and rezoning, but at this time it is appropriate to designate the area for Planned Industrial and Agriculture\Long Term

Industrial Reserve.

Therefore, it is the recommendation of the City Manager for the City Council to act in accordance with Alternative #1 regarding the Land Use Framework Map and Land Use Classes Map.

If approved by the City Council, staff will continue to work on the City Council goal of east industrial area expansion and hold a pre-annexation meeting with property owners along the Lincoln Highway. Once voluntary petitions for annexation have been submitted to the City, staff will return to the Council for direction on the scope and boundaries of a subsequent annexation.

APPENDIX

Request and Referral: The City has been exploring the expansion of industrial land to the east for several years. The City Council goals from 2014 include the objective “Pursue the industrial park opportunity.” The City Council believes that access to the Union Pacific railroad, to I-35 and US 30, to natural gas, and availability of large tracts of relatively flat land make the area appealing for industrial development. The City has been working on a number of issues in anticipation of this plan change, including working with the Central Iowa Water Association on a mechanism to transfer water service rights to Ames, and preparing preliminary plans and budget estimates for extending sanitary sewer service and water service as far east as 590th Avenue. In 2010 the Ames and Nevada City Councils also entered into a memorandum of understanding that agreed upon 590th Avenue as the limits of annexation between the two cities.

The Ames Economic Development Commission (AEDC) has reached out to most of the property owners in the proposed Planned Industrial area to gauge their interest in a future annexation. The AEDC, from their communications with property owners, believes that the property owners representing a vast majority of the land area have a strong interest in the industrial proposal and are in favor of annexation.

Land Use Policy Plan and Ames Urban Fringe Plan: The Ames Urban Fringe Plan currently anticipates industrial development north of the Union Pacific railroad tracks and east of the existing city limits along East 13th Street. This designation has been in place since the plan adoption in 2007 and was included because of the then-pending regional mall development just east of I-35. Approximately 53 acres of land are zoned industrial and already within the City, and an additional 530 gross acres of area designated as Planned Industrial in the Fringe Plan are in the vicinity of East 13th Street that are available for annexation. The Fringe Plan also includes the Reserve areas south of the railroad along the Lincoln Highway and US 30 corridors to a quarter mile past 580th Avenue.

The proposed amendment extends the boundaries of the plan to 590th Avenue and changes the designation to Planned Industrial for part of the area. The extension to 590th Avenue recognizes the boundary agreed upon in a Memorandum of Understanding with Nevada. The amendments also reserve areas to the north (north of the railroad to 210th Street) and south (to one half mile south of US 30). The immediate effect on the Reserve Area would be minimal—it is not anticipated that changes to Planned Industrial and annexation would be proposed until a substantial portion of the Lincoln Highway Planned Industrial area has been developed. Natural areas would be added to areas that are subject to the General Flood Plain identified by FEMA, and these would be extensions of existing natural areas reflected within the Plan.

The Land Use Policy Plan speaks to the need for and location of Planned Industrial Uses.

- “Planned Industrial uses should be located near limited-access thoroughfares. Since these locations involve main entries to Ames, specific design features are recommended.” (p. 35)

- “It is recommended that much of the new industrial uses be associated with planned industrial parks. These planned industrial parks should be located in conjunction with a limited access highway. A limited access highway location provides adequate ingress and egress for the regional scale activities without imposing the associated extraneous traffic on the community’s internal traffic system.
- “Uses. All future large-scale industrial activities should be located in planned industrial parks. Locating large-scale activities in parks assures adequate land area, access, utilities provisions and environmental controls. The park locations also assure that appearances are compatible with the community’s entries along which planned industrial locations are recommended.
- “Location. The interchange of Interstate 35 and 13th Street is recommended as the primary location for planned industrial. A site of 150 to 175 acres in the southeast quadrant of the interchange is the most suitable site. In addition, two smaller sites totaling 75 to 100 acres on the east side of the Airport and near the Research Park are recommended.” (pp. 62-63)

Zoning: Much of the impacted area is currently zoned A-1 by the County. Existing commercial and industrial development has been zoned C-LI (Commercial-Light Industrial) or A-2 (Agribusiness) by the County. County zoning does not change with redesignation within the Fringe Plan.

