

COUNCIL ACTION FORM

**SUBJECT: ZONING ORDINANCE TEXT AMENDMENT TO ALLOW FOR
MAXIMIZATION OF DEVELOPMENT IN THE GENERAL INDUSTRIAL
ZONING DISTRICT**

BACKGROUND:

On October 28, 2008, the City Council amended the development standards to remove the minimum Floor Area Ratio for office uses in the GI General Industrial zoning district. That amendment was brought forward as a priority request by the City Council as it appeared that the requirement was being applied inconsistently, was directed only at one non-industrial use (offices), and was an impediment to pending development along the South Bell Avenue corridor.

During the City Council discussion on this issue on August 26, the Council directed staff “to provide options to the City Council, to include shadow platting and others, to provide for maximum density.” [For the purposes of this report, staff is using the term “intensity” to describe a greater degree of lot usage (e.g., building coverage, required parking, necessary drive aisles) rather than the term “density” which traditionally is used to describe lots per acre or particular uses per acres (e.g. dwelling units per acre).] The City Council referred this after staff suggested that some form of shadow platting might be a means to ensure opportunities for more intense use of a site. The concept of shadow platting involves preparation of plans showing how a lot might be developed in the future and ensures that any immediate development does not impede a lot’s future development potential.

This Council Action Form proposes four alternatives, including three possible text amendments to the GI development standards in Section 29.901(3) (See Attachments), and one status quo alternative.

Possible Amendment Options

Option A: This option places a standard in the zone development standards table that requires 50 percent lot coverage for the proposed development or, if not, by showing how future development can be added to the site to meet or exceed that 50 percent minimum. The proposed amendment does not specify how this can be met, but the expectation is that the developer can show future (or conceptual) buildings, building additions, and/or necessary parking on the site plan (labeled as “future”, “conceptual”, or some other means to show that they are not a part of this immediate development).

For instance, a developer might prepare a site development plan for a building in the General Industrial district. If his immediate need was for a building, parking lot, and drive aisles that covered only 35 percent of the lot, he would be required to show future

expansions of the building (or a separate building), required parking and drive aisles, combined, that cover no less than 50 percent of the lot. In addition, the site plan would also need to show the landscaping for the hypothetical parking lot, the elevation drawings of the hypothetical structure, and any necessary storm water detention areas due to the increased lot coverage.

Option B: This option places a standard in the site development plan requirement of the text. The text places the same requirements as Option A—that development of the lot must show 50 percent of the lot covered by building and required parking. But it also further describes options on how this could be met—future construction of building and parking; future subdividing the lot to create two smaller lots, each meeting the 50 percent coverage; or any other method that meets the 50 percent requirement. This option allowing future subdivision comes closer to the “shadow platting” option than Options A or C.

For instance, a developer might prepare a site development plan for a building in the General Industrial district. If her immediate need only covered 35 percent of the lot, her options would expand—she would be able to show future, hypothetical development on the lot or she could show how the lot could be split. A smaller lot would raise her lot coverage percentage. However, the developer would need to show how both lots meet the requirements of both the zoning ordinance and subdivision regulations (street frontage, usable buildable area, etc.).

Option C: This option does not require a proposed site development plan to show any future development if the 50 percent lot coverage is not met. It only requires an increased side setback (30 feet) to allow for future access to undeveloped land elsewhere on the lot.

For instance, if a developer’s site plan only shows 35 percent of the lot being covered, she would be required to provide a 30-foot setback along the side lot line. This increased setback would allow for access to the entire lot for any future expansion. The developer would not be required to show that future, hypothetical development—only that access to the entire lot is possible with the 30-foot setback.

Issues to Consider

Before moving forward with any of the above options, the City Council may wish to consider whether it is appropriate policy to mandate minimum intensities on industrial lots. The purpose of the minimum floor area ratio that was removed from the code in 2008 was to ensure that small office uses were not placed on larger industrial lots. If it is appropriate policy to mandate minimum intensities of industrial development, then available tools include any of the above-defined options, as well as the reinstatement of a minimum floor area ratio or a proxy, such as minimum lot coverage or minimum building coverage. However, this is an approach that the Commission and the City Council chose to eliminate last year from the zoning ordinance.

It is important to note that minimum intensity requirements are relatively rare—in Ames, they are applied only to the Downtown and Campustown districts. Further, industrial uses

and lots vary in size and intensity throughout the City, so a one-size-fits-all standard may be hard to create and apply in a rational fashion.

