ITEM # 52
DATE 06/26/12

COUNCIL ACTION FORM

SUBJECT: ZONING ORDINANCE TEXT AMENDMENT TO REDUCE RETAIL PARKING STANDARDS OR ADOPT A SEPARATE STANDARD FOR FARM & HOME STORES

BACKGROUND:

The Zoning Code defines different parking requirements for different types of uses. The subject of this report is the parking requirement for retail uses. The required numbers of parking spaces for retail uses are described in Table 29.406(2), as follows:

Table 29.406(2)
Minimum Off-Street Parking Requirements

PRINCIPAL LAND USE	ALL ZONES EXCEPT DOWNTOWN AND CAMPUS TOWN SERVICE CENTER ZONES	DOWNTOWN AND CAMPUS TOWN SERVICE CENTER ZONES
TRADE AND WHOLESALE		
. . .		
Retail Sales and Services – General	Ground level: 1 space/200 sf; other than ground level: 1 space/250 sf; and all levels in CVCN zone and CGS zone, 1 space /300 sf	NONE
Retail and Shopping Centers, exclusive of Grocery Stores and Office Uses,50,000-99,999 sq.ft.	4.5 spaces/1,000 sf; except that in CVCN zone and CGS zone, 1 space /300 sf.	NONE
Retail and Shopping Centers, exclusive of Grocery Stores and Office Uses,100,000 - 199,999 sq.ft.	4.25 spaces/1,000 sf; except that in CVCN zone and CGS zone, 1 space /300 sf.	NONE
Major retail and Shopping Centers, exclusive of Grocery Stores and Office Uses	4.00 spaces/1,000 sf; except that in CVCN zone and CGS zone, 1 space /300 sf.	NONE
Grocery Stores	1 space/250 sf, except that in CVCN zone and CGS zone, 1 space/300 sf.	NONE
. . .		

On March 27, 2012 the City Council referred to staff a letter from Chris Theisen, dated March 21, 2012 (see Attachment A), requesting a zoning text amendment to either reduce the parking requirements for retail in general, or add an additional category to the minimum off-street parking requirements for Farm/Home Store, at a parking space requirement of 2.5 per thousand square feet of building area. The request reflects Theisen's proposal to expand its current store by 37,500 square feet, and its desire to not build more parking spaces than their use demands. Mr. Theisen states that their

corporate standard for parking is 2.5 spaces per thousand square feet of building floor area, and further states that the Ames store has an average of 50-75 spaces in use at any one time, or less than 150 spaces in use on the busiest days. The store is currently 51,130 square feet and includes 237 parking spaces. He notes that the proposed expansion would require an additional 169 parking spaces.

In response to Mr. Theisen's request, staff has analyzed the feasibility of both options suggested in his letter, as follows:

The first option– **reducing the general retail parking requirement** – is based upon two assumptions: first, that current standards impose more parking than is actually needed for typical shopping days; and second, that retailers will generally provide enough parking to meet their market demand without a specific mandate by local government. These are perhaps reasonable assumptions, because retailers typically do provide more parking than code requires, primarily ensuring sufficient parking for the few busiest shopping days during the holiday season. During the rest of the year, vast portions of parking lots remain unused.

It is because of this situation that some jurisdictions have adopted a maximum parking requirement as opposed to a minimum standard. This ensures that expansive pavement areas are minimized for aesthetic and environmental reasons, and potential development density is maximized for land efficiency and cost effectiveness reasons. However, this would be a significant departure from current parking standards and it may not be a wise approach to all situations.

While most larger retailers will provide more parking spaces than code requires, there are some types of retailers that are attracted to either low cost leases or high traffic areas, and these attractions may override on-site parking preferences. These situations often compel customers to find parking on the street or in surrounding neighborhoods. It may therefore be wise to require some level of on-site parking to avoid these potential impacts.

Staff is therefore proposing, under this first option, a reduced parking standard for retail that still requires a minimum amount of on-site parking. The question is, how much parking should be required to reflect the actual demand for parking? To answer this question, staff did an analysis of the number of cars actually parked at a typical retail store at given points in time. These points in time were taken from aerial photography taken in six different years for the same sites, including sites for Wal-Mart, Target, Lincoln Center, Dahl's Grocery Store, and Lowes. (See Attachment B) The aerial photographs of these sites were taken in 1998, 2003, 2008, 2009, 2010, & 2012. The number of cars the aerials show actually parked on these sites in relation to the building size reveal parking ratios as low as 0.8 spaces per 1000 square feet, to as high as 2.6 spaces per 1000 square feet. None of the sites shown in the aerials come close to filling the provided spaces, which in total average about 5.2 spaces per 1000 square feet. We could therefore lower the required parking ratio to 2.6 and meet the higher use identified in the aerial photos, which may be adequate parking for most situations.