Amendment Considerations: The Land Use Policy Plan provides guidance on what considerations should be given for an amendment to the Land Use Policy Plan.

When reviewing major and minor proposed amendments to the Land Use Policy Plan, consideration should be given to whether or not the proposed amendment is consistent with the Goals for a New Vision described in the Land Use Policy Plan. [Found in Attachment F.] These goals, and the related objectives below each goal, should apply to review of both minor and major amendment. In addition to these, it is also helpful to consider for major amendments:

1. *City resources, including staff, budget, utilities, transportation, parks and/or schools, necessary to implement the proposed amendment.*
2. *The City’s ability to provide the full range of public facilities and services at the planned level of service, or if the proposal will consume public resources otherwise needed to support comprehensive plan implementation strategies.*
3. *How the proposal relates to current land use allocations and growth projections that are the basis of the comprehensive plan.*
4. *Compatibility of development allowed under the proposal amendment with neighboring land uses and surrounding neighborhoods, if applicable.*
5. *Affects of the proposed amendment on historic resources or neighborhoods, or the City’s general sense of place.*
6. *The cumulative impacts of the proposed amendment, in combination with other proposed or recently approved amendments.*

The LUPP Goals for a New Vision are found in Attachment D. Descriptive language of the Planned Industrial and Agriculture\Long Term Industrial Reserve from the Ames Urban Fringe Plan are found in Attachment E.

ANALYSIS:

A. TRAFFIC

The proposed Planned Industrial area is served by Lincoln Highway as the east/west arterial. The existing Planned Industrial to the north is along E 13th Street which has an interchange with I-35.

The proposed Agriculture\Long Term Industrial Reserve area to the north also has access to E. 13th Street and I-35. The southern area lies along US 30.

580th Avenue remains the major north/south through connector in this area, providing access to the Planned Industrial areas along Lincoln Highway and the Agriculture\Long Term Industrial Area north of the railroad and along US 30.

It is anticipated that necessary road and intersection improvements would be made as development occurs.

B. WATER AND SANITARY SEWER

City water and sanitary sewer services can serve the Planned Industrial area by extensions of existing lines. In the 2016-2017 capital improvements plan, the City Council has placed \$5.3 million to design and extend sanitary sewer and water mains along Lincoln Highway to 590th Avenue. Any development will have access to utilities.

C. STORM WATER

Any development will need to meet the storm water standards of Chapter 5B, retaining water from up to a 100-year storm event and releasing it at a rate no greater than current runoff rates. In addition, the standards also address water quality from the first flush of rainfall.

D. NATURAL RESOURCES

Much of this land has been row-cropped for years. No evidence of natural resources or native vegetation is present for the majority of this area. The Ames Urban Fringe Plan has a Natural Area designation over a FEMA-designated General Flood Plain running from the northwest to the southeast. This fringe plan amendment would retain that designation, which upon annexation would become Environmentally Sensitive areas on the Land Use Policy Plan.

Story County owns a 61-acre wetland between Interstate 35 and 570th Avenue known as Ketelsen Marsh. The current Urban Fringe Plan designation is Natural Area. This designation is not proposed to change as part of this map amendment. The marsh is not intended to be annexed or developed according to the Urban Fringe Plan. Although industrial development could be developed near the site, it would be similarly situated to the commercial land south of the marsh that is already within the City. In the Ames Zoning Ordinance, the Northeast Gateway