Greater efficiency of land development may be better accomplished through more efficient layout of lots in the platting process, and that should be the first consideration in land use efficiency. However, that often depends on the location of the plat. If one looks at the industrial corridor along South Bell Avenue, the deep lots with relatively narrow frontages resulted because of the location of South Bell relative to Interstate 35. That distance is too narrow for a parallel road between these two routes to allow for lots with more conventional width-to-depth ratios. The narrow and deep lots that typify that area may have resulted because that was an easy and straight forward way of platting the area. However, as shown by the recent approval of the Ames Community Development Park plat (South Bell TIF area), a series of loop roads or cul-de-sacs might have provided a more efficient use of that area.

P&Z Request for Further Information and Analysis

Staff presented an initial report to the Planning & Zoning Commission at its February 18 Commission meeting. The Commission asked “for additional analysis as it [the proposed regulation] might relate to developers, portrayal of existing industrial lots, and examples of how this might work in the South Bell corridor.”

In response to the Commission’s request, staff met to discuss several questions prior to this analysis. These questions included an objective look at available information as well as, admittedly, a subjective look at what is “appropriate.” These questions included:

- What are the building and paved parking coverages of currently developed lots in the GI district?
- What percentage of currently developed lots meets certain thresholds of lot coverage?
- Which developed lots currently meet fifty percent lot coverage, and does the intensity of development on that look appropriate?
- If fifty percent lot coverage does not look appropriate, what other levels of lot coverage should be considered?
- Since one alternative included a 30-foot side setback, which lots currently meet that standard?

Staff used assessor parcel data, aerial photos, and planimetric data to answer the above questions. There are 249 parcels zoned General Industrial. Of these, 197 currently have some structure or parking on them. The structures or parking were identified using the planimetric data which are based on aerial photographs taken in April, 2008.

The most intensely developed parcel is 1914 E. Lincoln Way with 99 percent of the lot covered by buildings and/or paved parking. There are four lots that are developed at 1 percent. One example is a cell tower site at 2710 SE 5th Street. Of the developed parcels, the mean lot coverage is 38.67 percent. The median is 37.12 percent lot coverage. These mean and median numbers are much lower than staff’s initial recommendation of setting a

fifty percent standard.

Of the 197 developed parcels, 128 (65%) do not meet the 50 percent lot coverage threshold. If the lot coverage threshold were set at 40 percent (a number closer to the mean), then 105 parcels (53%) would not comply. If the lot coverage were set lower still at, say, 35 percent, then 94 parcels (48%) would not comply. At a still lower threshold of 30 percent lot coverage, then 80 parcels (41%) would not comply.

In looking at developed parcels with different degrees of intensity, staff evaluated the tradeoffs between development and green space to arrive at an appropriate balance. A greater intensity of development helps to achieve a higher assessed valuation per acre, a more compact footprint, and more efficient development patterns. Conversely, greater green space on each lot creates a higher aesthetic (if properly maintained), more easily reduces storm water runoff, and may yet allow for future expansion on the lot if necessary. Any development intensity standard will need to seek a balance of these green space versus intensity benefits.

Staff looked at several parcels with a development intensity of 50 percent or greater and felt that the balance swung too heavily away from the green space benefits. Looking at parcels with a development intensity of 40 percent or greater also seemed to be too heavily weighted towards the intensity benefits. Development of parcels in the mid 30 percentage level seemed to staff to strike a more appropriate balance between the competing benefits. Interestingly, this degree of development is very close to the mean and median values of development that has already occurred. Moving toward a threshold of 30 percent lot coverage seemed to be moving too close to a less efficient development pattern and an excess of green space. Again, staff recognizes the subjective nature of the analysis of these competing benefits. However, if a development standard regulating intensity at some level is needed, it needs to reflect that balance of benefits (i.e., ensuring a higher assessed valuation per acre, a more compact footprint, and more efficient development patterns versus a higher aesthetic through green space and reduced cost of controlling storm water runoff).

In addition to analyzing the impacts of an intensity standard on existing lots, staff also identified which existing developed lots within the GI District have a 30-foot side setback as would be required under Option C. This analysis was done using the planimetric data on the City's GIS server. These data were compiled from the 2008 aerial photography and show building footprints, paved parking, paved streets, unpaved streets, and other surface features. Of the 197 developed parcels, 126 parcels have a 30-foot setback on at least one side.

Further analysis also identified which parcels meeting a certain intensity of development also have a 30-foot setback. It is this analysis that would help identify which parcels would have met the standard if it were to have been previously imposed. This analysis was done on parcels that fail to meet the 50 percent lot coverage (staff's initial recommendation for lot coverage) and on parcels that fail to meet the 35 percent lot coverage (a level closer to the mean lot coverage of previously developed lots).

