ITEM: <u>21</u> DATE: 08/24/21

### Staff Report

## ZONING TEXT AMENDMENT TO ALLOW FOR AN INCREASE IN LIMITED COMMERCIAL USE IN "F-PRD" PLANNED RESIDENCE DISTRICT

August 24, 2021

### **BACKGROUND:**

On June 22, 2021, the City Council directed the City staff to place on a future Council agenda a memo responding to the request from Steve Burgason of Ansley Ames Development Group asking the City Council to consider expanding limited commercial uses in the "F-PRD" Floating Planned Residence District (see Attachment A) that serves customers from outside of the PRD development. The requestor believes allowing for additional commercial use will serve the residents of the future Ansley neighborhood along with bikers, runners, and walkers on the adjacent Tedesco Bike Trail.

The City's zoning district system separates commercial and residential uses from each other to address potential nuisance factors and economic development goals. However, the Zoning Ordinance was also crafted to encourage developments with mixed commercial and residential uses within certain areas, such as within "F-VR" Village Residential zoning district. This zoning category was originally conceived as having a mix of uses as exists today in the Somerset neighborhood.

The City also created F-PRD as an option for development that included a mix of uses, but primarily for residential purposes, and to emphasize open space. The F-PRD is written as a residential district for mixed housing types, but also includes an exception for limited commercial uses.

F-PRD does allow for office and trade use if a market study can demonstrate that the use can be supported by the residents of the PRD (see table below and highlighted section).

## Table 29.1203(4) Planned Residence District (F-PRD) Floating Zone Uses

Permitted Principal Uses	Permitted Accessory Uses
Single Family House	Accessory uses of the Household Living category provided in Table 29.501(4)-1
Two-Family House	Garages
Apartment Building	Open spaces uses
Townhouse	Home occupations subject to standards of Section 29.1304
Group Living, if pre-existing	Home Day Care subject to the standards of Section 29.1304
Supervised Transitional Home	Office and Trade use where the property owner can demonstrate through a written
Vacation Lodging; Bed and Breakfast	Market Study that the Office and Trade use can be supported by the residents of
Establishments	the Planned Residence District Project
	Rental services offices not to exceed 5,000 square feet
	Assisted Living, for the residents of the PRD

The Burgasons requested the text amendment because it is not likely that their proposed types of commercial uses would be supported by the residents of the F-PRD as described in the standards. To date, no such studies have been commissioned with a F-PRD to provide examples of how to meet the market study requirement.

The conceptual plan for Ansley includes over 200 housing units of various types and some commercial development. The applicant desires to have no more than 18,000 square feet of commercial use. The applicant views the commercial as "neighborhood" in scale even if the uses are not typical of such. The applicant also finds it to be a marketable piece of the development overall, more so than trying to establish a commercial node or district. The commercial area has been discussed with staff to occur between the extension of Aurora Avenue and the Tedesco Bike Trail (see Attachment B). The intended commercial structure is to have a "multi-functional 2-story facility" that would be privately owned and used as a combination of:

- 1. A small (less than 100-person) event center;
- 2. A food commissary for the event center, bike trail/Ansley pit stop and local deliverable food product; and
- 3. An Ansley Ames Sales and Design Office

### **LAND USE POLICY PLAN:**

The Land Use Policy Plan has several stated goals to be "environmentally-friendly" (Goal No. 3) and to "create a greater sense of place and connectivity, physically and psychologically (Goal No. 4). The objectives for Goal No. 4 include creating "more integrated and compact living/activity areas (e.g., 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." These general goals help to shape the parameters of our zoning districts, including the current PRD standards.

City policy of Chapter 2 more specifically addresses new "New Lands" areas for the expansion of the City and describes our residential and commercial land development goals. In addition to Villages and small neighborhood commercial, the City has two types of commercial nodes as part of its planning. Convenience Commercial Nodes are defined

on the LUPP Land Use Map and distributed into new growth areas with a planned size of two to five acres to serve the general commercial needs of larger areas. Nodes are to be spaced a minimum of one mile apart to assure there is a market to support each commercial area.

Convenience Commercial is encouraged to be distributed throughout the City, of a size between 2 and 5 acres, and no greater than 100,000 square feet total of floor area (and no more than 35,000 square feet in any one building). The City also has Community Commercial Nodes of a much larger scale intended to support larger retail environments and be destination commercial areas.

### **OPTIONS:**

If the City Council wishes to proceed with policy changes in response to the request for broader commercial use allowance, there are two general questions that require Council consideration in order to formulate a text amendment. The two issues revolve around whether it is desirable to set a commercial square footage allowance or for a list of use restrictions. The current language limits use to Office and Trade and indirectly limits the size by relying on a market study. The Burgason proposal is for a stated maximum size that is not market study dependent.

The options listed below provide various combinations of answers to the questions listed above:

## Option 1 – Amend the F-PRD Standards to Allow for a Fixed List of Office and Trade Uses for up to 18,000 Square Feet (Original Request).

This option would support limited commercial uses in the F-PRD district subject to design approval and would no longer need a market study to prove that the development project's residents alone could support the limited business activity. Should the City Council decide to proceed, staff would craft language for commercial uses to guide suitability and compatibly within a F-PRD and to modify the principles to address the uses allowance. This type of change would be applicable to every development with a PRD, not just Ansley. Therefore, it would be important to make it clear that any plan to have commercial would need to clearly require City Council approval of a Site Development Plan, even for existing PRDs.

## Option 2 – Amend the F-PRD Standards to Allow for a Fixed List of Office and Trade Uses, but Establish a Different Maximum Size.