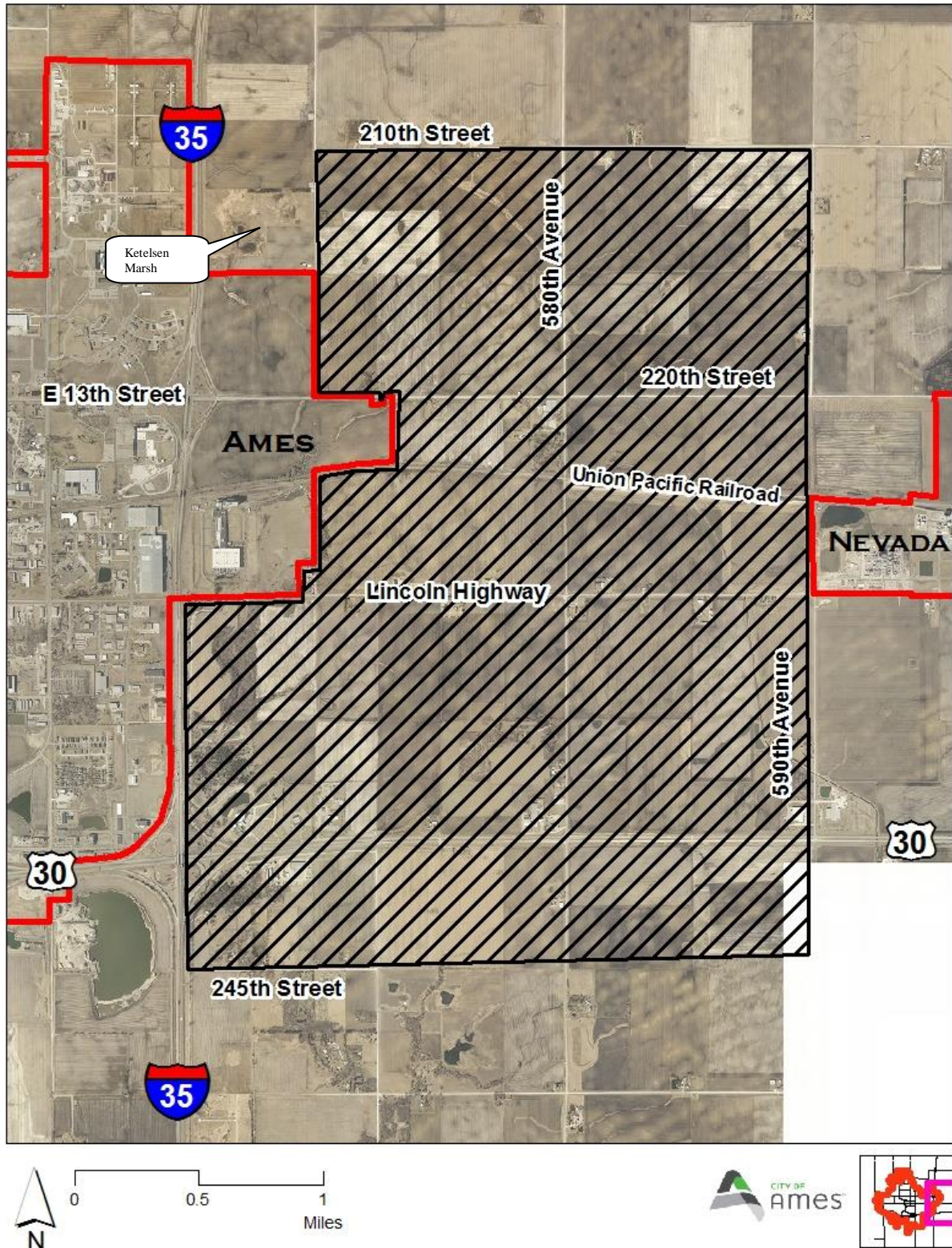
Overlay zoning district was created and applied to the area proposed for the regional mall with an emphasis on compatibility with the marsh. This overlay zoning district or a modified version could be applied to the Planned Industrial area to the east of the marsh to provide protection from the impacts of development, such as storm water design, buffering, lighting design, and native vegetation. These standards can be found in Section 29.1109 of the Ames Municipal Code .