However, staff is suggesting under this option a parking ratio of 3.3 spaces per 1000 square feet (i.e., 1 space per 300 square feet). That provides an additional amount of parking to account for demand fluctuation. This number also reflects staff's own experience working in communities where this same parking ratio was required for retail. Staff found that parking was commonly available on sites developed under this ratio, although it sometimes required driving around the lot to find a space. [Note: the Fareway Store in north Ames is a good local example – it was developed under the ratio of 1 space per 300 square feet, which was a new standard adopted for the CVCN district just prior to Fareway's development]

The second option would be to retain current retail parking standards, but **adopt a separate parking standard specifically for retail stores that sell the types of products Theisen's sells.** Theisen's suggested calling it a "Farm/Home Store" with a parking ratio of 2.5 spaces per 1,000 square feet. While this suggestion would be an easy short-term solution for Theisen's and accurately reflect their current parking needs, it would be a difficult standard to enforce in the long term. First, except for grocery stores which are easily defined, it would be the only type of retail store with a parking standard based upon a specific retail product type. Second, staff would have to differentiate between the products Theisen's sells and the products of other major retailers, and there are very few products Theisen's sells that are not similarly sold by other common retailers. For example:

- Building supply and hardware stores offer tools and equipment.
- Discount stores offer work clothes, gloves, tools, small appliances, and many of the general products.
- Garden stores offer fertilizers, herbicides, pesticides, and other garden products.
- Sporting goods stores offer outdoor gear for climbing, camping, fishing, hunting, boating, etc.
- Tack stores offer supplies for horses and riders.

A limited portion of Theisen's retail sales are farm-related items not commonly sold by other retailers in the city. Based on a visual inspection of the store, staff estimates these items to be between 5% & 10% of the existing floor area of the store. **It would therefore be difficult to justify a different parking standard when only a limited portion of the product line can be differentiated. But more significant, perhaps, is the question of what happens if the store later chooses to change its product line or sell out to another type of retailer entirely.** These are fairly common occurrences with retail establishments, and such changes are most easily accommodated under a standardized parking requirement.

RECOMMENDATION OF THE PLANNING & ZONING COMMISSION:

At its meeting of June 6, 2012, with a vote of 7-0, the Planning and Zoning Commission recommended that the City Council approve the text amendment as proposed repealing current parking requirements for general retail sales and services, retail and shopping center of any size, major retail and shopping center, and grocery stores of any size and adopting a new parking requirement of 1 space per 300 square feet of building floor

area for all retail sales. Chris Theisen of Theisen's Home Farm Auto spoke from the audience and thanked City staff for their swift action on this. He said he'd originally requested 2.5 spaces per 1,000 square feet of building space, but he'd be okay with the 3.33 per 1,000 recommended by staff.

ALTERNATIVES:

1. The City Council can move approval of first reading of the attached ordinance repealing Table 29.406(2); and adopting a new Table 29.406(2) thereof, for purpose of adopting a single parking standard applicable to all retail sales. (i.e., 1 space per 300 square feet of building floor area)

2. The City Council can move approval of first reading of the attached ordinance repealing Table 29.406(2); and adopting a new Table 29.406(2) thereof, for purpose of adopting a single parking standard applicable to all retail sales (i.e., 2.5 spaces per 1,000 square feet of building floor area) as requested.

3. The City Council can direct staff to bring back an ordinance amending Table 29.406(2) by adding a new category of retail called "Farm/Home Store", with a parking requirement of 2.5 spaces per 1,000 square feet of building floor area.

4. The City Council can decide not to approve the proposed text amendment.

5. The City Council can refer this issue back to staff for further information.

MANAGER'S RECOMMENDED ACTION:

For reasons stated above, adopting a separate parking standard for "Farm/Home Sales" is not recommended. This would be difficult to define and enforce, and would not facilitate changes to another use of the building without creating parking deficiencies for a new use.

The benefits of a lower minimum parking standard for all retail uses 1) ensure sufficient parking for typical retail uses in zones that currently require on-site parking, 2) ensure that the City is not requiring more parking than necessary, and 3) minimize the environmental impacts of excessive pavement, One space per 300 square feet seems to be reasonable and sufficient for typical retail parking demands and still allows retailers to have more parking if they choose.