Of the 128 parcels that do not meet the 50 percent lot coverage, 30 parcels do not also have a 30-foot setback, while 98 parcels do. Of the 94 parcels that do not meet the 35 percent lot coverage, 23 do not also have a 30-foot setback, while 71 do. This implies that with either a standard of 50 percent lot coverage or 35 percent lot coverage, about one quarter of all the lots will not also have a 30-foot setback and thus not comply with the requirements should Option C be adopted. These would be given legal, non-conforming status and still allowed opportunities for expansion and growth. It should be noted, however, that most code changes do create some number of non-conformities in existing development.

Based on this information and analysis, staff presents the following findings.

- Most land zoned General Industrial has already been developed (197 of 249 parcels).
- Development intensity has ranged from a low of 1 percent of the lot covered by building and paved parking (a cell tower site on SE 5th Street) to a high of 99 percent of the lot covered (an industrial building on E. Lincoln Way).
- The average development intensity of the 197 parcels is 38.67 percent.
- The level of development intensity for which half the lots are more intense and half are less intense (the median) is 37.12 percent.
- A look at developed parcels with different levels of intensity reveals differences in the balance between ensuring a higher assessed valuation per acre, a more compact footprint, and more efficient development patterns versus a higher aesthetic through green space, reduction of storm water runoff (and its associated costs), and allowance for future expansion on the lot if necessary later.
- If a 30-foot side setback were to be part of the regulations, 64 percent of the developed lots already meet that setback standard on at least one side.
- Of those lots that don't meet a 50 percent lot coverage standard, 78 percent do have a 30-foot side setback.
- Of those lots that don't meet a 35 percent lot coverage standard, 76 percent do have a 30-foot side setback.

Based on the analysis of currently developed parcels in the General Industrial zone, staff believes a threshold for lot coverage of something less than 50 percent strikes a better balance between efficient, compact development versus aesthetic green space. That balance might be better achieved by a 35 percent threshold.

However, a close look at the development in the GI district without any mandated lot coverage requirement seems to indicate that construction is occurring at an intensity that is consistent with the proposed text alternatives. This raises the question of, if development in 75 percent of the cases is meeting the design requirements that we seek to mandate, whether a mandate is necessary at all.

ALTERNATIVES:

1. The City Council may elect to not amend Sections 29.901(3) and/or (4) and, thus, retain the existing requirements.
2. The City Council may adopt the language as proposed by staff to adopt either Option A, Option B, or Option C to create a Minimum Development Coverage standard.
3. The City Council may consider an alternative to the proposed language to meet the goal of providing for maximum intensity (e.g., consider 35 percent rather than 50 percent).
4. The City Council may refer this back to staff for additional analysis.

PLANNING AND ZONING COMMISSION RECOMMENDATION

At its February 18 meeting, and after considering the additional information provided by staff at its March 18 meeting, the Commission weighed the possible benefits of a minimum intensity standard against the impacts to developers and to previously developed parcels. On a unanimous vote (5-0), **the Planning and Zoning Commission recommended that the City Council retain the existing language and make no changes to the development standards for the GI General Industrial District.**

MANAGER'S RECOMMENDED ACTION:

Most developers of industrial lots know the current and long terms needs for their particular businesses and properly plan for their businesses without a City mandate. However, if a business changes in ways unanticipated and requires expansion that may be impeded by existing site improvements, then the business owner will have to determine if he or she wishes to remain at that location, or move elsewhere – perhaps to another jurisdiction. Two important considerations for the Council are therefore, (1) are additional standards needed to ensure efficient use of existing industrial lands or to retain the future viability of existing sites; and (2) what is the least burdensome way to achieve this?

The three alternatives provided above impose varying levels of burden on the developer. For Options A and B, the City requires the developer to prepare a site development plan that shows only the potential for greater buildout. There is no requirement that it actually be built, but it must be conceptually planned to demonstrate that there is room for future buildings and/or associated site improvements. Option C is less onerous regarding design requirements. It exacts a greater side setback (30 feet versus 12 feet) to ensure access to the back portion of a lot, but it utilizes portions of the lot otherwise unused to compensate for the area otherwise lost due to the increased setback area. Nonetheless, as the additional information provided to the Planning & Zoning Commission indicates, the level of non-conformity to the alternative standards is relatively low, indicating that a majority of properties have been developed in a reasonably efficient way without mandate.