E. ANNEXATION, REZONING, AND DEVELOPMENT STANDARDS

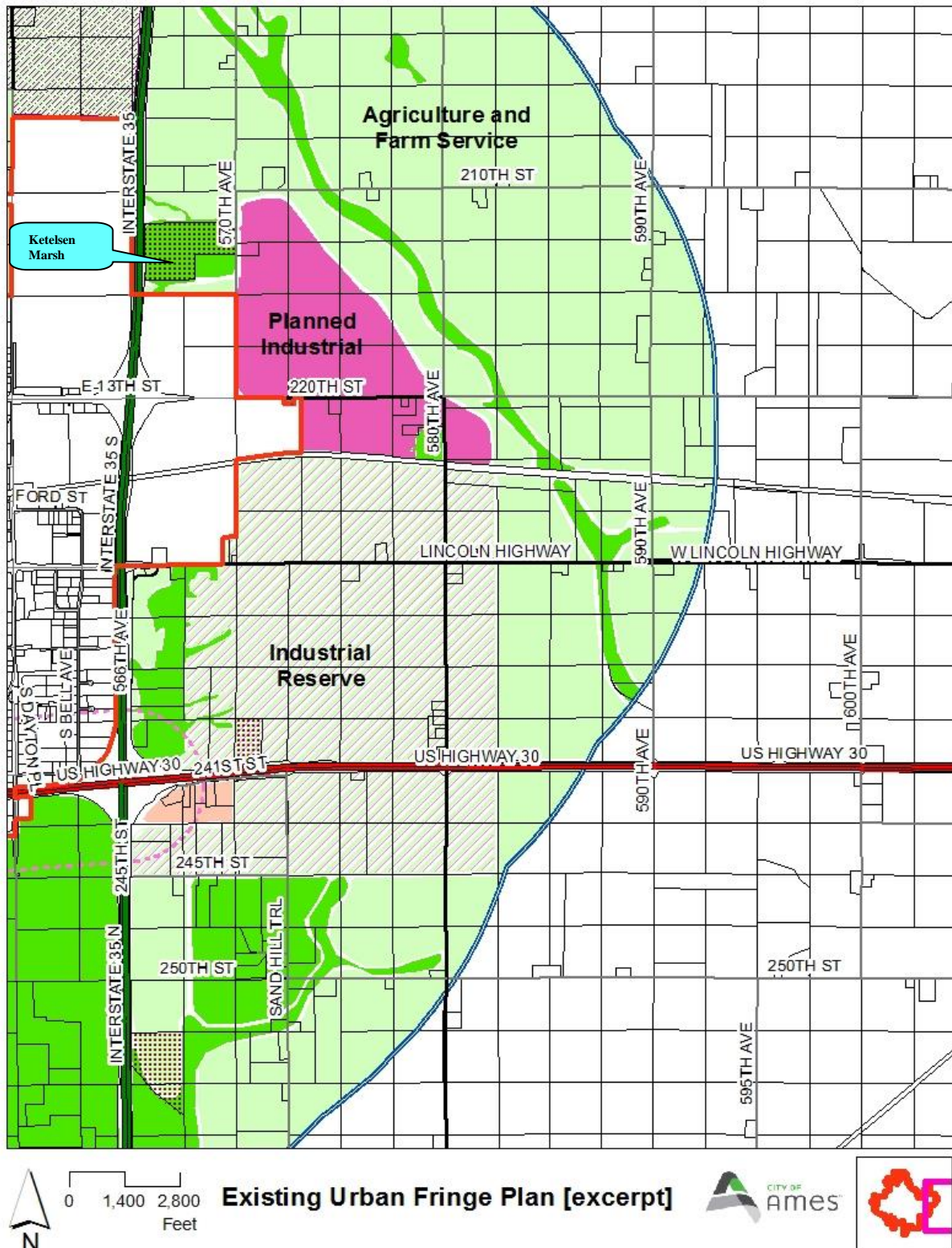
The land designated as Planned Industrial would need no other official action prior to annexation except the submittal of an annexation petition and the following of procedures outlined in the Code of Iowa and City of Ames practices. Upon annexation, the Land Use Policy Plan Future Land Use would be automatically amended to designate the annexed area as Planned Industrial.

Currently, the only zoning district that would be consistent with the LUPP designation is the PI-Planned Industrial. In addition, master planning may be required in order to ensure LUPP guidelines of developing within industrial parks to ensure adequate “land area, access, utilities provisions, and environmental controls.” Design guidelines would support “appearances that are compatible with the community’s entries.”