Therefore, it is the recommendation of the City Manager that the City Council act in accordance with Alternative #1, thereby moving approval of first reading of the attached ordinance repealing Table 29.406(2); and adopting a new Table 29.406(2) thereof, for the purpose of adopting a single parking standard applicable to all retail sales (i.e., 1 space per 300 square feet of building floor area)

Attachment A

March 21, 2012

Honorable Mayor & City Council
City of Ames
515 Clark Avenue
Ames, Iowa 50010

RE: **Request to Add a Category to Table 29.406(2) the Zoning Ordinance**

Honorable Mayor & City Council:

Theisen's is in the process of adding 37,500 square feet to our current 51,130 square foot store for a total store size of 88,630 square feet. The original store had a parking requirement of 4.5 spaces per thousand square feet for a total requirement of 230 parking spaces (and 237 actual spaces were constructed). The 4.5 per thousand is a requirement for "Retail and Shopping Centers"over 50,000 square feet in size. Based on the 4.5 requirement Theisen's would have to ***add 169 parking spaces*** for the proposed 37,500 square foot expansion.

Theisen's corporate standard for parking is 2.5 spaces per thousand which for the completed 88,630 square foot store would require 222 spaces. Based on our corporate standard and our true need for parking the Ames store already has sufficient parking for the current store and the expansion. The expenditure of $300,000+ for additional parking and hard surface is not in the best interests of environment or Theisen's.

The Ames store typically has an average of 50-75 spaces in use at any one time. On the busiest days it will still typically be less than 150 spaces in use. Theisen's does not have the post-Thanksgiving/Christmas parking use that would require the additional spaces. Theisen's does not need ***4-5 time***s our normal day to day parking needs.

We are requesting either a review to reduce the parking requirements for retail in general or an additional category be added to the Minimum Off- Street Parking Requirements - Table 29.406(2) of the municipal code. This category would be "Farm/Home Store" and we would request a standard of 2.5 spaces per thousand. This would be more than other similar categories in the Ames Code "Display Stores" and "Wholesale Trade" that require 2.0 per thousand. Our business is more similar to those uses and will have similar customer parking needs.

We requested a parking variance from the City of Ames Zoning Board of Adjustment. On 2/13/12 we were turned down by the Board as the Board found that the preferred method of addressing this issue was through a text amendment for a parking standard appropriate to our use and customer needs.

Not every zoning application fits every scenario. What might have been considered best practice at 4.5 to 1 for mass merchants like Lowe's, Target, or Wal-Mart certainly doesn't fit everyone. We feel with our proven track record in 20 markets in Iowa this parking ratio is out of line for our type of business. It puts undue pressure on us to come up with unwarranted up-front parking building costs and over development is detrimental to the environment. We fully understand if our business needs the extra parking spaces that it would be in our best interest, probably before the city gets any feedback, to add additional parking spaces. Otherwise we would only be hampering our own business. We feel 100% confident we won't need the extra 169 spaces. In this time where every city, county, state, and university are considering all "green" alternatives it seems only natural that this would be a fit.

We have studied the issue in detail for our Ames store and compared the parking requirements with our other stores. In the 20 markets we are in we don't have another standard as high as Ames 4.5 to 1. Our newest store we opened in 2011 in Indianola we were granted a 3 to 1 variance or 196 spaces for our 65,000 sf store. Coralville was built in 2010 and we were granted a 3 to 1 variance or 271 spaces for our 101,250 sf store. Our store in Dubuque has 87,000 sf. The store is in a PUD district and was granted 3 to 1 variance for parking. The store has a total of 220 parking spaces and this is allowed by separating the uses of warehouse, auto, and office space. This calculates to 2.53 spaces per thousand for the 87,000 sf store. It's in a PUD where the Dubuque's view is that Theisen's is only limiting themselves because of parking. ***The Dubuque store has the highest sales volume store in the company. Sales volume of Ames is anticipated to be 2/3 of Dubuque's in 2012.***

We respectfully ask you refer this matter back to the Planning and Zoning Staff for a recommendation to add a category to the parking requirements table. We appreciate your attention to this matter. If you have any questions or concerns, please feel free to call me at 563-556-4738 X212 or email me at chris@theisens.com.