A minimum Floor Area Ratio was the requirement for office buildings in the GI zone, but its recent repeal reflects that it wasn't effective for all situations. As the discussion of the Planning and Zoning Commission revealed, development of industrial sites has for the most part (3 out of 4 instances), met a reasonable intensity standard without a City mandate. The Commission's preferred course of action is to retain the existing language. For the above stated reasons, it is also the recommendation of the City Manager that the Council act in accordance with Alternative #1 and thus retain the existing language.

However, if the City Council believes there should be some method in place to ensure continued intensity of development in the GI zone, three text amendment options have been presented to achieve this. Of the three, the City Manager would recommend Option C of Alternative #3, requiring a 30-foot side setback if a lot coverage threshold of 35 percent is not met.

Should Council authorize action on any of the three options under Alternative 2, staff will prepare the necessary public notices and bring back Council's preferred option in the form of an ordinance.

ATTACHMENTS:

The Ames Municipal Code, Section 29.901(3) and (4) currently read:

(3) Zone Development Standards. The zone development standards applicable in the GI Zone are set forth in Table 29.901(3) below:

**Table 29.901(3)
General Industrial (GI) Zone Development Standards**

Minimum Lot Area	No limit
Minimum Frontage	25 ft
Minimum Building Setbacks	
Front Lot Line	10 ft.; 40 ft. if abutting an arterial street, except for a fuel pump canopy, which shall maintain a 10 ft. setback from an arterial street, measured from the front edge of the canopy.
Side and Rear Lot Lines	12 ft.; 40 ft. if abutting an arterial street except for a fuel pump canopy, which shall maintain a 10 ft. setback from an arterial street, measured from the front edge of the canopy.
Lot line abutting a Residentially Zoned Lot	20 ft
Landscaping in Setbacks Abutting a Residentially-Zoned Lot	10 ft. @ L4. See Section 29.403
Maximum Building Coverage	85%
Minimum Landscaped Area	15%
Maximum Height	100 ft. or 9 stories
Parking Allowed Between Building and Streets	Yes
Drive-Through Facilities Permitted	Yes. See Section 29.1303
Outdoor Display Permitted	Yes. See Section 29.405
Outdoor Storage Permitted	Yes. See Section 29.405
Trucks and Equipment Permitted	Yes

(4) Site Development Plan Requirements.

(a) In addition to Minor or Major Site Development Plan submittals, a Use Analysis Report shall be prepared by the applicant that shows the following:

- (i) approximate number of employees;
- (ii) approximate utility needs and effect upon existing systems, e.g., projected water demand (Gallons Per Minute or Gallons Per Day), waste water generation (Gallons per Day + Chemical Oxygen Demand or Biochemical Oxygen Demand) electricity demand (Kilowatts), storm water increase (Cubic Feet Per Second), solid waste generation (tons); and...
(Ord. No. 3591, 10-10-00; Ord No. 3893, 10-5-06)
- (iii) possible nuisance factors and means for alleviating those factors, such as noise, odor, smoke, dust, or fumes, vibration, heat.

(b) No Site Development Plan approval will be issued for any use in the GI District if the determination is made by the approving authority exercising independent judgment, that there is reason to believe that the proposed use or structure, as presented by the application, will create a nuisance in terms of diminished air quality, smoke, noise, toxic matter, odor, vibration, glare, sewage waste, water quality, street system capacity, heat or other condition detrimental to the public health and safety or reasonable use, enjoyment and value of other properties; or diminish the quality or quantity of any utility service presently provided by the City. Furthermore, no approval or permit shall be issued unless there is compliance with all other applicable City, state and federal regulations.

OPTION A
Table 29.901(3)
General Industrial (GI) Zone Development Standards

Minimum Lot Area	No limit
Minimum Frontage	25 ft
Minimum Building Setbacks	
Front Lot Line	10 ft.; 40 ft. if abutting an arterial street, except for a fuel pump canopy, which shall maintain a 10 ft. setback from an arterial street, measured from the front edge of the canopy.
Side and Rear Lot Lines	12 ft.; 40 ft. if abutting an arterial street except for a fuel pump canopy, which shall maintain a 10 ft. setback from an arterial street, measured from the front edge of the canopy.
Lot line abutting a Residentially Zoned Lot	20 ft
Landscaping in Setbacks Abutting a Residentially-Zoned Lot	10 ft. @ L4. See Section 29.403
Maximum Building Coverage	85%
Minimum Lot Coverage	<u>None, except that any site development plan whose building coverage, required parking, and necessary drive aisles is less than 50 percent of the lot area shall show how future development can be added to meet or exceed 50 percent of the lot area</u>
Minimum Landscaped Area	15%
Maximum Height	100 ft. or 9 stories
Parking Allowed Between Building and Streets	Yes
Drive-Through Facilities Permitted	Yes. See Section 29.1303
Outdoor Display Permitted	Yes. See Section 29.405
Outdoor Storage Permitted	Yes. See Section 29.405
Trucks and Equipment Permitted	Yes