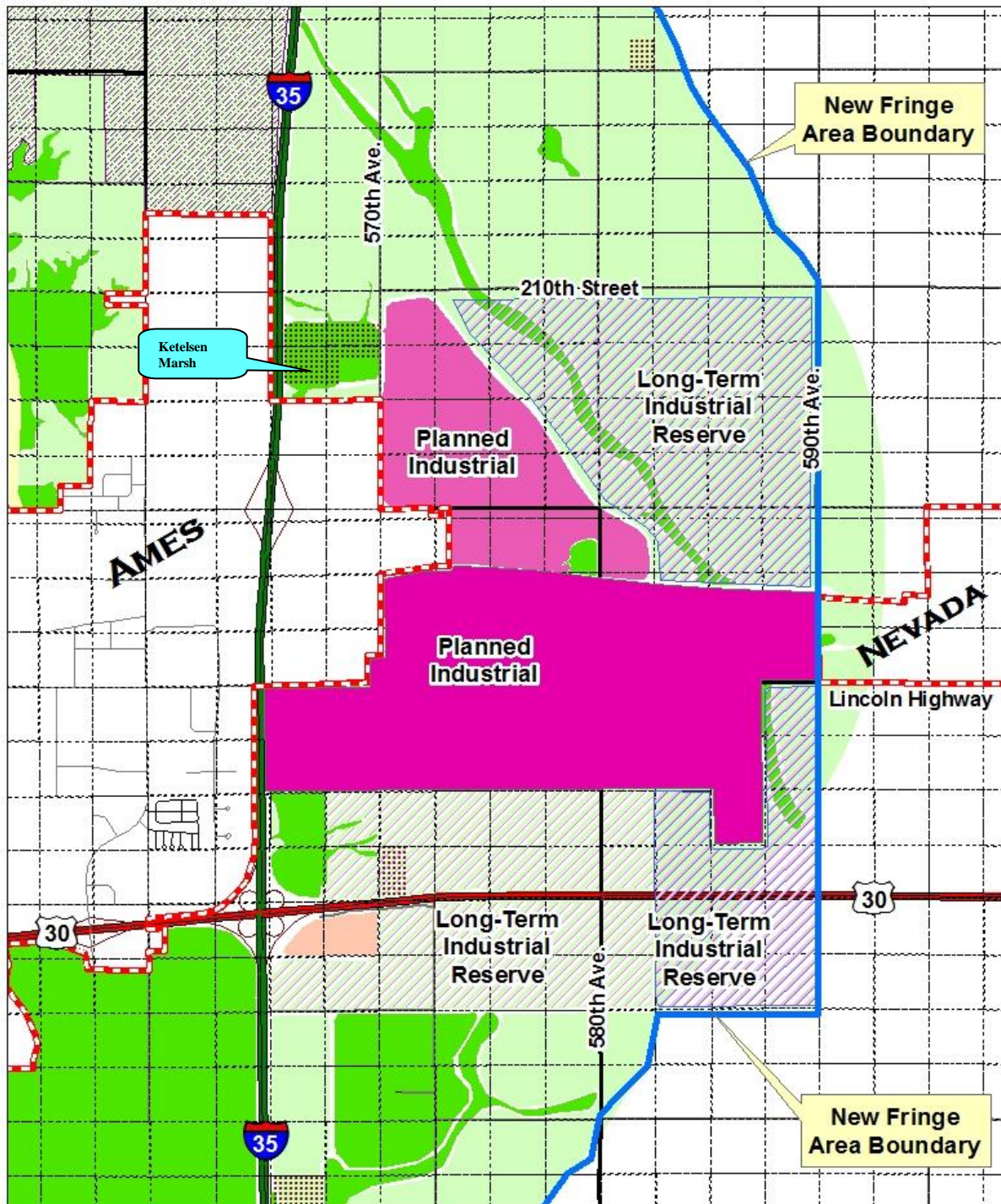
ATTACHMENT A: GENERAL LOCATION AND CITY BOUNDARIES



ATTACHMENT B: CURRENT AUF MAP



ATTACHMENT C: PROPOSED AUF MAP



Proposed Urban Fringe Plan [Excerpt]



**ATTACHMENT D: GOALS FOR A NEW VISION
(EXCERPT FROM LAND USE POLICY PLAN, CHAPTER 1)**

Goal No. 1. Recognizing that additional population and economic growth is likely, it is the goal of Ames to plan for and manage growth within the context of the community's capacity and preferences. It is the further goal of the community to manage its growth so that it is more sustainable, predictable and assures quality of life.