This option is the same as Option 1, above, but the City Council could adopt a different size limitation. Adopting a maximum of 35,000 square feet of commercial uses is an option that addresses the Ansley request and allows for development of a size is similar to the lower end of expectations within a Convenience Commercial Nodes, and therefore more appropriate for Neighborhood Commercial. **Staff believes this would** 

be the maximum square footage allowance without considering the Commercial Node policies about siting commercial uses that apply throughout the City.

# Option 3 – Amend the F-PRD Standards to Allow for Project-by-Project Commercial Uses and Individual Development Standards of up to 35,000 Square Feet.

This option would adopt a maximum square footage limitation, but not specify uses. The uses and development standards (setbacks, parking, etc.) would then be determined by Council on a case-by-case review as each project is approved, much like the residential uses within a F-PRD. Such a use would only be permitted with City Council approval.

# Option 4 – Amend the PUD Overlay Standards to Allow for Limited Commercial Uses and Individual Development Standards of up to 35,000 Square Feet.

Initially the applicant inquired if the recently adopted PUD Overlay rather than the F-PRD could allow for commercial uses. When the PUD Overlay was adopted there was no discussion of directly allowing for standalone commercial uses within the residential PUD. Therefore, staff did not support using this option with the current language and that a PRD was a better choice for Ansley. **This option would be similar to the other options but would apply to the newly enacted PUD Overlay ordinance.** The uses and development standards (setbacks, parking, etc.) would then be determined by Council on a case-by-case as each project is approved. Such a use would only be permitted with City Council approval. Changing the allowances for a PUD would have not affect any existing development as there are currently no PUDs in the City.

### **STAFF COMMENTS:**

Staff can see benefits to development character within planned cohesive projects like PRDs of adding some additional commercial options. The design controls and case by case justifications could allow for successful and interesting projects, regardless of focusing on customers from within a development or from the surroundings. With tailored changes to zoning standards, staff does not believe amending the zoning standards will materially affect Village zoning (F-VR) which has a different goal for more intensive development and commercial cores compared to the limits specified for a PRD.

Additionally, it is important to follow the commercial hierarchy of Nodes and be confident that the additional commercial allowances in the PRD do not undermine other plans for commercial centers and districts that have a larger critical mass and draw. There is a tight balance between allowing for small and innovative concepts while not undermining or diluting other planned development options for the community as it grows. Issues related to types of use, long term viability, and location would be addressed with the individual project review.

Staff supports any of the four options described above that facilitate flexibility in neighborhood design and in neighborhood use. Assuming that the City Council is in support of making changes to the F-PRD Planned Residence District zoning, staff would recommend that City Council authorize the Burgasons to submit a zoning text amendment application to be considered at the same time as the F-PRD Ansley project. Staff would then work to create specific language for an ordinance. The text amendment ordinance would be subject to review by the Planning and Zoning Commission before approval by the City Council.

### Attachment A - Request to Council

#### Voss, Diane

From: webnotification@cityofames.org on behalf of City of Ames, IA

<webnotification@cityofames.org>

**Sent:** Friday, June 4, 2021 3:06 PM

To: Voss, Diane

Subject: Text Amendment Submission Part 1

#### [External Email]

Message submitted from the <City of Ames, IA > website.

Site Visitor Name: Steve Burgason Site Visitor Email: sburgason@yahoo.com

June 4, 2021

To the Attention of: Ames City Council

As an introduction to the following "Council Action Request", I would like to let the Ames City Council know of our desire to pursue a PRD Zoned Development in the approximately 60 plus acres of Burgason Enterprise owned land south of Oakwood Road that was recently annexed by the City of Ames. This plan for an "Ansley Ames" development consists of about 120 single residential homes on a range of lot sizes from approximately 4000 square feet to approximately 10,000 square feet. About half of those homes are in pocket neighborhood arrangements surrounded by shared green spaces and walkways. Another 50 plus additional homes are townhomes arranged in four clusters throughout the development that will appear very residential in design. This request for a Text Amendment would help us to service this development community and others in the area without the burden of specific HOA fees that would otherwise be needed to support this type of space.

We appreciate your consideration of this text amendment.

Sincerely,

Steve Burgason/Ansley Ames Development Group

--Please See second Message with Text Amendment.

Message submitted from the <City of Ames, IA > website.

Site Visitor Name: Steve Burgason

Site Visitor Email: sburgason@yahoo.com

June 4, 2021

#### COUNCIL ACTION FORM

#### page1image2026106336

SUBJECT: REQUEST FOR A TEXT AMENDMENT TO CLARIFY THE STATEMENT IN TABLE 29.1203(4) WHAT IS PERMISSIBLE AS OFFICE AND TRADE USE "SUPPORTED BY THE RESIDENTS OF THE PROJECT" TO ALLOW FOR OFFICE AND TRADE USES OF UP TO 18,000 SQUARE FEET.

#### BACKGROUND:

This text amendment request is made to allow for a future multi-functional 2 story facility on the northeast corner of the Ansley Ames development project on the east side of Aurora where Aurora enters the Ansley Development along the bike trail. This facility would be privately owned and used as a combination of 1) a small (less than 100 people) event center, 2) a food commisary for the event center, bike trail/development pit stop and local deliverable food product, and 3) an Ansley Ames Sales and Design Office. As such, the patronage of the residents (and future residents) of the project would be a critical but not the sole source of income to support the facility.

It is our judgement that this would allow for an event location and amenity available to the Ansley Ames Development and bike trail users (we would design this with a back patio area and pick up window for food/beverage) but also be supported by the other income streams of bike trail and area patronage, a design/sales office and a commissary kitchen for the event center and other deliverable foods.

Thank you for your consideration of this text amendment.

Steve Burgason

Ansley Ames Development Project

## **Attachment B – Location Map**