OPTION B
Table 29.901(3)
General Industrial (GI) Zone Development Standards

Minimum Lot Area	No limit
Minimum Frontage	25 ft
Minimum Building Setbacks	
Front Lot Line	10 ft.; 40 ft. if abutting an arterial street, except for a fuel pump canopy, which shall maintain a 10 ft. setback from an arterial street, measured from the front edge of the canopy.
Side and Rear Lot Lines	12 ft.; 40 ft. if abutting an arterial street except for a fuel pump canopy, which shall maintain a 10 ft. setback from an arterial street, measured from the front edge of the canopy.
Lot line abutting a Residentially Zoned Lot	20 ft
Landscaping in Setbacks Abutting a Residentially-Zoned Lot	10 ft. @ L4. See Section 29.403
Maximum Building Coverage	85%
Minimum Landscaped Area	15%
Maximum Height	100 ft. or 9 stories
Parking Allowed Between Building and Streets	Yes
Drive-Through Facilities Permitted	Yes. See Section 29.1303
Outdoor Display Permitted	Yes. See Section 29.405
Outdoor Storage Permitted	Yes. See Section 29.405
Trucks and Equipment Permitted	Yes

(4) Site Development Plan Requirements.

(a) In addition to Minor or Major Site Development Plan submittals, a Use Analysis Report shall be prepared by the applicant that shows the following:

- (i) approximate number of employees;
- (ii) approximate utility needs and effect upon existing systems, e.g., projected water demand (Gallons Per Minute or Gallons Per Day), waste water generation (Gallons per Day + Chemical Oxygen Demand or Biochemical Oxygen Demand) electricity demand (Kilowatts), storm water increase (Cubic Feet Per Second), solid waste generation (tons); and...

(Ord. No. 3591, 10-10-00; Ord No. 3893, 10-5-06)

(iii) possible nuisance factors and means for alleviating those factors, such as noise, odor, smoke, dust, or fumes, vibration, heat.

(b) No Site Development Plan approval will be issued for any use in the GI District if the determination is made by the approving authority exercising independent judgment, that there is reason to believe that the proposed use or structure, as presented by the application, will create a nuisance in terms of diminished air quality, smoke, noise, toxic matter, odor, vibration, glare, sewage waste, water quality, street system capacity, heat or other condition detrimental to the public health and safety or reasonable use, enjoyment and value of other properties; or diminish the quality or quantity of any utility service presently provided by the City. Furthermore, no approval or permit shall be issued unless there is compliance with all other applicable City, state and federal regulations.

(c) No Site Development Plan approval will be issued for any structure in the GI District unless the area of the building footprint, the required parking, and necessary drive aisles for the use comprise no less than fifty percent of the total lot area. In order to meet this lot coverage requirement, the Site Development Plan may show any planned, future or conceptual structure and parking; or any future division of the lot into multiple lots through a future or conceptual subdivision plat—each lot meeting the requirements of the zoning district including this lot coverage requirement; or any other method that shows a coverage of no less than fifty percent of the lot by the building footprint and required parking.

OPTION C

Table 29.901(3)

General Industrial (GI) Zone Development Standards

Minimum Lot Area	No limit
Minimum Frontage	25 ft
Minimum Building Setbacks	
Front Lot Line	10 ft.; 40 ft. if abutting an arterial street, except for a fuel pump canopy, which shall maintain a 10 ft. setback from an arterial street, measured from the front edge of the canopy.
Side and Rear Lot Lines	12 ft.; 40 ft. if abutting an arterial street except for a fuel pump canopy, which shall maintain a 10 ft. setback from an arterial street, measured from the front edge of the canopy. In addition, if the area of the lot covered by building, required parking and drive aisles is less than 50%, there shall be a setback of no less than 30 feet along a side that is not adjacent to a street right-of-way.
Lot line abutting a Residentially Zoned Lot	20 ft
Landscaping in Setbacks Abutting a Residentially-Zoned Lot	10 ft. @ L4. See Section 29.403
Maximum Building Coverage	85%
Minimum Landscaped Area	15%
Maximum Height	100 ft. or 9 stories
Parking Allowed Between Building and Streets	Yes
Drive-Through Facilities Permitted	Yes. See Section 29.1303
Outdoor Display Permitted	Yes. See Section 29.405
Outdoor Storage Permitted	Yes. See Section 29.405
Trucks and Equipment Permitted	Yes