Goal No. 2. In preparing for the target population and employment growth, it is the goal of Ames to assure the adequate provision and availability of developable land. It is the further goal of the community to guide the character, location, and compatibility of growth with the area's natural resources and rural areas.

Goal No. 3. It is the goal of Ames to assure that it is an “environmentally-friendly” community and that all goals and objectives are integrated with this common goal. In continuing to serve as a concentrated area for human habitat and economic activity, Ames seeks to be compatible with its ecological systems in creating an environmentally sustainable community.

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.

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.

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

Goal No. 7. It is the goal of Ames to provide greater mobility through more efficient use of personal automobiles and enhanced availability of an integrated system including alternative modes of transportation.

Goal No. 8. It is the goal of Ames to enhance the role of Downtown as a community focal point.

Goal No. 9. It is the goal of Ames to promote expansion and diversification of the economy in creating a base that is more self-sufficient and that is more sustainable with regard to the environment.

Goal No. 10. It is the goal of Ames to maintain and enhance its cultural heritage.

**ATTACHMENT E: PLANNED INDUSTRIAL AND
AGRICULTURE/LONG TERM INDUSTRIAL RESERVE POLICIES
FROM AMES URBAN FRINGE PLAN**

PLANNED INDUSTRIAL (PI)

Planned Industrial is a designation intended for clustered industrial uses. These uses are strategically located to minimize environmental impacts and conflict with residential land uses. Locations also provide for an orderly and efficient transition between land uses within municipal limits and the unincorporated areas of the county. Such areas involve the integration of uses, access, and appearance.

PI Policy 1: Land uses are clustered/industrial park uses that are larger in scale than most general industrial uses.

PI Policy 2: Locate Planned Industrial uses near limited access thoroughfares and/or major railroad systems to accommodate the transportation of industrial goods and services. Minimize environmental impacts and conflict with residential land uses.

PI Policy 3: Give preference to clustering of uses to limit the short-term and long-term costs associated with infrastructure improvements and the distribution of public services.

PI Policy 4: Permit Planned Industrial uses when suitable infrastructure and services are available. Require annexation into the city and comply with all municipal regulations, including zoning, land use policy, subdivision, and building code requirements.

PI Policy 5: Mitigate and manage stormwater run-off, soil erosion, and wastewater discharge according to IDNR, county and city standards.

PI Policy 5: Require buildings to front major thoroughfares to minimize the appearance of industrial operations and enhance the aesthetics of the road corridor. Require landscape and earthen buffering of parking areas and industrial activity, such as assembly yards, storage locations and loading facilities.

AGRICULTURE/LONG TERM INDUSTRIAL RESERVE (ALTIR)

The Agriculture/Long Term Industrial Reserve designation supports the long term planning objective of accommodating future demand for industrial growth as described in the Industrial Study of July 2002 by the City of Ames. Although the need for this land use at these location may arise only after the planning horizon of this Plan, preventing uses incompatible with large industrial facilities and maintaining agricultural use will help secure the availability of suitable land for future industrial uses.

ALTIR Policy 1: Agricultural uses are compatible with this designation. Industrial development is not anticipated during the life of the plan unless significant development of Planned Industrial areas has already occurred, or unless it can

be demonstrated that significant public benefit would be gained from such development.

ALTIR Policy 2: Prior to consideration of any request for rezoning or industrial subdivision development approval, require an amendment to the Ames Urban Fringe Land Use Framework Map re-designating the area proposed for development from Agriculture/Long Term Industrial Reserve to Planned Industrial.

ALTIR Policy 3: When development is proposed, require the urban level design requirements and service standards as required in areas designated Planned Industrial.