Sincerely,

Chris Theisen
Owner/Vice President Operations
Theisen's Home-Farm-Auto

Attachment B

Walmart	101,209	101,209
Total Parking Stalls	541	5.35
Year	Total Cars	Ratio - 1 per 1000
1998	180	1.77849796
2003	222	2.193480817
2008	96	0.948532245
2009	105	1.037457143
2010	110	1.086859864
2012	105	1.037457143
Target	**122,910**	**122.91**
Total Parking Stalls	631	5.13
Year	Total Cars	Ratio - 1 per 1000
1998	204	1.659751037
2003	180	1.464486209
2008	300	2.440810349
2009	305	2.481490522
2010	320	2.603531039
2012	290	2.359450004
Lncln Cntr	**184,951**	**184,951**
Apprx Total Parking Stalls	925	5.00
Year	Total Cars	Ratio - 1 per 1000
1998	135	0.729923061
2003	203	1.09758801
2008	145	0.783991436
2009	153	0.827246135
2010	159	0.85968716
2012	160	0.865093998
Dahls	**58,514**	**58.514**
Total Parking Stalls	337	5.76
Year	Total Cars	Ratio - 1 per 1000
1998	102	1.743172574
2003	105	1.794442356
2008	47	0.803226578
2009	55	0.939945996
2010	55	0.939945996
2012	45	0.769046724
Lowe's	**120,391**	**120.391**
Total Parking Stalls	582	4.83
Year	Total Cars	Ratio - 1 per 1000
1998	135	1.12134628
2003	203	1.686172554
2008	145	1.204408967
2009	153	1.270859117
2010	159	1.32069673
2012	160	1.329002999

Memo

Legal Office

TO: Mayor Campbell and Members of the City Council

FROM: Judy Parks, Assistant City Attorney

DATE: June 22, 2012

SUBJECT: Draft of Proposed Ordinance to Adopt a Single Parking Standard Applicable to all Retail Sales

On your agenda and in your packet, you have a Council Action form which describes a proposed change in the parking standards for all retail sales. Ordinarily, you would also have a draft of the actual proposed ordinance so you could see how the concept described in the CAF translates to the code. However, the draft of this proposed ordinance is not available to send out with packets at this time.

When I was reviewing the draft, I found an omission of another code provision which I believe was inadvertently left out when formatting the table in that ordinance. I need to check with the Planning Director to make sure that this was unintentional, however, and since he is unavailable today, the confirmation must be delayed until next Monday.

I regret this delay but will provide the correct draft as soon as it is determined.

June 22, 2012

Honorable Mayor & City Council
City of Ames
515 Clark Avenue
Ames, Iowa 50010

RE: **Hearing on Zoning Ordinance to Adapt New Parking Requirements**

Honorable Mayor & City Council:

Theisen's Home–Farm-Auto is in the process of adding 37,500 square feet to our current 51,130 square foot store for a total store size of 88,630 square feet. The original store had a parking requirement of 4.5 spaces per thousand square feet for a total requirement of 230 parking spaces (and 237 actual spaces were constructed). The 4.5 per thousand is a requirement for "Retail and Shopping Centers"over 50,000 square feet in size. Based on the 4.5 requirement Theisen's would have to add 169 parking spaces for the proposed 37,500 square foot expansion.

We originally requested 2.5 spaces per thousand square feet for a new Farm/Home store category. Ultimately city staff decided this new Farm/Home store category would be hard to enforce. Staff has done their homework and stated based on their research they could lower the required parking ratio to 2.6 and meet the higher use. Note, this is not far off from my original proposal of 2.5. Ultimately the city's recommendation is one space per 300 sf retail area or 3.33 per thousand square feet to allow for seasonal demand fluctuation.

I would like to thank the city council for referring my request on March 27th for a review of the current parking standard to city staff. I would like to thank the city staff for taking swift action in reviewing the parking standards and coming up with a new recommendation. I would like to thank P&Z for passing this unanimously on June 6th.

We are in support of the city's revised parking requirements and urge you to support it also. This new parking standard will allow for increased tax revenues within the city as larger parking lots can now be split into out lots creating additional sales. You will continue to be good stewards of the land by not requiring oversized parking lots to be built with increased water runoff. If a retailer truly feels they need more parking spaces to meet their needs then they can still continue to put them in. It should be a win-win situation for everyone.

I appreciate your attention to this matter and hope you vote to adopt the new standards. If you have any questions or concerns, please feel free to call me at 563-556-4738 X212 or email me at chris@theisens.com.

Sincerely,

Chris Theisen
Owner/Vice President Operations
Theisen's Home-Farm-Auto